

Nagambie HealthCare



ANNUAL REPORT 2015



VISION

- a) To provide high quality, accessible services that best meet the needs of our community
- b) To deliver care with empathy, compassion and competence.

VALUES

The Nagambie HealthCare Values are designed to guide us in our relationship with our patients, residents, carers, staff and all other consumers of our service. Through them we become a health service operating with a common understanding of what we all can expect from each other.

RESPECT

We will value each other and acknowledge our differences by actively listening to all points of view

COOPERATION

We will involve staff and service providers in decision making and will work in partnership with our patients, residents, their families, carers and other health care providers

FLEXIBILITY

We will demonstrate resilience and be open to modification and change

PRIDE

We will be proud of Nagambie HealthCare

Released by the Board of Management August 2014

BOARD

COMMITTEE		
CHAIRMAN	James Tehan	Finance, Nominations and Fundraising
DEPUTY CHAIR	Sam Verrocchi	Building & Maintenance
BOARD MEMBERS	Margaret Moss	Building & Maintenance and Nominations
	John Palmer	Finance
	Bruce Parris	Building & Maintenance
	Doug Proud	Finance
	John Smith	Finance and Fundraising
	Lisa Pearson	Quality
LIFE GOVERNORS	Nola Palmer Dr. Graeme Ratten	

EXECUTIVE TEAM

Chief Executive Officer / Director of Nursing	Bronwyn Beadle
Nurse Unit Managers	Claire Sampson Katrina McMaster
Nurse Administration Assistant	Simone Homewood
Administration	Deb Ure
Finance	Tanya Williams
Hotel Services	Diane Jenner
Maintenance	Steve D'Andrea
Auditors	Davidsons



NOTICE OF ANNUAL GENERAL MEETING

You are invited to attend the Annual General Meeting of Members which will be held in the Conference Room of the Nagambie HealthCare, Community Health Centre at 7:00pm on Tuesday 27th October 2015

AGENDA

1. **Present**
2. **Apologies**
3. **Welcome**
4. **Confirmation of Minutes**
Confirmation of Minutes of the previous Annual General Meeting held on 28th October 2014
5. **Business arising from minutes**
6. **Guest Speaker** – Dr Ann Allenby (*Project Manager Victorian Comprehensive Cancer Centre*)
7. **Reports**
 - Chairman's Report
 - Chief Executive Officer's Report
 - Chair of Finance Committee
8. **Election of Board Members**
9. **Election of Auditor** for the financial year 2015/2016
10. **Community Feedback/Comments**
11. **Other business**
Of which the Secretary has received notice in writing of not less than 7 days.
12. **Close of Annual General Meeting**



CHAIRMAN'S REPORT

It gives me much pleasure to present the Chairman's Report. The 2014-2017 Strategic Plan was adopted by the Board after wide consultation with key stakeholders, the community and staff.

Our vision to provide high quality accessible services that best meet the needs of our community and to deliver care with empathy, compassion and competence. Our priorities being –

1. Partnering with those around us;
2. Contemporary service provision that best meets the needs of our community;
3. Safe and rewarding workplace with development and workplace capabilities;
4. A financially viable organisation; and
5. Strong advocacy and commitment to quality care.

The Board has undergone education and training during the past year with emphasis on the new aged care reforms; governance responsibilities for board members; consumer engagement and consumer directed care; and board effectiveness.

We thank the Ladies Auxiliary led by Helen Kennedy for their continued support of our Residents and for the fundraising efforts during the year.

Our CEO, Bronwyn Beadle, has provided inspirational leadership for our organisation which will stand Nagambie HealthCare in a strong position in future years.

Our staff set a very high standard. Comments from our Residents and Patients are universally positive and re-enforce our values of Respect, Co-operation, Flexibility and Pride which results in us having such a strong demand for services.

Nagambie HealthCare thanks Drs Atif, Vikas and Berryman for their care of our Patients and Residents over the past year.

Lastly, I would like to thank the Board for their support and work over the past year. Especially thanks to Sam Verrocchi whose skills in design, architecture and planning are of great value to Nagambie HealthCare, particularly as we start our next building program which will entail the building of 10 new rooms. Thank you very much Sam.

James Tehan
Chairman



CEO & DON REPORT WELCOME

As a reflection of the significant efforts undertaken by the Board, Staff, Volunteers over the last 12 months we are pleased to present our annual report which for the first time includes a quality of care report highlighting not only high standards of health outcomes for our residents and patients but also our capacity to deliver services at and above expected standards of care.

Our strategic planning workshops attended by the Board, staff, residents and community members in 2014 set the direction for the future progress of Nagambie HealthCare and cemented the organisations commitment to remaining an independent and viable community owned health service with a focus on fostering vital partnerships with our regional healthcare providers and the development of robust organisational governance structures.

Over the last 12 months the Board has committed to capability development and comprehensive corporate governance training which covered; roles and responsibilities, financial responsibilities, evolving regulatory obligations and clinical governance. Through this capability development process the Board have supported the development of an accountability framework, which includes an integrated risk management and legislative compliance reporting structure and a monthly scorecard report which is benchmarked against industry standards.

For our staff and volunteers the last 12 months has seen a significant amount of change and they are to

be commended on their enthusiasm and willingness to embrace the change and to drive innovation for the benefit of the health service and those for whom we provide care.

In an environment of challenging financial constraints and markedly reduced infrastructure funding from the State Government we have maintained our strategic commitment to improving the living environment for our patients, residents and community. This commitment has included the purchase of new equipment, the refurbishment of resident rooms and enhancement of our gardens and outdoor living spaces. Without the support from the Ladies Auxiliary, Philanthropic groups such as the Helen McPherson Trust and the remarkable commitment from local schools, the Lions Club, Men's Shed and community members willing to donate time, many of these achievements over the last 12 months would not have been possible.

We are certainly blessed to provide services to such a supportive community and we look forward to the ongoing journey of Nagambie HealthCare.

A handwritten signature in black ink, appearing to read 'B. Beadle'.

Bronwyn Beadle
CEO / DON



QUALITY OUTCOMES REPORT

In line with Nagambie HealthCare's vision to *provide high quality services with excellence, compassion and competence*, a significant amount of work has been undertaken in relation to the development of an organisational governance reporting framework. This framework includes a monthly score card report covering the domains of :

- Efficiency and productivity
- Access and equity
- Quality
- Organisational culture

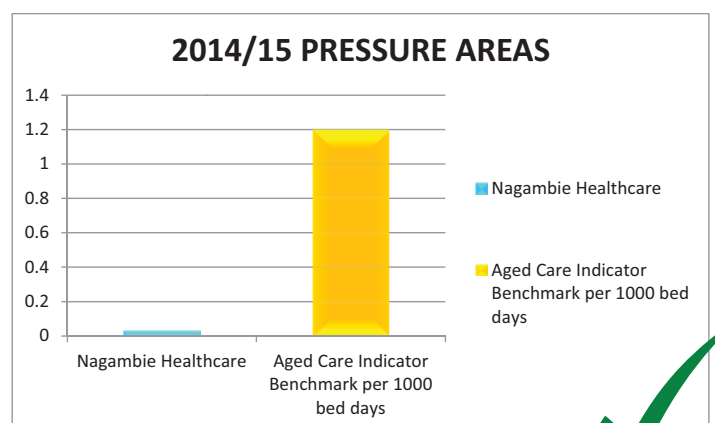
The score card report reported to the Board on a monthly basis and is benchmarked against the industry benchmark indicators. The score card report offers the Board the opportunity to oversee a transparent reflection of health services operations and outcomes for its patients and residents.

To support ongoing quality improvements at Nagambie HealthCare the accountability report also provides evidence for the introduction of staff driven innovation and quality initiatives aimed at maintaining and improving outcomes for our residents and patients.

This report provides an overview of the 2014/15 quality outcome achievements.

PREVENTION OF PRESSURE ULCERS

Pressure ulcers result from damage to the skin when patients and residents are unable to move freely. Nagambie HealthCare's residents experience very low numbers of pressure injury and this has been achieved through high standards of care and implementation of evidence based strategies to minimise the likelihood of pressure injury occurring. Regular audits of pressure injury management are conducted and results are presented to the Nagambie HealthCare Quality committee with resulting initiatives such as the purchase of new equipment (specialised chairs and mattresses), revision of care products and engagement with patients, residents and families regarding individualised strategies to reduce the risk of pressure injuries.





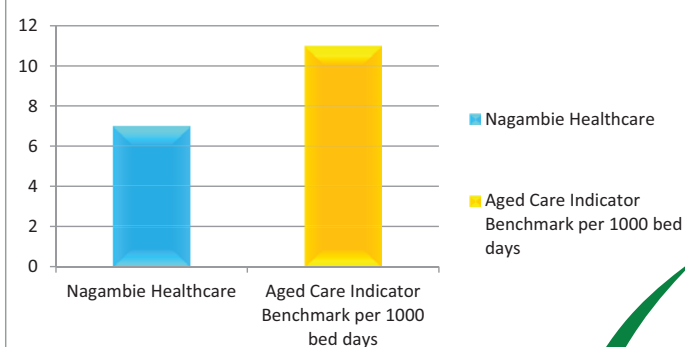
FALLS MONITORING

Nagambie HealthCare works diligently to identify those patients and residents who are at risk of falls. Falls risk assessment tools and falls minimisation plans are developed and staff work closely with residents, patients and families in the development of strategies to minimise falls or harm from falls.

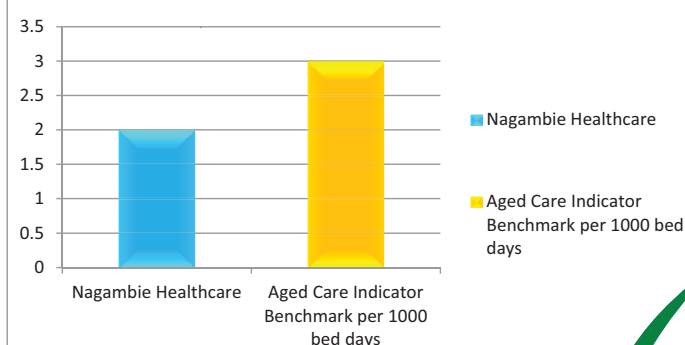
MEDICATION MANAGEMENT

Delivering medication safely depends on providing the right medication to the right patient in the right dose at the right time. Nagambie HealthCare has an active program of monitoring any incidents in relation to drug administration and identifies causative factors for errors that have occurred. Whilst there have been no identified adverse outcomes for residents or patients in relation to medication errors the potential risk for harm is a focus of Nagambie HealthCares quality initiatives. Through the Medication Management Committee and Quality committee a number of effective initiatives have been implemented including strategies to minimise the impact of interruptions to the medication round. One such strategy has been the introduction of the red vest which staff wear during medication rounds to highlight the need for minimal interruptions. This initiative has reduced medication errors significantly.

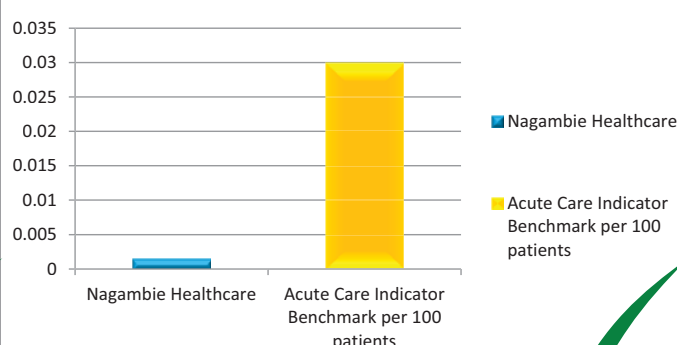
2014/15 PREVALENCE OF FALLS



2014/15 MEDICATION ERRORS



2014/15 MEDICATION ERRORS





UNPLANNED WEIGHT LOSS

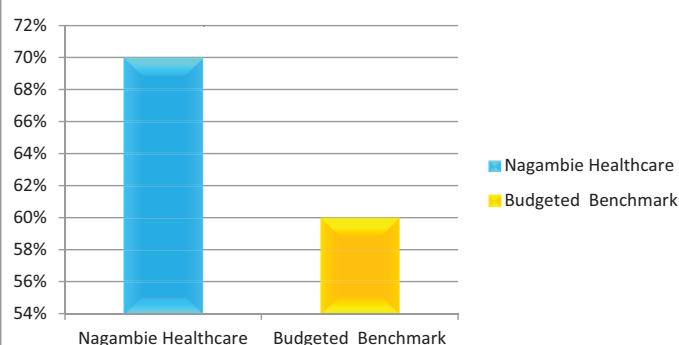
If people become inactive as they age, there is usually a degree of weight and muscle loss. More rapid weight loss is described as 'unintentional' and is due to causes other than inactive ageing. It is important to manage unintentional weight loss because of its potential to increase the risk of infections, cause loss of strength, and increased risk of developing pressure areas. Generally, a loss of more than 5 kg in six months or less or consistent weight loss is significant.

To minimise the incidence of unplanned weight loss Nagambie HealthCare routinely undertakes a risk assessment of patients and residents, with staff closely monitoring food intake and monthly weights. Staff monitor and document nutrition risk issues in patient and resident care plans and through support from our dietician, staff tailor menu options and supplements to meet individual nutritional needs.

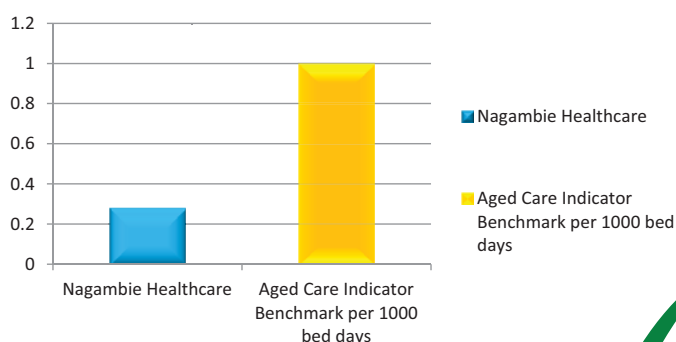
STRONG DEMAND FOR SERVICES

Nagambie HealthCare has a very strong focus on caring for its people, whether it be community, patients, residents, staff, family or those just wishing to visit our services. As a reflection of high standards of care, a consumer focused approach to service delivery and strong partnerships with Goulburn Valley Health and Seymour Health, Nagambie HealthCare has demonstrated consistent demand for services. The following graphs highlight the overall occupancy for the year.

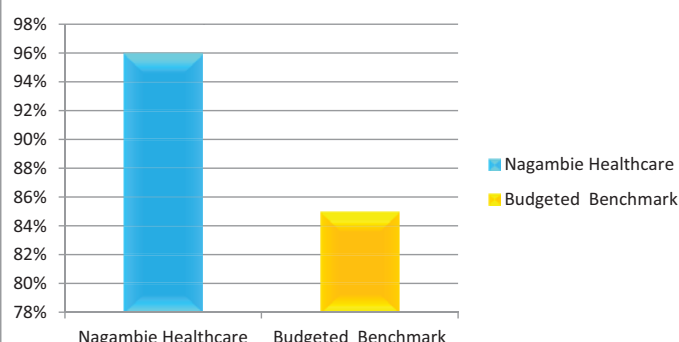
2014/15 ACUTE CARE OCCUPANCY



2014/15 UNPLANNED WEIGHT LOSS



2014/15 AGED CARE OCCUPANCY





To ensure compliance with best practice standards of care for our patients and residents Nagambie HealthCare participates in accreditation against the Aged Care, International Standards Organisation (ISO) and National Safety and Quality Health Service (NSQHS) As a reflection of Nagambie HealthCare's commitment to high standards of care and staff support for best practice we received a full three year accreditation for all standards.

AGED CARE ACCREDITATION

Aged Care Accreditation is a nationally regulated process and involves assessment across four expected standards of care:

Standard one: Management systems, staffing and organisational development

Standard two: Health and personal care

Standard three: Care recipient lifestyle

Standard four: Physical environment and safe systems

There are 44 expected outcomes across the four Standards and Nagambie HealthCare complied with all 44 expected outcomes.

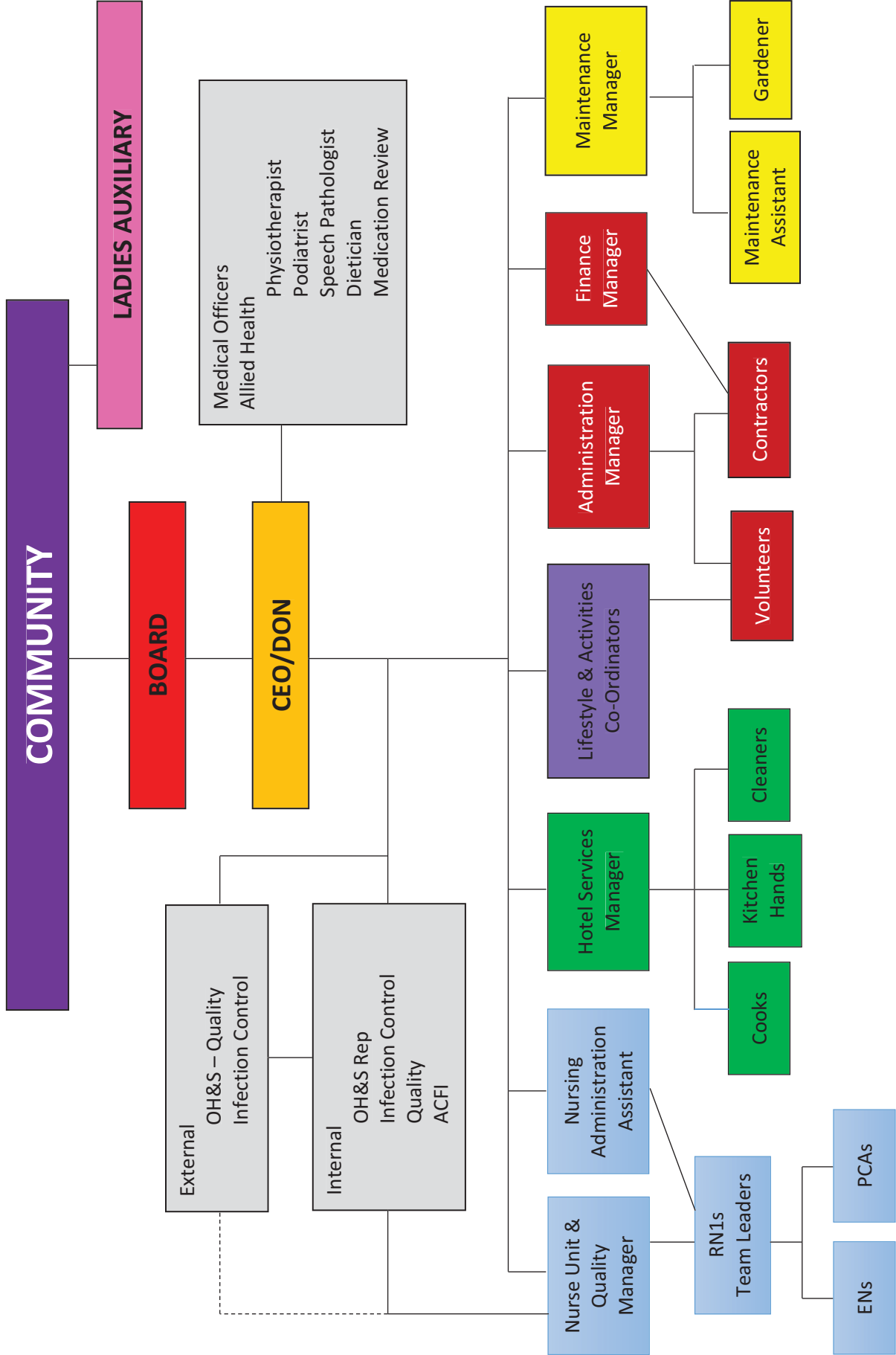
HOSPITAL ACCREDITATION

Our three year hospital accreditation included certification against all ISO:9001 standards for healthcare along with accreditation against the National Safety and Quality Health Service (NSQHS) Standards with all mandatory and developmental outcomes being met, a significant achievement for all those involved.

The achievement of meeting all accreditation standards across Hospital and Aged Care is not the achievement of one person, rather a reflection of every team member's contribution to the process. Such team efforts do require leadership and inspiration so special thanks to Claire Sampson (NUM/Quality Manager), Katrina McMaster (NUM) and Christine Karacsay (Infection Control/Quality Support) for supporting all staff with their efforts in achieving accreditation across all domains of care.



ORGANISATIONAL STRUCTURE



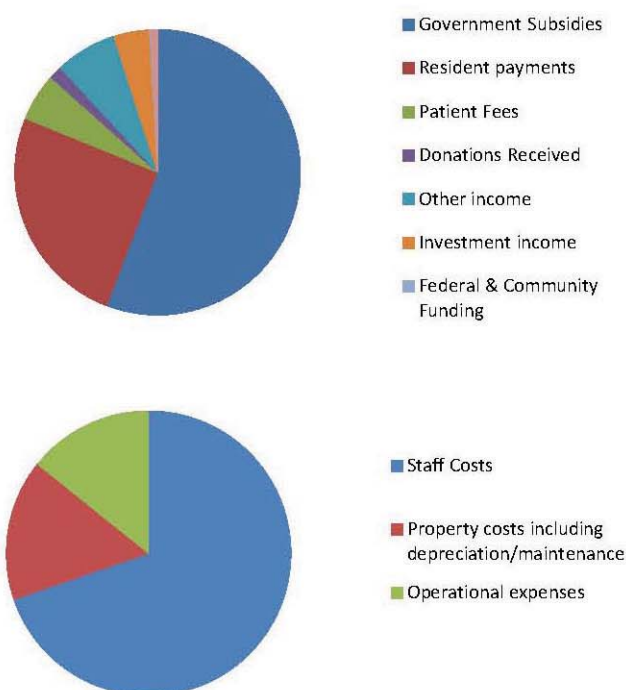
FINANCIAL RESULTS AT A GLANCE

Statement of Financial Performance

WHAT WE EARNED:	\$000
Government Subsidies	2,275,518
Resident payments	1,032,755
Patient Fees	219,401
Donations Received	62,034
Other income	283,390
Investment income	164,024
Federal & Community Funding	4,991
Capital Grant	32,584
Total Revenue	4,074,697

WHAT WE SPENT	\$000
Staff Costs	2,624,705
Property costs including depreciation/maintenance	602,584
Operational expenses	534,591
Total Costs	3,761,880

Surplus for the year **312,817**

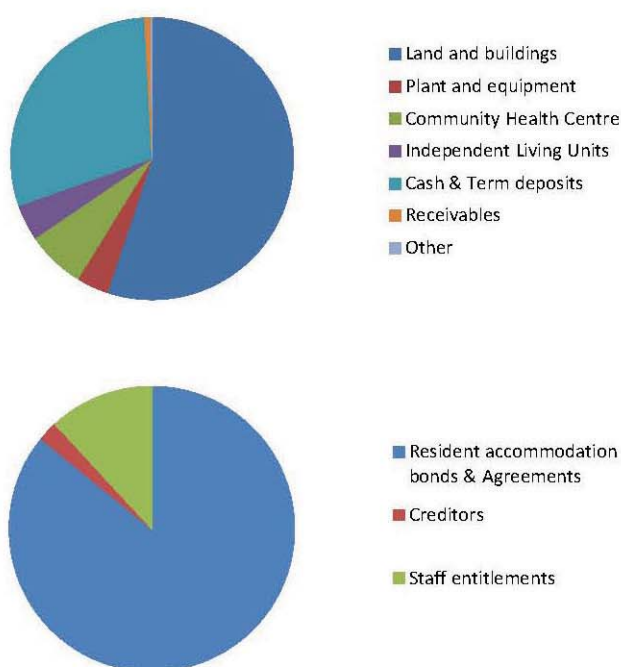


Statement of Financial Position

WHAT WE OWN	\$000
Land and buildings	8,731,703
Plant and equipment	581,316
Community Health Centre	1,059,840
Independent Living Units	647,220
Cash & Term deposits	4,677,005
Receivables	110,214
Other	22,681
Total Assets	15,829,979

WHAT WE OWE	\$000
Resident accommodation bonds & Agreements	3,490,844
Creditors	91,008
Staff entitlements	482,604
Total Liabilities	4,064,456

Equity **11,765,523**



LADIES' AUXILIARY PRESIDENTS REPORT 2014-2015

BY HELEN KENNEDY

It gives me pleasure to report on another successful year by this dedicated group. Even though on average meeting attendance for the year was only 10 with 4 apologies, 25 members are on our mailing list and these are all willing helpers when called upon.

The trolley is the one constant throughout the year being, weekly taken through the hostel and hospital providing small needs for the residents. The trolley returned a small profit of \$80. Thank you to all who gave up their time for this.

In May we again held our popular card day in the Rowing Club Pavillion. We are supported on this day by enthusiasts from outside our local area who are vocal in their praise for all who help provide morning tea and luncheon.

2014 saw a new CEO at Nagambie HealthCare in Bronwyn Beadle. One of her new innovations was an Aged Care Open Day which proved very successful. Our stall returned \$308.

Our major function for the year was again Christmas Drinks held in December at Bonnie Purbrick's home. We are much indebted to Bonnie and to all those who provided the beautiful food enjoyed by all. It is essential that tickets be sold for this event in advance and a big thanks must go to those who do this chore so well. Our night returned a profit of just over \$3,000.

The major purchase for the year was a lifting machine costing \$3,200.

My thanks to Bronwyn for her interest and attendance at meetings. A special thank you to our dedicated Secretary, Nola who manages us all so well, and our Treasurer, Denise, for a sterling job. Thank you.

You've all done very well!

LADIES' AUXILIARY FINANCIAL STATEMENT 2014-2015

THE AUXILIARY OF NAGAMBIE HEALTH CARE INC.

BALANCE SHEET

AS AT 31 JANUARY 2015

	2015 (\$)	2014 (\$)
CURRENT ASSETS		
Business Cheque A/C*	638.04	6528.81
Cash Management A/C	7865.23	767.73
NET ASSETS	8503.27	7296.54
ACCUMULATED ACCOUNT		
Opening Balance	7296.54	6118.21
Excess Expenditure over Income	1206.73	1178.33
NET ACCUMULATION	8503.27	7296.54
 *Business Cheque Acc Reconciliation		
Balance as per bank statement at 31/1/15	3858.04	
less Unpresent Chq no.	3450.00	
	408.04	
Add Unpresented Deposit	<u>230.00</u>	
Cash Book balance at 31/1/15	638.04	



LADIES AUXILIARY

FINANCIAL SUMMARY 2015

THE AUXILIARY OF NAGAMBIE HEALTH CARE INC.

STATEMENT OF RECEIPTS AND EXPENDITURE

FOR THE PERIOD 1 FEBRUARY 2014 TO 31 JANUARY 2015

INCOME	Yr end 31/1/15 (\$)	Yr end 31/1/14 (\$)
Subscriptions	110.00	95.00
Donations	890.00	2645.00
Bank Interest	97.85	61.05
Sundries (Sale of excess supplies)	130.00	108.35
Raffles	554.00	619.00
Functions	4093.00	4480.00
Trolley	80.00	190.00
TOTAL INCOME	5954.85	8198.40
EXPENDITURE		
Bank Charges	24.00	12.00
Function Expenses	619.12	449.37
Sundries	655.00	
Flowers		80.00
Equipment Purchases - Commode Chair		2978.70
Equipment Purchases - Bed		3500.00
Equipment Purchases - Lifter	3450.00	
TOTAL EXPENDITURE	4748.12	7020.07
Excess Expenditure over Income	1206.73	1178.33

DONATIONS 2014/15

WE WISH TO THANK THE FOLLOWING FOR
THEIR GENEROUS DONATIONS

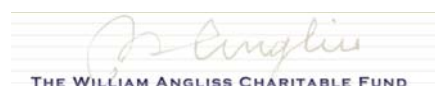
Steve Manley
Kenneth & Beverley Newnham
Bronwyn Beadle
Barrie McAllister
Mr Nicholls
Bob & June Doherty
I.A. & E.M. Brook

Francis Deane
Ron & Rosie Habel
Alan & Coral Labas
Diane Jenner
Seymour Dance club
Dr Graeme Ratten
G.M. Thomas

McPhail Family
Robert McMaster
Fred Cowie
Estate of Angus Ralston
Ken & Heather Parkinson
R.G. & L.J. McMaster

Ladies Auxiliary of Nagambie HealthCare

William Angliss Victoria



STAFF SERVICE 2014-2015

15+

Jennifer Andrea
Carolyn Fox

Marisa Haysom
Jeanette Verhardt

Leonie Zanussi

10+

Kristyn Green
Joanne Joyce

Christine Karacsay
Mark Kramer

Katrina McMaster
Tammy Pedersen

5+

Veronika Bastow
Stefano D'Andrea
Antonia D'Andrea
John Fuhrmann
Irene Keogh

Peggyann Leopoldo
Clara Lynch
Pamela Maura
Claire Sampson

Christine Spencer
Nicole Stafford
Barbara Watts
Tanya Williams

Whilst recognising the special achievement of these long serving staff members the Board would like to thank all members of staff for their commitment, hard work and dedication throughout the year.

PERMANENT AND CASUAL STAFF

Chief Executive Officer	Bronwyn Beadle		
Nurse Unit Managers	Claire Sampson Katrina McMaster		
Administration & Finance	Debra Ure Tanya Williams	Simone Homewood Yvonne Dacey	
Registered Nurses Division 1	Pamela Maura Chipo Muvirimi Denise Cerini	Lisa-Ann Watson Katherine Treble Sreena Sreedharan	Nicole Stafford Shiney Thomas Mercy Kazhila
Registered Nurses Division 2	Veronica Bastow Bernadette Barlow Joanne Joyce Christine Karacsay Mark Kramer Susan Maresceaux Lisette Brew	Fiona Grainger Merryn Green Amy Wilde Joanne Neven Tammy Pedersen Sam Shabo	Danielle McMaster Patricia Stuart Barbara Watts Sarah Pyle Jodi Sheidl Wendy Towan
Personal Care Workers	Jennie Brack Linda Burls Jane Collins-Ash Yvette Demavibas Fiona Dowling Brett Felini	Susan Bender Alison Blake Paula O'Toole Peggy Leopoldo Eugenia Hourigan Irene Keogh	Zoe Truscott Leesa Vice Shamaila Atiq Tracey Bennett Millie Button Renee Smith
Activities and Lifestyle	Valinda Bell	Clara Lynch	Christine Spencer
Hotel Services	Jean Aitken Jennifer Andrea Antonia D'Andrea Carolyn Fox Kristyn Green Marisa Haysom	Megan Brack Rosemarie Quadara Claire Raeburn Diane Jenner Annie Tennant Jeanette Verhardt	Michelle Wishart Leonie Zanussi Pamela Cahill Ann Potter Fiona Sendek
Maintenance	Stefano D'Andrea Lawrence Desmond	John Fuhrmann James Godkin	Philip Miller
Volunteers	Maureen Fowler Sandra Slater Lyn Dunn Adrianna Di Visser	Deirdre Kleinig Rachael Kleinig Jenny Gurr	Jackie Berry John Berry Margaret Marks

2014 ANNUAL GENERAL MEETING

Minutes of the Annual General Meeting held on Tuesday 28th October 2014 at 7:00pm

1. **PRESENT** as per attendance register

2. **APOLOGIES** as per attendance register

3. **WELCOME**

Chairman James Tehan welcomed all those present, particularly Life Governors Dr Graeme Ratten and Nola Palmer, Board Members and members of the community.

4. **PREVIOUS MINUTES**

Minutes of the Annual General Meeting held on the 19th November 2013 were accepted as true and correct.

Moved: Vin Palmer

Seconded: Maureen Fowler

5. **MATTERS ARISING FROM PREVIOUS MINUTES**

Nil

6. **GUEST SPEAKER**

Chairman Tehan introduced Bronwyn Beadle, CEO/DON. Bronwyn presented Nagambie HealthCare's Strategic Plan 2014-2017 which was formulated after consultation with Board, staff and community.

A workshop held earlier in the year focused on the following topics –

- Aged Care Service Provision;
- Acute and Sub Acute Care;
- Community Service Provision;
- Community Engagement;
- Branding and Marketing; and a review of the Vision and Mission Statement.

The result reflects the passion and commitment of all involved to develop Nagambie HealthCare's future directions with a genuine focus on providing high quality and accessible services that best meet the needs of our community.

Together with a new Vision and Values Statement, our priorities are –

1. Partnering with those around us;
2. Contemporary service provision that best meets the needs of our community;
3. A safe and rewarding workplace with development of our workforce capabilities;
4. A financially viable organisation; and
5. Strong advocacy and commitment to quality of care.

Bronwyn then spoke about the importance of recognising employees commitment to Nagambie HealthCare and presented 'certificates of service' to staff members employed in excess of 5 years.

2014 ANNUAL GENERAL MEETING

Sam Verrocchi thanked Bronwyn for her presentation and the passion and commitment she has shown for Nagambie HealthCare since commencing as CEO/DON.

7. REPORTS:

7.1 CHAIRMAN'S REPORT

Chairman James Tehan presented his report, highlighting the achievements of the previous year. He welcomed Bronwyn Beadle, who commenced as CEO/DON in February 2014 and new Board members John Smith and Lisa Pearson. He thanked the Board for their commitment, Drs Berryman, Atif and Deshwal for the care of our patients and residents, and Ladies Auxiliary for their ongoing support.

Motion: To accept the Chairman's Report

Moved: Jim Tehan

Seconded: John Smith

7.2 CHIEF EXECUTIVE OFFICER'S REPORT

Bronwyn thanked the community for the warm welcome to herself and family and support she had received since moving to Nagambie. She outlined key points from her report and thanked the staff for their willingness to accept and assist with the implementation of the new software management and incident reporting systems. Bronwyn also mentioned the significant contribution of our volunteers and thanked them all sincerely.

Motion: To accept the Chief Executive Officer's Report

Moved: Bronwyn Beadle

Seconded: Lisa Pearson

7.3 FINANCE REPORT

John Palmer, Chair of the Finance Sub Committee, presented the Audited Statements and Reports prepared by Davidsons for 2013/14.

John reported on a Net Result for the year of \$550,514 with no outstanding liabilities as all resident bonds were held in term deposit. He noted that occupancy was 100% in aged care and 70% in acute. A satisfying result for 2013/14 and provides a healthy start to the new financial year.

John recognised the work of staff, Doctors, volunteers and the relationship forged with Goulburn Valley Health and concluded by saying he was looking forward to the future.

Motion: To accept the Financial Statements

Moved: John Palmer

Seconded: Lisa Pearson

8. ELECTION OF COMMITTEES:

8.1 BOARD MEMBERS

The Chairman declared there were three members of the Board, Sam Verrocchi, John Palmer and Doug Proud who had completed three year terms.

All three nominated for re-election.

2014 ANNUAL GENERAL MEETING

As the number of nominations did not exceed the number of positions available, Sam Verrocchi, John Palmer and Doug Proud were duly elected.

Motion: To elect Sam Verrocchi, John Palmer and Doug Proud to the Board of Nagambie HealthCare for a three year term.

Moved: Margaret Moss

Seconded: John Smith

9. ELECTION OF AUDITOR

Motion: That on the recommendation of the committee ‘Davidsons’ be re-appointed to carry out the 2014/15 Audit.

Moved: John Palmer

Seconded: Henry Moss

10. COMMUNITY FEEDBACK/COMMENTS

Claire spoke briefly about the importance of keeping the community informed about what was happening at Nagambie HealthCare and asked Bronwyn to outline ‘*where we were heading into the future*’.

Bronwyn repeated it was important to stay connected to the community, being involved in various community groups - the Community House, Nagambie Action Group and Commerce Group – submitting regularly to the Nagambie Community Voice and talking about and promoting Nagambie HealthCare whenever there is an opportunity to do so, by the Board Members and Management.

Dr Graeme Ratten then congratulated the Board and Management on the year’s result. He suggested another way to link with the community would be to have a stall at the local market – to talk to people informally, perhaps take blood pressure readings and provide information about the services offered.

A number of attendees commented on the success of the Open Day and hoped it was on the calendar again next year.

11. OTHER BUSINESS

Jim thanked all those present for attending and invited everyone to stay for supper.

12. ANNUAL GENERAL MEETING – CLOSED AT 7.50PM

2014 ANNUAL GENERAL MEETING

ATTENDANCE REGISTER

Attendees	
James A. Cohen	
Margaret Moss	
Doug Row	
	Rebecca
John Farmer	
Sam Verrocchi	
Lisa Pearson	
Ken Uge	
Di Froud	
Nola & Vin Palmer	
Graham Haines	
K. Hunter	
Kate Perry	
Christine Spencer	
Karen Fowler	
Sandra Bruce	
William	
D. Grant - Press	
Rev. Ratten	
M. Moss	
K. McMaster	
G. B. Parris	
B. Brown	
Ken Ratten	

2014 ANNUAL GENERAL MEETING

APOLOGIES

Apologies	
Judy Dahlke, CEO, Karingal	
Lindsay Moore, Nag Senior Citizens	
Howard & Rona Palmer	
Steve Crawcour, CEO, Strathbogie Shire	
Deb Swan, Mayor, Strathbogie Shire	
Elena McShane, CEO, Euroa Health	
Jim Shovelton, President, Euroa Health	
Chris McDonnell, CEO, Seymour Health	
Dale Fraser, CEO, GVHealth	
Dr Sharman Stone, MP, Member for Murray	
Gerry Ryan	
Brian & Denise Blackshaw	
Peter & Lorraine Watson	
Frank & Iris Staples	
Helen Kennedy, President, Ladies Auxiliary	
Peter Darbyshire	
Peggyann Leopoldo	
Carolyn Fox	

2014/2015 FINANCIAL REPORT

Stephen Wight
Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Geelong Victoria 3220

This representation letter is provided in connection with your audit of the financial report of Nagambie Healthcare Inc. for the year ended 30 June 2015, for the purpose of expressing an opinion as to whether the financial report is, in all material respects, gives a true and fair view in accordance with Accounting Standards and the *Associations Incorporation Reform Act 2012*.

We confirm that (to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves):

Financial Report

- We have fulfilled our responsibilities in that the preparation of the financial report is in accordance with Accounting Standards; in particular the financial report gives a true and fair view, in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Australian Accounting Standards.
- All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
- We have considered the requirements of AASB 136 'Impairment of Assets' when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
- The following have been properly recorded and/or disclosed in the financial report:
 - (a) material liabilities or contingent liabilities or assets including those arising under derivative financial instruments;
- The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
- There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.

2014/2015 FINANCIAL REPORT

Information Provided

- We have provided you with:
 - access to all information of which we are aware is relevant to the preparation of the financial report such as records, documentation and other matters;
 - additional information you have requested from us for the purpose of the audit; and
 - unrestricted access to persons with the entity from whom you have determined it is necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We have disclosed to you the results of our assessment of the risk the financial report may be materially misstated due to fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial report.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations, whose effects should be considered when preparing the financial report.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- We have provided you with all requested information, explanations and assistance for the purposes of the audit.

Yours faithfully

A handwritten signature in black ink, appearing to read 'James Tehan', with a stylized flourish at the end.

James Tehan
Board President
Nagambie HealthCare Inc.

2014/2015 FINANCIAL REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NAGAMBIE HEALTHCARE INC.

Report on the Financial Report

We have audited the accompanying financial report of Nagambie Healthcare Inc., which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committees' Responsibility for the Financial Report

The committee of Nagambie Healthcare Inc. is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act 2012*, and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 of the financial report that gives a true and fair view, 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 management, as well as evaluating the overall presentation of the financial report.

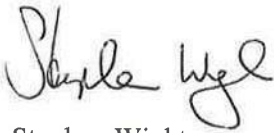
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

2014/2015 FINANCIAL REPORT

Opinion

In our opinion:

- (a) the financial report, in all material respects, gives a true and fair view of the financial position of Nagambie Healthcare Inc. as at 30 June 2015, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and *Associations Incorporation Reform Act 2012*



Stephen Wight

Director

Dated this 28th day of September 2015

Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Geelong Victoria 3220

2014/2015 FINANCIAL REPORT

INDEPENDENT AUDIT REPORT TO THE BOARD OF MANAGEMENT OF NAGAMBIE HEALTHCARE INC. AND THE SECRETARY OF THE DEPARTMENT OF SOCIAL SERVICES

Report on Nagambie Healthcare Inc.'s compliance with the *Aged Care Act 1997* and the *Fees and Payments Principles 2014 (No.2)*.

We have audited the compliance of Nagambie Healthcare Inc. with the requirements of Part 5 of the *Fees and Payments Principles 2014 (No.2)* (Fees and Payments Principles) for the period 1 July 2014 to 30 June 2015.

The Responsibility of the Board of Management for Compliance

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

Auditor's Responsibility

Our responsibility is to express an opinion on Nagambie Healthcare Inc.'s compliance, in all material respects, with the prudential requirements of the Act and the Fees and Payments Principles.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 *Compliance Engagements*), issued by the Auditing and Assurance Standards Board and with the requirements of the Department of Social Services as set out in the *Guide to the Audit of the Approved Provider's Compliance with the Prudential Requirements* (the Guide). Our audit has been conducted to provide reasonable assurance that Nagambie Healthcare Inc. has complied with the requirements the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

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

2014/2015 FINANCIAL REPORT

Use of Report and Restriction on Distribution

This auditor's report has been prepared for the Board of Management of Nagambie Healthcare Inc. and the Secretary of the Department of Social Services for the purpose of fulfilling the requirements of the Disclosure Standard. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Board of Management and the Secretary of the Department of Social Services, or for any purpose other than that for which it was prepared. Our report is intended for the Board of Management of Nagambie Healthcare Inc. and the Secretary of the Department of Social Services and should not be distributed to other parties.

Inherent Limitations

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

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

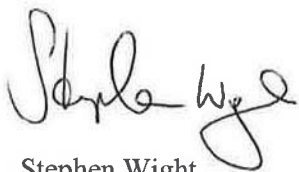
Auditor's Opinion

In our opinion, Nagambie Healthcare Inc. has complied, in all material respects, with the requirements of Part 5 of the *Fees and Payments Principles 2014 (No.2)* for the period 1 July 2014 to 30 June 2015.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Guide, we are required to report all instances of non-compliance with the requirements of the Act and the Fees and Payments Principles by Nagambie Healthcare Inc. that came to our attention during the course of our audit.

There were no instances of non-compliance with the prudential requirements apart from a technical breach of the disclosure standard in that the Annual Prudential Compliance Statement for 2013-14 was lodged after the due date of 31 October 2014.



Stephen Wight
Director

Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Geelong, Vic. 3220

Registered Company Auditor
No 326755

Dated this 16th day of September 2015

2014/2015 FINANCIAL REPORT

BOARD OF MANAGEMENT REPORT

Your Board of Management submit the financial report of Nagambie Healthcare Inc. for the financial year ended 30 June 2015.

BOARD OF MANAGEMENT

The names of Board of Management members throughout the year and at the date of this report are:

Governing Board

- Mr. J Tehan
- Mr. S Verrocchi
- Mrs. M Moss
- Mr. J Palmer
- Mr. B Parris
- Mr. D Proud
- Mr. J Smith
- Ms. L Pearson

Accountable Officers

- Ms. B Beadle

PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were:

- the provision of residential aged care services to Nagambie and the surrounding area.
- the provision of hospital services to Nagambie and the surrounding area.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.


OPERATING RESULT

The net result for the year ended 30 June 2015, prior to comprehensive items amounted to \$306,517 (2014 profit of \$550,514).

Signed in accordance with a resolution of the Board of Management.



BOARD MEMBER



BOARD MEMBER

2014/2015 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015*

	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
Revenue from Operating Activities	(2)	3,975,088	3,630,838
Revenue from Non-Operating Activities	(2)	99,609	244,126
Employee Expenses	(3)	(2,624,705)	(2,269,308)
Operational Expenses	(5)	(863,352)	(769,251)
Audit Fees	(14)	(6,300)	(6,600)
<i>Net Result Before Capital & Specific Items</i>		<u>580,340</u>	<u>829,805</u>
Depreciation	(4)	(273,823)	(279,291)
NET RESULT FOR THE YEAR		<u>306,517</u>	<u>550,514</u>
Movement in physical asset revaluation reserve	(13b)	<u>-</u>	<u>4,878,356</u>
COMPREHENSIVE RESULT		<u>306,517</u>	<u>5,428,870</u>

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
BALANCE SHEET
AS AT 30 JUNE 2015

	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
CURRENT ASSETS			
Cash and Cash Equivalents	(6)	727,005	630,597
Trade and Other Receivables	(7)	110,214	70,200
Inventory		20,352	22,157
Financial Assets	(8)	3,950,000	3,550,000
Prepayments		2,329	8,930
TOTAL CURRENT ASSETS		4,809,900	4,281,884
NON-CURRENT ASSETS			
Property, Plant and Equipment	(9)	11,020,079	11,034,917
TOTAL NON-CURRENT ASSETS		11,020,079	11,034,917
TOTAL ASSETS		15,829,979	15,316,801
CURRENT LIABILITIES			
Trade and Other Payables	(10)	91,008	118,585
Financial Liabilities	(11)	3,490,844	3,362,536
Provisions	(12)	382,626	287,477
TOTAL CURRENT LIABILITIES		3,964,478	3,768,598
NON-CURRENT LIABILITIES			
Provisions	(12)	99,978	89,197
TOTAL NON-CURRENT LIABILITIES		99,978	89,197
TOTAL LIABILITIES		4,064,456	3,857,795
NET ASSETS		11,765,523	11,459,006
EQUITY			
Reserves	(13a)	4,982,041	4,982,041
Retained earnings	(13b)	6,783,482	6,476,965
TOTAL EQUITY		11,765,523	11,459,006

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	<i>Retained Earnings</i> \$	<i>Asset Revaluation Reserve</i> \$	<i>Retention Reserves</i> \$	<i>TOTAL</i> \$
2014				
<i>Balance at beginning of year</i>	5,926,451	-	103,685	6,030,136
Total Comprehensive Income for the year	550,514	4,878,356	-	5,428,870
<i>Balance at end of year</i>	6,476,965	4,878,356	103,685	11,459,006
2015				
<i>Balance at beginning of year</i>	6,476,965	4,878,356	103,685	11,459,006
Total Comprehensive Income for the year	306,517	-	-	306,517
<i>Balance at end of year</i>	6,783,482	4,878,356	103,685	11,765,523

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>			
Receipts from members and activities		3,843,359	3,799,387
Interest Received		174,293	155,839
Payments to Suppliers and Employees		<u>(3,423,494)</u>	<u>(3,008,122)</u>
Net Cash Provided by Operating Activities	19	<u>594,158</u>	<u>947,104</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>			
Purchase of Property, plant and equipment		(258,985)	(149,843)
Purchase of Investments		<u>(400,000)</u>	<u>(415,000)</u>
Net Cash Used in Investing Activities		<u>(658,985)</u>	<u>(564,843)</u>
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>			
Proceeds/(Repayment) of Loans		186,168	(26,352)
Net Receipt/(Payment) of refundable entry fees		<u>(24,933)</u>	<u>(56,667)</u>
Net Cash Used in/(Provided by) Investing Activities		<u>161,235</u>	<u>(83,019)</u>
Net Increase in Cash Held		96,408	299,242
Cash at Beginning of Financial Year		<u>630,597</u>	<u>331,355</u>
Cash at End of Financial Year	6	<u>727,005</u>	<u>630,597</u>

2014/2015 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015*

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report which has been prepared in accordance with the Associations Incorporation Reform Act 2012 (Vic) and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Basis of preparation

The financial report is prepared in accordance with the historical cost convention, except for the revaluation of certain non-current assets and financial instruments, as noted. Cost is based on the fair values of the consideration given in exchange for assets.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Actual results may differ from these estimates.

Consistent with AASB 13 Fair Value Measurement, Nagambie Healthcare Inc. determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments, and for non-recurring fair value measurements such as non-financial physical assets held for sale.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial report for the year ended 30 June 2015, and the comparative information presented in these financial statements for the year ended 30 June 2014.

(a) Reporting Entity Report

The financial statements include all the controlled activities of Nagambie Healthcare Inc. (ABN 94 288 195 795)

The Association is a not-for profit entity and therefore applies the additional Aus. paragraphs applicable to "not-for-profit" entities under the AAS's.

(b) Rounding Of Amounts

All amounts shown in the financial statements are expressed to the nearest \$1.

(c) Cash and Cash Equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments (with an original maturity of 3 months or less), which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current borrowings in the balance sheet.

(d) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off.

A provision for doubtful debts is raised where doubt as to collection exists. Bad debts are written off when identified.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated, less any accumulated depreciation and impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(f) **Fair Value of Assets and Liabilities**

Nagambie Healthcare Inc. measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurement based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

(g) **Revaluations of Non-current Physical Assets**

Non-Current physical assets measured at fair value are revalued with sufficient regularity to ensure that fair values do not differ materially from their carrying value. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not transferred to accumulated funds on derecognition of the relevant asset.

2014/2015 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015*

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Depreciation

Assets with a cost in excess of \$1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost - or valuation - over their estimated useful lives using the straight-line method. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually.

The following table indicates the expected useful lives of non current assets on which the depreciation charges are based using the prime cost method.

	2015	2014
Buildings	Up to 40 Years	Up to 40 Years
Property & Improvements	Up to 40 Years	Up to 40 Years
Plant & Equipment	Up to 15 Years	Up to 15 Years
Motor Vehicles	Up to 5 Years	Up to 5 Years

(i) Impairment of Assets

At the end of each reporting period Nagambie Healthcare Inc. assesses whether there is any indication that an asset may be impaired. The assessment considers both external and internal sources of information.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off by a charge to profit or loss to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

(j) Payables

These amounts consist predominantly of liabilities for goods and services.

Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the association prior to the end of the financial year that are unpaid, and arise when the association becomes obliged to make future payments in respect of the purchase of these goods and services.

The normal credit terms are usually Net 30 days.

(k) Provisions

Provisions are recognised when Nagambie Healthcare Inc. has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(l) Functional and Presentation Currency

The presentation currency of Nagambie Healthcare Inc. is the Australian dollar, which has also been identified as the functional currency of Nagambie Healthcare Inc.

(m) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

2014/2015 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015*

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Employee Benefits

Wages and Salaries, Annual Leave and Accrued Days Off

Liabilities for wages and salaries, including non-monetary benefits and annual leave are all recognised in the provision for employee benefits as 'current liabilities', because the health service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- Undiscounted value – if the health service expects to wholly settle within 12 months; or
- Present value – if the health service does not expect to wholly settle within 12 months.

Long Service Leave (LSL)

Liability for LSL is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the health service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- Undiscounted value – if the health service expects to wholly settle within 12 months; and
- Present value – if the health service does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss followed revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow.

Superannuation

Contributions to defined contribution superannuation plans are expensed when incurred.

(o) Intersegment Transactions

Transactions between segments within Nagambie Healthcare Inc. have been eliminated to reflect the extent of Nagambie Healthcare Inc.'s operations as a group.

(p) Income Recognition

Income is recognised in accordance with AASB 118 *Revenue* and is recognised as to the extent that it is probable that the economic benefits will flow to Nagambie Healthcare Inc. and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

Government Grants

Grants are recognised as income when Nagambie Healthcare Inc. gains control of the underlying assets in accordance with AASB 1004 Contributions. For reciprocal grants, Nagambie Healthcare Inc. is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, Nagambie Healthcare Inc. is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Donations and Other Bequests

Donations and bequests are recognised as revenue when received. If donations are for a special purpose, they may be appropriated to a reserve, such as specific restricted purpose reserve.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset, which allocates interest over the relevant period.

Service Revenue

Revenue from the rendering of a service is recognised upon delivery of the service.

2014/2015 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015*

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Comparative Information

Where necessary the previous year's figures have been reclassified to facilitate comparisons.

(r) Income Tax

Nagambie Healthcare Incorporated is an exempt body for taxation purposes under the Income Tax Assessment Act. Accordingly there is no income tax payable.

(s) Critical Accounting Estimates and Judgments

The members of the committee evaluate estimates and judgments incorporated into the financial report 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, obtained both externally and within the company.

Key Estimates

Impairment

Nagambie Healthcare Inc. assesses impairment at each reporting date by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgments

Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The association expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, which will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) AASs issued that are not yet effective

Certain new Australian Accounting Standards and Interpretations have been published that are not mandatory for 30 June 2015 reporting period.

As at 30 June 2015, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Nagambie Healthcare Inc. has not and does not intend to adopt these standards early.

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Associations Annual Statements
AASB 9 Financial Instruments	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to <i>recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.</i>	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	The standard was issued in June 2014. While preliminary assessment has not identified any material impact arising from AASB 1056, further work to assess the impact of this standard will be undertaken.
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]	Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to: - establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; - prohibit the use of revenue-based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2014-15 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on reporting.

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15
- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)
- AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

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	<i>Note</i>	<i>2015</i>	<i>2014</i>
		\$	\$
2. REVENUE			
<i>Revenue from Operating Activities</i>			
Patient Fees		219,401	278,822
Residential Fees		999,828	888,679
Government Subsidies		2,275,518	2,101,238
Meals		24,263	15,043
Interest		164,024	141,106
Retentions		32,927	41,111
Rent		35,604	41,095
Other Income		223,523	123,744
<i>Subtotal Revenue from Operating Activities</i>		3,975,088	3,630,838
<i>Revenue from Non-Operating Activities</i>			
Federal and Community Funding		4,991	57,965
Capital Grant - Department of Human Services		32,584	147,416
Donations Received		62,034	38,745
<i>Subtotal Revenue from Non-Operating Activities</i>		99,609	244,126
Total Revenue		4,074,697	3,874,964
3. EMPLOYEE BENEFITS EXPENSES			
Salaries & Wages		2,345,980	2,043,495
Staff Training		31,413	15,410
Superannuation		209,555	184,972
Workcover		37,757	25,431
		2,624,705	2,269,308
4. DEPRECIATION			
Buildings		171,897	150,447
Independent Living Units		10,809	20,113
Property Improvements		6,018	28,388
Plant and Equipment		62,554	58,050
Furniture & Fixtures		22,545	22,293
		273,823	279,291
5. OPERATIONAL EXPENSES			
Administration		232,870	263,511
Food		142,225	116,828
Insurance		31,830	31,883
Medical		97,905	77,407
Repairs and Maintenance		220,340	121,676
Utilities		108,421	123,598
Loss on sale of non-current assets		-	5,345
Other		29,761	29,003
		863,352	769,251

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	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
6. CASH & CASH EQUIVALENTS			
Cash at bank and on hand		727,005	630,597
		<u>727,005</u>	<u>630,597</u>
Reconciliation of cash			
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:			
Cash on Hand		243	471
Cash & Cash Equivalents		<u>726,762</u>	<u>630,126</u>
		<u>727,005</u>	<u>630,597</u>
7. RECEIVABLES			
Trade Receivables		84,616	50,229
GST Receivable		15,896	-
Other Receivables		<u>9,702</u>	<u>19,971</u>
		<u>110,214</u>	<u>70,200</u>
8. INVESTMENTS AND OTHER FINANCIAL ASSETS			
<i>Loans and Receivables</i>			
Term Deposits			
Aust. Dollar Term Deposits		<u>3,950,000</u>	<u>3,550,000</u>
		<u>3,950,000</u>	<u>3,550,000</u>
9. PROPERTY, PLANT AND EQUIPMENT			
(a) Gross carrying amount and accumulated depreciation			
Land at Fair Value		<u>3,375,000</u>	<u>3,375,000</u>
		3,375,000	3,375,000
Buildings at Fair Value		7,105,000	7,105,000
less Accumulated Depreciation		<u>(182,707)</u>	<u>-</u>
		6,922,293	7,105,000
Property Improvements at Cost		147,488	-
less Accumulated Depreciation		<u>(6,018)</u>	<u>-</u>
		141,470	-
Plant & Equipment at Cost		964,020	874,219
less Accumulated Depreciation		<u>(546,696)</u>	<u>(484,143)</u>
		417,324	390,076
Furniture and Fixtures at Cost		274,776	253,080
less Accumulated Depreciation		<u>(110,784)</u>	<u>(88,239)</u>
		163,992	164,841
Total Property, Plant & Equipment		<u>11,020,079</u>	<u>11,034,917</u>

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts for each class of Property, Plant and Equipment between the beginning and the end of the current financial year.

Year Ended 30 June 2014	<i>Land</i>	<i>Buildings</i>	<i>Independent Living Units</i>	<i>Property Improvements</i>	<i>Plant & Equipment</i>	<i>Furniture & Fixtures</i>	<i>Capital Works In Progress</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of year	265,000	4,338,032	770,609	420,083	354,559	143,071	-	6,291,354
Additions	-	-	-	6,869	96,855	46,120	-	149,844
Disposals	-	-	-	-	(3,288)	(2,057)	-	(5,345)
Depreciation Expense	-	(150,447)	(20,113)	(28,388)	(58,050)	(22,293)	-	(279,291)
Revaluation Movements	3,110,000	2,270,195	(103,276)	(398,564)	-	-	-	4,878,355
Carrying amount at the end of year	3,375,000	6,457,780	647,220	-	390,076	164,841	-	11,034,917

Year Ended 30 June 2015	<i>Land</i>	<i>Buildings</i>	<i>Independent Living Units</i>	<i>Property Improvements</i>	<i>Plant & Equipment</i>	<i>Furniture & Fixtures</i>	<i>Capital Works In Progress</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of year	3,375,000	6,457,780	647,220	-	390,076	164,841	-	11,034,917
Additions	-	-	-	147,488	89,802	21,695	-	258,985
Disposals	-	-	-	-	-	-	-	-
Depreciation Expense	-	(171,897)	(10,809)	(6,018)	(62,554)	(22,545)	-	(273,823)
Carrying amount at the end of year	3,375,000	6,285,883	636,411	141,470	417,324	163,991	-	11,020,079

Land and Buildings carried at valuation

An independent valuation of land and buildings was performed by David McKenzie certified practising valuer AAPI, CPV of Opteon (Goulburn North East Vic) Pty Ltd. The valuation which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments and was adopted by the Committee effective 30 June 2014.

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2015	Carrying amount as at 30 June 2015	Fair value measurement at end of		
		Level 1 (i)	Level 2 (i)	Level 3 (i)
Land at fair value				
Specialised land	3,375,000	-	-	3,375,000
Total of land at fair value	3,375,000	-	-	3,375,000
Buildings at fair value				
Specialised buildings	6,285,883	-	-	6,285,883
Independent Living Units	636,411	-	-	636,411
Property Improvements	141,470	-	-	141,470
Total of building at fair value	7,063,764	-	-	7,063,764
Plant and equipment at fair value				
Plant and Equipment at fair value				
- Furniture & Fixtures	163,991	-	-	163,991
- Plant and equipment	417,324	-	-	417,324
Total of plant, equipment and vehicles at fair value	581,315	-	-	581,315

(i) Classified in accordance with the fair value hierarchy, see Note 1

There have been no transfers between levels during the period.

Fair value measurement hierarchy for assets as at 30 June 2014	Carrying amount as at 30 June 2014	Fair value measurement at end of		
		Level 1 (i)	Level 2 (i)	Level 3 (i)
Land at fair value				
Specialised land	3,375,000	-	-	3,375,000
Total of land at fair value	3,375,000	-	-	3,375,000
Buildings at fair value				
Specialised buildings	6,457,780	-	-	6,457,780
Independent Living Units	647,220	-	-	647,220
Total of building at fair value	7,105,000	-	-	7,105,000
Plant and equipment at fair value				
Plant and Equipment at fair value				
- Furniture & Fixtures	164,841	-	-	164,841
- Plant and equipment	390,076	-	-	390,076
Total of plant, equipment and vehicles at fair value	554,917	-	-	554,917

(i) Classified in accordance with the fair value hierarchy, see Note 1

There have been no transfers between levels during the period.

Specialised land and specialised buildings

The market approach is also used for specialised land and specialised buildings although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Nagambie Healthcare Inc., the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

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9. PROPERTY, PLANT AND EQUIPMENT (continued)

Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the period to 30 June 2015.

For all assets measured at fair value, the current use is considered the highest and best use.

(d) Reconciliation of Level 3 fair value as at 30 June 2015

2015	Land	Buildings	Plant and equipment
Opening Balance	3,375,000	7,105,000	554,917
Purchases (sales) & Reclassifications	-	147,488	111,497
Transfers in (out) of Level 3	-	-	-
Gains or losses recognised in net result			
- Depreciation	-	(188,724)	(85,099)
- Impairment loss	-	-	-
Closing Balance	3,375,000	7,063,764	581,315

There have been no transfers between levels during the period.

Reconciliation of Level 3 fair value as at 30 June 2014

2014	Land	Buildings	Plant and equipment
Opening Balance	265,000	5,528,724	497,630
Purchases (sales) & Reclassifications	-	6,869	137,630
Transfers in (out) of Level 3	-	-	-
Gains or losses recognised in net result			
- Depreciation	-	(198,948)	(80,343)
- Impairment loss	-	-	-
Subtotal	265,000	5,336,645	554,917
Items recognised in other comprehensive income			
- Revaluation	3,110,000	1,768,355	-
Subtotal	3,110,000	1,768,355	-
Closing Balance	3,375,000	7,105,000	554,917

There have been no transfers between levels during the period.

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
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	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
10. PAYABLES			
Trade Payables		59,667	95,631
GST Payable		-	423
PAYG Payable		19,634	18,143
Other Payables		11,707	4,388
		91,008	118,585
11. OTHER LIABILITIES			
CURRENT			
Independent Living Unit Loans		741,864	555,696
Residential accommodation bonds		2,748,980	2,806,840
		3,490,844	3,362,536
Residential accommodation bonds are represented by the following assets:			
Term Deposits		2,748,980	2,806,840
		2,748,980	2,806,840
12. PROVISIONS			
<i>Current</i>			
Employee Benefits	12a	382,626	287,477
<i>Non Current</i>			
Employee Benefits	12a	99,978	89,197
		482,604	376,674
12a. EMPLOYEE BENEFITS			
<i>Current</i>			
Annual Leave - at nominal value		177,755	157,578
Accrued Days off - at nominal value		-	-
Long Service Leave - at present value		25,000	25,000
Long Service Leave - at nominal value		99,476	56,068
Accrued Salaries & Wages		80,395	48,831
		382,626	287,477
<i>Non Current</i>			
Long Service Leave - at present value		99,978	89,197
		482,604	376,674

Provision for Long-term Employee Benefits

A provision has been recognised for non-current employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

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NAGAMBIE HEALTHCARE INC.
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	<i>Note</i>	<i>2015</i> \$	<i>2014</i> \$
13. RESERVES			
Retention Reserves (refer note 13a)		103,685	103,685
Asset Revaluation Reserve	13b	4,878,356	4,878,356
		4,982,041	4,982,041
13a. RETENTION RESERVES			
Movement during the year:			
Opening Balance		103,685	103,685
Transfer from accommodation bonds		32,927	41,111
Transfer to profit and loss statement		(32,927)	(41,111)
		103,685	103,685
<i>Accommodation bond retentions are required to be set aside and expended in meeting capital works costs, retiring of debt, or in improving the quality and range of aged care. This reserve represents the amount set aside but not expended for these purposes</i>			
13b. ASSET REVALUATION RESERVE			
Opening Balance		4,878,356	-
Revaluation Movements			
- Land		-	3,110,000
- Buildings		-	1,768,356
		4,878,356	4,878,356
Represented by:			
- Land		3,110,000	3,110,000
- Buildings		1,768,356	1,768,356
		4,878,356	4,878,356
<i>Asset revaluation reserve represents the accumulation of movements in Land & Buildings after recognising their current fair value as assessed by a registered valuer.</i>			
13c. RETAINED EARNINGS			
Movement during the year:			
Opening Balance		6,476,965	5,926,451
Net Gain/(Loss)		306,517	550,514
		6,783,482	6,476,965
14. AUDIT FEES			
Auditing of Financial Statements		6,300	6,600
		6,300	6,600
15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS			
The Board of Management was not aware of any contingent assets as at 30 June 2015.			
The Board of Management was not aware of any contingent liabilities as at 30 June 2015.			

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	<i>Note</i>	<i>2015</i>	<i>2014</i>
		\$	\$
16. COMMITMENTS FOR EXPENDITURE			
Lease Commitments			
Commitments in relation to leases contracted for at the reporting date:			
Operating Leases		20,409	4,076
Total Lease Commitments		20,409	4,076
Operating Leases			
Operating lease exists for a photocopier			
<i>Non-Cancellable</i>			
Not later than one year		5,062	3,932
Later than 1 and not later than 5 years		15,347	144
TOTAL		20,409	4,076
Total commitments for expenditure (inclusive of GST)		20,409	4,076
Less GST recoverable from the Australian Taxation Office		1,855	370
Total commitments for expenditure (exclusive of GST)		18,553	3,706

17. EVENTS AFTER THE BALANCE SHEET DATE

There have been no major events after 30 June 2015 that affect the figures reported in the financial statements.

18. RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year.

19. CASH FLOW INFORMATION

	<i>2015</i>	<i>2014</i>
	\$	\$
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit from Operations	306,517	550,514
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	273,823	279,291
- Loss on sale of non-current assets	-	5,345
- Retention on Accommodation Bonds	(32,927)	(41,111)
Changes in assets and liabilities		
- (Increase)/Decrease in Trade & Other Receivables	(40,014)	120,950
- (Increase)/Decrease in Inventories	1,805	(7,049)
- (Increase)/Decrease in Prepayments	6,601	(3,379)
- Increase/(Decrease) in Trade & Other Payables	(27,577)	54,686
- Increase/(Decrease) in Provisions	105,930	(12,143)
	594,158	947,104

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20. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The Associations financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payable.

The Association does not have any derivative instruments at 30 June 2015.

Treasury Risk Management

A finance committee consisting of senior committee members meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Financial Risk Exposure and Management

The main risks the Association is exposed to throughout its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

The Association does not have any debt financing and therefore is not exposed to fluctuations in interest rates.

Foreign Currency Risk

The Association is not exposed to fluctuations in foreign currencies.

Liquidity Risk

The Association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The Association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

There are no material amounts of collateral held as security at 30 June 2015.

Credit risk is managed by the Association and reviewed regularly by the finance committee. It arises from exposures to customers as well as through deposits with financial institutions.

The Association monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Only banks and financial institutions with a minimum 'BBB' rating are utilised.
- Only accredited fund managers linked to minimum 'BBB' rated financial institutions are used.
- The credit standing of counterparties is reviewed monthly for liquidity and credit risk.

The trade receivables balances at 30 June 2015 and 30 June 2014 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Price Risk

The Association is not exposed to any material commodity price risks.

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Nagambie Healthcare Inc. believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

- A shift of 100 basis points up and down in market interest rates (AUD) from year-end rates of 2.64%; and
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 1.23%.

The following table discloses the impact on net operating result and equity for each category of financial instrument held by Nagambie Healthcare Inc. at year end as presented to key management personnel, if changes in the relevant risk occur.

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20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit Risk

Nagambie Healthcare Inc.'s exposure to credit risk and effective weighted average interest rate by ageing periods is set out in the following table. For interest rates applicable to each class of asset refer to individual notes to the financial statements.

Interest rate exposure and ageing analysis of financial assets as at 30/6/2015

	Weighted Average Effective Interest Rates %	Total Carrying Amount \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$	Not Past due and not impaired \$	Less than 1 Month \$	1 - 3 Months \$	3 Months - 1 Year \$	Impaired Financial Assets \$
2015										
Financial Assets										
Cash and Cash Equivalents	1.23%	727,005	-	726,762	243	727,005	-	-	-	-
Short-Term Deposits	2.64%	3,950,000	3,950,000	-	-	3,950,000	-	-	-	-
Trade & Other Receivables (i)	0.00%	110,214	-	-	110,214	-	102,638	7,576	-	-
Total Financial Assets		4,787,219	3,950,000	726,762	110,457	4,677,005	102,638	7,576	-	-
2014										
Financial Assets										
Cash and Cash Equivalents	2.11%	630,597	-	630,126	471	630,597	-	-	-	-
Short-Term Deposits	3.48%	3,550,000	3,550,000	-	-	3,550,000	-	-	-	-
Trade & Other Receivables (i)	0.00%	70,200	-	-	70,200	-	62,624	7,576	-	-
Total Financial Assets		4,250,797	3,550,000	630,126	70,671	4,180,597	62,624	7,576	-	-

(i) The carrying amount excludes types of statutory financial assets (i.e. GST input tax credit)

(c) Liquidity Risk

The following table discloses the contractual maturity analysis for Nagambie Healthcare Inc.'s financial liabilities.

Interest rate exposure and maturity analysis of financial liabilities as at 30/6/2015

	Total Carrying Amount \$	Interest Rate Exposure			Weighted Average Effective Interest Rates %	Contractual Cash Flows \$	Maturity Dates			
		Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$			Less than 1 Month \$	1 - 3 Months \$	3 Months - 1 Year \$	Perpetual \$
2015										
Payables (i)										
Trade creditors and accruals	91,008	-	-	91,008	0.00%	91,008	91,008	-	-	-
Independent Living Unit Bonds	741,864	-	-	741,864	0.00%	741,864	-	-	-	741,864
Resident Accommodation Bonds	2,748,980	-	-	2,748,980	0.00%	2,748,980	-	-	-	2,748,980
Total Financial Liabilities	3,581,852	-	-	3,581,852		3,581,852	91,008	-	-	3,490,844
2014										
Payables (i)										
Trade creditors and accruals	118,162	-	-	118,162	0.00%	118,162	118,162	-	-	-
Independent Living Unit Bonds	555,696	-	-	555,696	0.00%	555,696	-	-	-	555,696
Resident Accommodation Bonds	2,806,840	-	-	2,806,840	0.00%	2,806,840	-	-	-	2,806,840
Total Financial Liabilities	3,480,698	-	-	3,480,698		3,480,698	118,162	-	-	3,362,536

(i) The carrying amount excludes types of statutory financial liabilities (i.e. GST payable)

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NAGAMBIE HEALTHCARE INC.
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20. FINANCIAL RISK MANAGEMENT (Continued)

(d) Market Risk

Sensitivity Analysis

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1% Profit	Equity	+1% Profit	Equity	-1% Profit	Equity	+1% Profit	Equity
2015	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and Cash Equivalents	727,005	(7,270)	(7,270)	7,270	7,270	-	-	-	-
Short Term Deposits	3,550,000	(39,500)	(39,500)	39,500	39,500	-	-	-	-
Loans and Receivables	110,214	-	-	-	-	-	-	-	-
Financial Liabilities									
Trade Creditors and Accruals	91,003	-	-	-	-	-	-	-	-
Other Liabilities (i)	3,490,844	-	-	-	-	-	-	-	-

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1% Profit	Equity	+1% Profit	Equity	-1% Profit	Equity	+1% Profit	Equity
2014	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and Cash Equivalents	630,597	(6,306)	(6,306)	6,306	6,306	-	-	-	-
Short Term Deposits	3,550,000	(35,500)	(35,500)	35,500	35,500	-	-	-	-
Loans and Receivables	70,200	-	-	-	-	-	-	-	-
Financial Liabilities									
Trade Creditors and Accruals	118,162	-	-	-	-	-	-	-	-
Other Liabilities (i)	3,362,536	-	-	-	-	-	-	-	-

(i) The carrying amount excludes types of statutory financial assets and liabilities (i.e. GST input tax credit and GST payable)

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*NAGAMBIE HEALTHCARE INC.
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20. FINANCIAL RISK MANAGEMENT (Continued)

(e) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value.

No financial assets and liabilities are readily traded on markets in standardised form other than listed investments.

Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date

	Carrying Amount 2015 \$	Net Fair Value 2015 \$	Carrying Amount 2014 \$	Net Fair Value 2014 \$
Financial Assets				
Cash on Hand	243	243	471	471
Cash at Bank	726,762	726,762	630,126	630,126
Term Deposits	3,950,000	3,950,000	3,550,000	3,550,000
Trade & Other Receivables	110,214	110,214	70,200	70,200
Total Financial Assets	4,787,219	4,787,219	4,250,797	4,250,797
Financial Liabilities				
Trade & Other Payables	91,008	91,008	118,162	118,162
Resident Accommodation Bonds	2,748,980	2,748,980	2,806,840	2,806,840
ILU Loans	741,864	741,864	555,696	555,696
Total Financial Liabilities	3,581,852	3,581,852	3,480,698	3,480,698

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NAGAMBIE HEALTHCARE INC.
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21. SEGMENT REPORTING

The Nagambie Healthcare Inc. has two business segments being residential aged care & other hospital services and only operates in Nagambie, Victoria.

	Residential Aged Care		Hospital Services		Consolidated	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Segment revenue from outside	3,144,249	2,889,922	766,424	843,936	3,910,673	3,733,858
Interest Revenue	164,024	141,106	-	-	164,024	141,106
Total Revenue	3,308,273	3,031,028	766,424	843,936	4,074,697	3,874,964
Allocated Segment Expense	2,809,524	2,356,884	684,833	688,275	3,494,357	3,045,159
Depreciation and amortisation	219,059	223,433	54,765	55,858	273,823	279,291
Total Expense	3,028,582	2,580,318	739,598	744,133	3,768,180	3,324,450
Net Result from ordinary activities	279,691	450,710	26,826	99,803	306,517	550,514
Net Result for year	279,691	450,710	26,826	99,803	306,517	550,514
Segment Assets	7,611,796	7,076,438	8,218,183	8,240,363	15,829,979	15,316,801
Total Assets	7,611,796	7,076,438	8,218,183	8,240,363	15,829,979	15,316,801
Segment Liabilities	3,777,650	3,610,166	286,806	247,630	4,064,456	3,857,796
Total liabilities	3,777,650	3,610,166	286,806	247,630	4,064,456	3,857,795
Acquisition of property, plant & Equipment	245,958	145,357	13,027	4,487	258,985	149,844

NOTE 22: EXECUTIVE OFFICER DISCLOSURES

Executive Officer Remuneration

The numbers of executive officers and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy and retirement benefits.

	Total Remuneration		Base Remuneration	
	2015	2014	2015	2014
	No.	No.	No.	No.
\$50,000 - \$59,999	0	1	0	1
\$70,000 - \$79,999	0	1	0	1
\$140,000 - \$149,999	0	0	0	0
\$170,000 - \$179,999	1	0	1	0
Total	1	2	1	2
Total Remuneration	\$170,356	\$135,524	\$170,356	\$126,923

23. ENTITY DETAILS

The registered office of the entity is:

Nagambie Healthcare Inc.
22 Church Street, Nagambie, Victoria, 3608

The principal places of business is:

Nagambie Healthcare Inc.
22 Church Street, Nagambie, Victoria, 3608

2014/2015 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.

BOARD OF MANAGEMENT STATEMENT

In the opinion of the Board of Management the financial report as set out on the preceding pages:

1. Presents a true and fair view of the financial position of Nagambie Healthcare Inc. as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Nagambie Healthcare Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board of Management by:


BOARD MEMBER


BOARD MEMBER

Dated this 22nd day of September 2015.

