



VISION

- To provide high quality, accessible services that best meet the needs of our community
- 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 & Fundraising
	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 Monday 24th October 2016

Agenda

Present

Apologies

Welcome

Confirmation of Minutes

Confirmation of Minutes of the previous Annual General Meeting held on 27th October 2015.

Business arising from minutes

Guest Speakers – William Rowe and Chris Kelly (smithandrowe advertising) “Surviving the Aged Care Reforms as a rural healthcare provider: Diversification and knowing your brand”

Reports

- Chairman's Report
- Chief Executive Officer's Report
- Chair of Finance Committee

Election of Board Members

Election of Auditor for the financial year 2016/2017

Community Feedback/Comments

Other business

Of which the Secretary has received notice in writing of not less than 7 days.

Close of Annual General Meeting



CHAIRMAN'S REPORT

It gives me much pleasure to present the Chairman's Report for the past year.

Our vision is to provide high quality accessible services that best meet the needs of the community. Our main priorities are to foster partnerships with those around us, a strong commitment to quality care and maintaining a financially strong organisation. The Board is confident it is progressing positively on implementing our vision and priorities.

The Board has undergone education and training in succession planning, governance responsibilities as a multi-service centre for the provision of aged care, disability and health services including Residential Aged Care, Sub-Acute Private Patient Services, Meals on Wheels, Adult Day Care services and Community Health services.

Board members completed an annual self-assessment which reflected high levels of satisfaction in the Board's understanding of Governance; transparency of clinical and operations and Nagambie HealthCare's strategic business direction.

To meet community demand for affordable supported living, negotiations commenced with the Shire for the purchase of 6 units in Vale Street at a cost of \$280,000. The units were very run down and had to be completely renovated but are now fully occupied with Veterans and their families having priority access to them.

The Board was invited by the GV Health Board to attend one of their board meetings. This was a very important development and is a result of our close linkages with GV Health through our Restorative and Transition Care.

During the past year Nagambie HealthCare drew up plans for a two stage capital development. The first stage focusing on the building of three new hostel rooms with specific design to accommodate couples, and the second stage incorporating the refurbishment of the old hospital wing with the creation of 10 new rooms with ensuites and renovation of the front of the main entrance. The first stage of the building works is near completion with the second stage hopefully near completion by the end of next year. The two stage capital works development will be funded out of reserves and through our fundraising efforts. We were very grateful to receive a generous donation from the Scobie and Claire MacKinnon Trust which specifically helps aged care facilities in rural areas.

The Board thanks the Ladies Auxiliary, capably led by Helen Kennedy, for their continued support of our residents and for their fundraising efforts during the year.

We are very fortunate to have a CEO of Bronwyn's ability and we thank her for the leadership she provides within the organisation.

We thank our staff for the respect and compassion they show to our residents, the quality of care they provide is outstanding.

We thank our volunteers for their great contribution.

The Board thanks Dr Atif and his group for their care of our patients and residents.

I would like to thank the Board for their support and especially to Sam Verrocchi for his work in the planning and building area.

I move my report be received.



James Tehan
Chairman



CEO & DON REPORT WELCOME

When compiling the Annual Report together the last task on the list is drafting my report. The reason for this is that I like to reflect on the images and narratives from the first copy in the hope that I can capture language that is worthy of the significant efforts and achievements of the Nagambie HealthCare Team. I feel we can be proud of the report we are putting forward for the 2015/16 year as it represents not only the continued development of our governance and quality improvement processes, but also captures the essence of who we are as a health service and how we care for our people.

The 2015/16 year has focused on fulfilling our commitment to the 2014/17 strategic business plan and the development of a supportive marketing and branding strategy, one which will position us as a viable service in what has become a very challenging and competitive health and aged care environment.

Through our community consultation workshops and industry forecasting sessions in 2014 it became quite evident that for Nagambie HealthCare to remain as a community owned and operated health service we needed to diversify as a care provider and capture an understanding not only of who we are as a health service but also how to communicate that to our broader community. Over the last 12 months we have worked closely with a marketing and branding consulting team who have guided us through the development of an organisational brand with strategies for effectively communicating who we are as an organisation and the services we have to offer. Effective communication has been essential to our broadening of services which has included following:

- The development of a planned activity group which occurs two days a week and is well attended by members of our community.
- Recommencement of the community lunches which is run by a dedicated volunteer team

and enables socially and geographically older members of our community to get together once a month.

- With assistance from the Bendigo Bank, provision of a health service bus which provides transport assistance for older members of our community to attend recreational events and appointments.
- Commencement of community service provision covering nursing and personal care, domestic and maintenance services. Expansion of services into our community has enabled close community connections with the health service and continuity of care.
- The establishment of affordable supported living for veterans and members of our community through the acquisition and refurbishment of the Vale St units.

As reflected in our financial results, investment in the development of the above services has come at a cost as there is limited government funding to support such locally supported services. To diversify as a service and to remain relevant to our community's needs, it is essential to take some level of calculated organisational risk with the rewards already demonstrated through increased levels of engagement with our community, high occupancy rates and strong demand for our services. It is important to highlight that the organisational journey to date would not be achievable without the commitment and support of the Nagambie HealthCare Board and our remarkable and highly valued team of staff and volunteers who are more than willing to support the many changes which enable our capacity to care for all those who access our services.



Bronwyn Beadle
CEO / DON



QUALITY OUTCOMES REPORT

In line with Nagambie HealthCare's vision to provide high quality services with excellence, compassion and competence, Nagambie HealthCare maintains an organisational governance reporting framework which is reported to the Board and Staff on a monthly basis. This framework includes a monthly score card report covering the domains of :

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

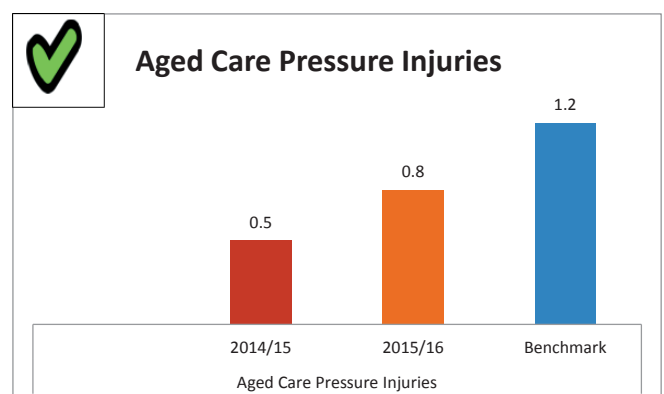
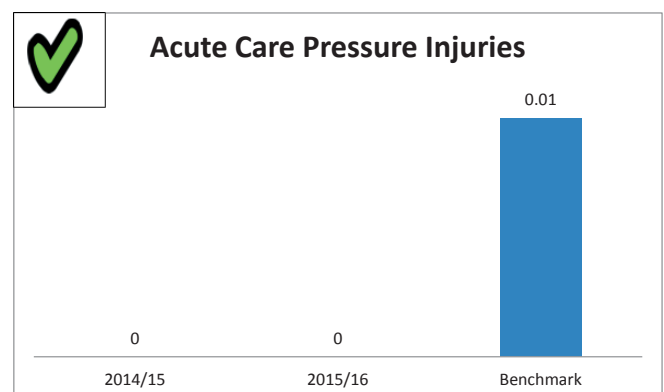
The score card report is benchmarked against the best available industry benchmark indicators and offers the Board the opportunity to oversee a transparent reflection of the health services operations and outcomes for its patients and residents.

To support ongoing quality improvements at Nagambie Healthcare the accountability report also supports opportunity 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 2015/16 quality outcomes and measures undertaken to support continual improvement.

PRESSURE INJURIES

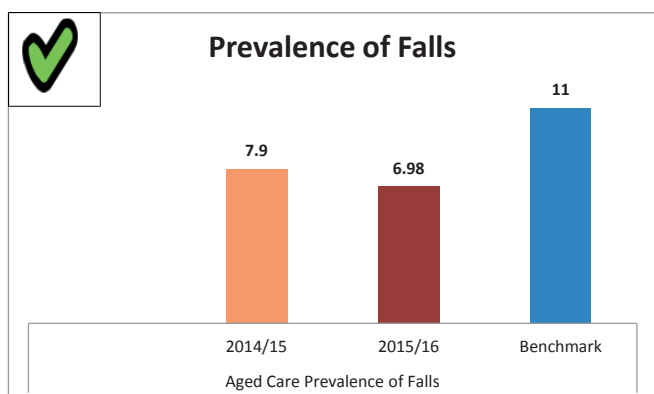
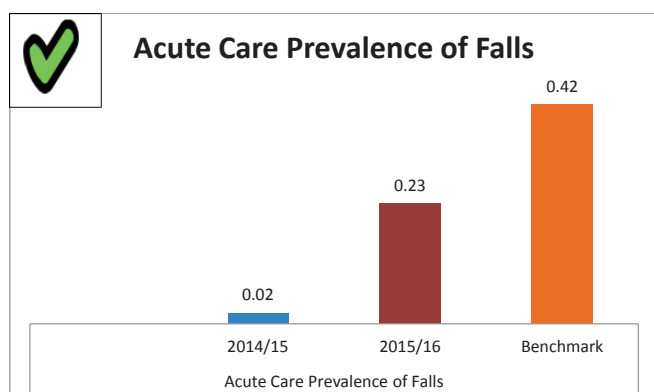
Pressure injuries result from damage to the skin when patients and residents are unable to move freely. Nagambie HealthCare's residents and patients experience very low numbers of pressure injury and this has been achieved through high standards of care and implementation of evidence based strategies 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

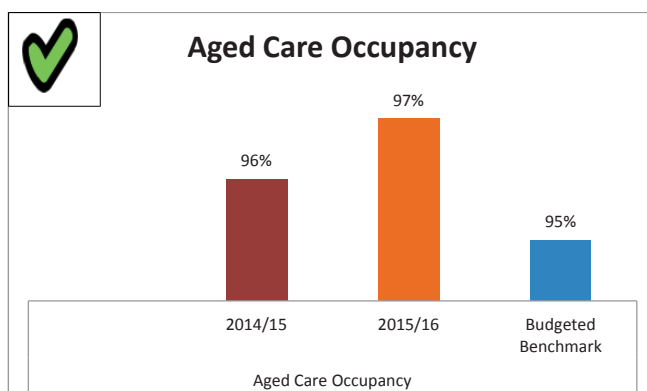
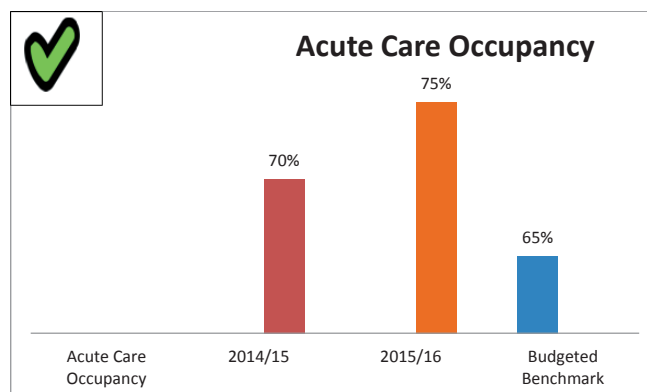
Falls are one of the largest causes of harm in the hospital setting or residential care. Preventing falls and minimising their harmful effects are critical and Nagambie HealthCare works diligently to identify those patients and residents who are at risk of falls. Falls risk assessment tools and falls minimisation plans in line with the National Safety and Quality Health Service (NSQHS) Standards have been developed.

In the 2015/16 year there was a notable increase in the frequency of falls in the Acute Care (hospital setting), whilst the overall data was under the clinical benchmark it is reflective of the increased number of older frail people being admitted to our hospital beds. During hospitalisation older people are usually experiencing illness and resulting frailty and the uncertainty that brings. These patients are at their most vulnerable, often in unfamiliar settings, increasing the risk of falls. To this end staff work closely with residents, patients and families in the development of strategies to minimise falls or harm from falls.



STRONG DEMAND FOR SERVICES

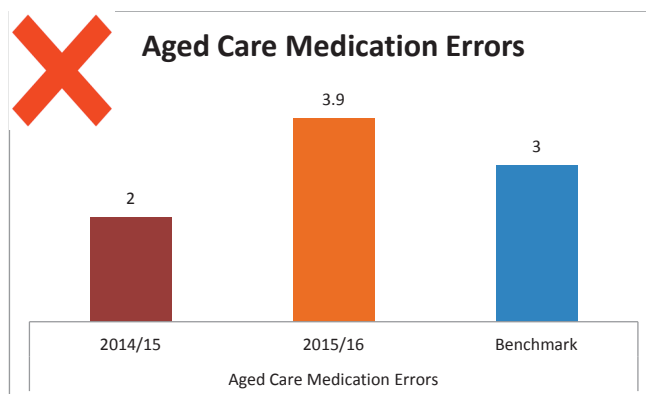
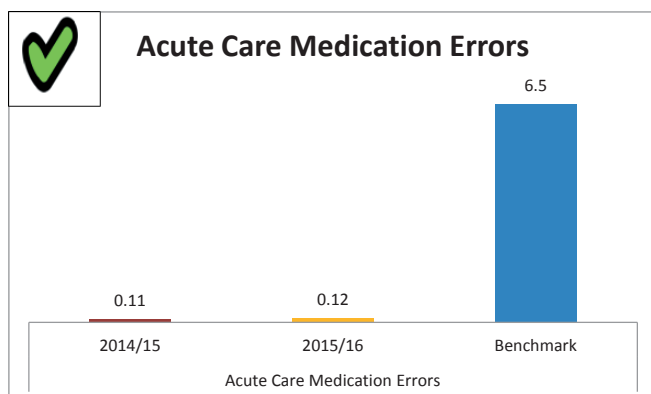
Nagambie HealthCare has a very strong focus on caring for its people, whether it be community, patients, residents, staff, family or those just wishing to visit our services. As a reflection of high standards of care, a consumer focused approach to service delivery and strong partnerships with Goulburn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



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.

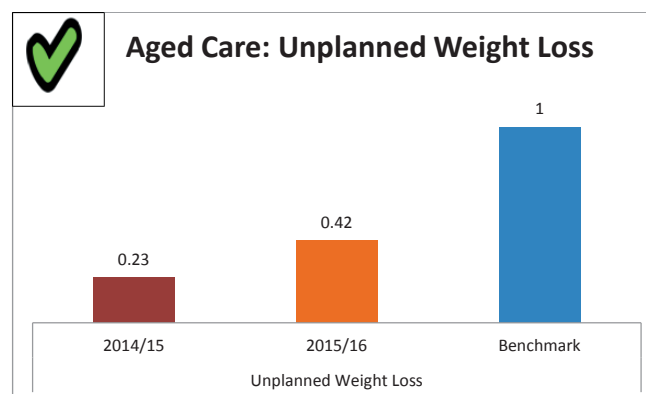
Medication errors in Aged Care for 2015/16 have been above the accepted benchmark, there have been no adverse outcomes for residents relating to medication errors with the predominant error relating to nursing documentation and failure to sign for medications given (signature omissions). Through the Nagambie HealthCare quality committee and staff working parties a number of initiatives have been undertaken to minimise the incidence of signature omissions with an anticipated improvement in the 2016/17 audit results.



UNPLANNED WEIGHT LOSS

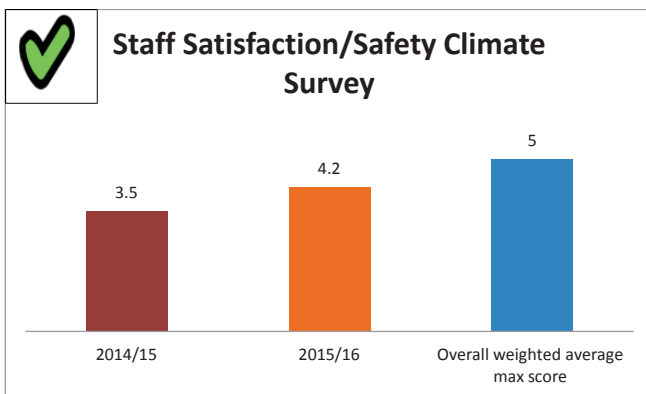
If people become inactive as they age, there is usually a degree of weight and muscle loss. More rapid weight loss is described as 'unintentional' and is due to causes other than inactive ageing. It is important to manage unintentional weight loss because of its potential to increase the risk of infections, cause loss of strength, and increase the 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 and 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 the nutritional needs of individual residents.



STAFF SATISFACTION AND SAFETY CLIMATE SURVEY

In 2014/15 Nagambie HealthCare commenced an annual staff satisfaction and Safety Climate Survey¹ which is designed to provide an insight into workplace safety culture, staff satisfaction and to identify areas for improvement. The 2015/16 survey resulted an excellent outcome in the majority of domains surveyed with identified opportunities for improvement in the areas of manual handling, infection control education, equipment maintenance, staff resourcing and formal staff recognition. A number of initiatives are now in place to address these key areas for improvement.



¹ VMIA/Victorian Quality Council a Safety Climate Survey

<https://www.vmia.vic.gov.au/~/.53BA9A46A62246FF8AAC82F1A86BB466.pdf>



✓	Complete
✓	In Progress and Near Complete
✓	Not Yet Commenced

STRATEGIC BUSINESS PLAN PROGRESS REPORT

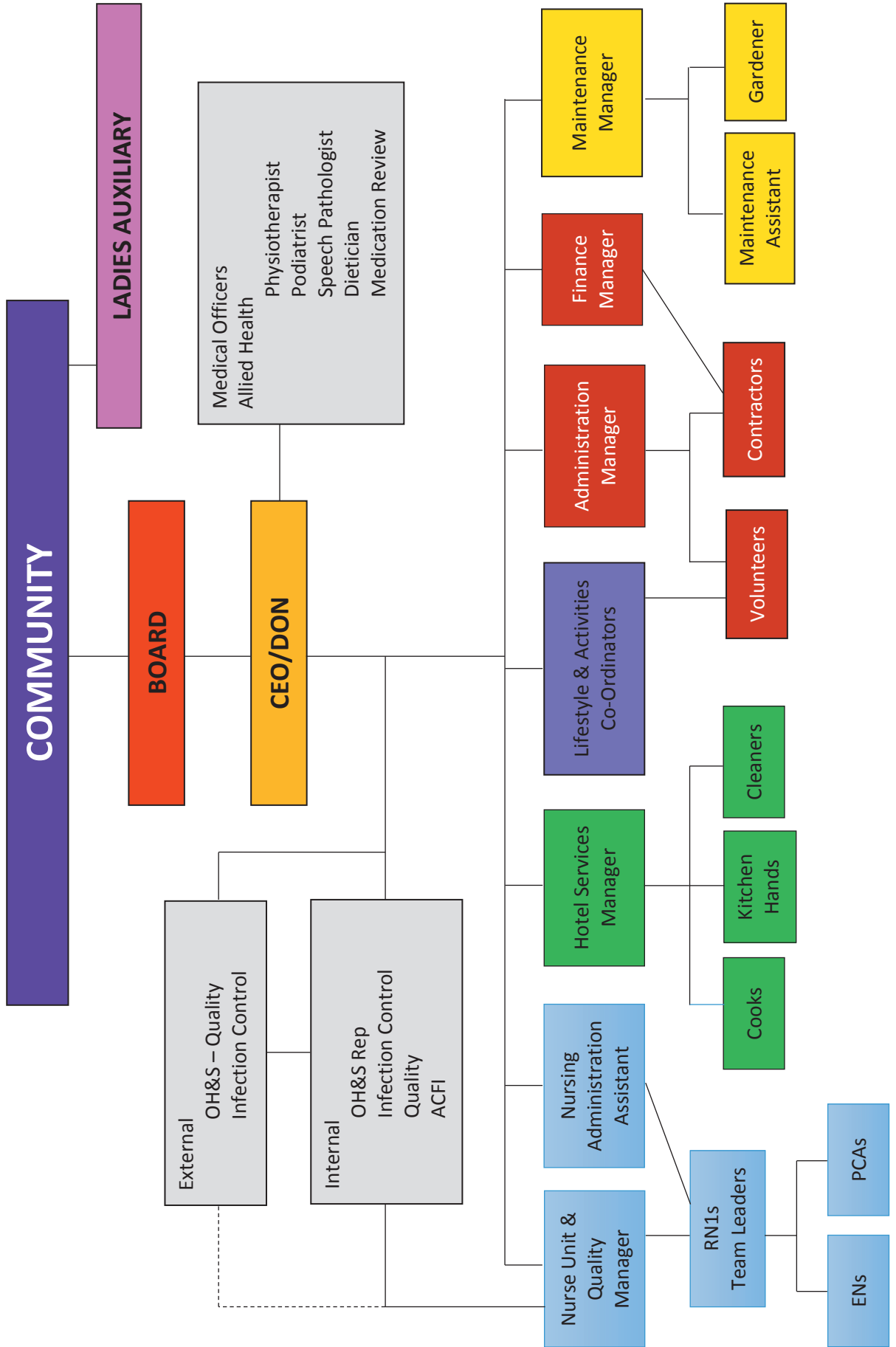
Strategic Objective	Activity	2014	2015	2016
Nagambie HealthCare will strengthen its role as a community healthcare provider and will advocate for the healthcare needs of the community through partnerships with local peak bodies and surrounding	1.1 Identify and engage with local peak body community groups to develop agreed strategies aimed at keeping the community informed about their health service	✓	✓	✓
	1.2 Develop a conduit for local peak body community group feedback to the health service and its Board			✓
	1.3 Further develop brand recognition for Nagambie HealthCare			✓
	1.4 Enhance access to information through mediums such as the internet, local media, information centre and community promotion activities.			✓
	1.5 Consolidate GP service provision arrangements to meet service provision needs for acute, sub-acute and aged care	✓	✓	
	1.5.1 Establish agreed person centered multidisciplinary care pathways with care providers			✓
	1.6 Establish a consortium partnership with Euroa Health and Violet Town Bush Nursing Centre for mutually beneficial business opportunities		✓	
	1.7 Maintain working relationships with Goulburn Valley Health and explore further shared service sustainability opportunities	✓	✓	✓
	1.8 Further develop established networks with the Hume Department of Health and Strathbogie Shire and advocate for improved services to our community	✓	✓	✓

Strategic Objective	Activity	2014	2015	2016
	1.8.1 Develop home service provision information and pricing structures in preparation for 1/2/17 consumer directed care options. Market same to the community and home care package providers.			√
Nagambie HealthCare will reshape its services to meet the identified needs of the community whilst responding appropriately to a new regulatory and funding environment.	2.1 Explore funding opportunities to grow aged care community service provision (nursing, personal care, environmental and maintenance services) and day respite services	√	√	√
	2.2 Further develop workforce capability in the areas of slow stream rehabilitation, palliative care, dementia management and end of life planning	√	√	√
	2.3 Further develop care provision information management systems and best practice care pathways.	√	√	√
	2.3 Further develop care provision information management systems and best practice care pathways.	√	√	√
	2.4 Proceed with capital planning for staged infrastructure improvements to meet contemporary standards for both aged and sub-acute care.	√	√	√
	2.5 Develop an information intake process to assist members of the local community in navigating the health system when required.			√
Nagambie HealthCare will continue its commitment to embedding a positive workplace culture and will support staff and volunteers through capability development and workforce planning	3.1 Develop and implement consistent human resource systems, practices and processes			√
	3.2 Review the capacity of the organizational structure to meet current and emerging needs	√	√	√
	3.3 Invest in staff development for identified capability development areas	√	√	√

Strategic Objective	Activity	2014	2015	2016
	3.4 Develop an organisational approach to embed NHC Vision, Values and strategic service goals in all activities	√		
	3.5 Ensure staff feel informed, listened to and engaged with opportunities to contribute to significant strategic and operational issues.	√	√	√
	3.6 Partner with regional health services to support service delivery and workforce capability development requirements			√
	3.7 Develop flexible and adaptable professional roles to best utilise the workforce and skills available to NHC.	√	√	√
Nagambie HealthCare will maintain and improve on its financial performance to guarantee viability and its capacity to reinvest in maintaining and improving infrastructure and services	4.1 Enhance and consolidate our current income revenue streams.	√	√	√
	4.2 Develop a resource network for performance benchmarking and draw on others experiences and strategies for improving our revenue			√
	4.3 Identify benefits and feasibility of shared services and pursue service improvement and or financial benefits where they can be demonstrated	√	√	
	4.4 Develop and implement targeted marketing programs which inform potential consumers of our services.			√
	4.5 Develop a capital plan incorporating new building and upgrading in order to deliver sustainable levels of return.	√	√	√
Nagambie HealthCare will maintain our commitment to high standards of care and will strengthen our role as an advocate for the health of the Nagambie community	5.1 Further develop customer service capabilities within the organisation with processes, procedures and interactions reflecting customer needs.			√

Strategic Objective	Activity	2014	2015	2016
	5.2 Continue to develop quality, risk and governance frameworks to support all accreditation standards	√	√	√
	5.3 Explore options to engage in regional partnerships to support clinical practice standards.	√	√	√
	5.4 Develop a communications strategy including options to build Nagambie Healthcare's identity and brand			√
	5.5 Improve the community's knowledge of health service activities and issues through the communication strategy.		√	√
	5.6 Develop internal service structures that facilitate access to aged care advice and navigation of the health care system.		√	√

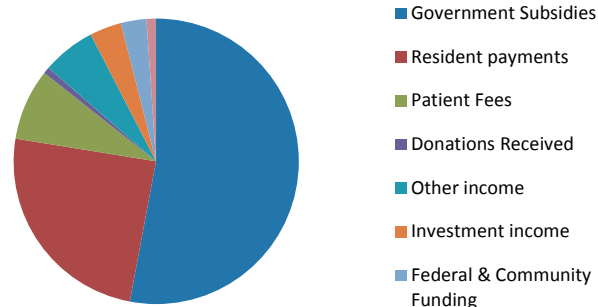
ORGANISATIONAL STRUCTURE



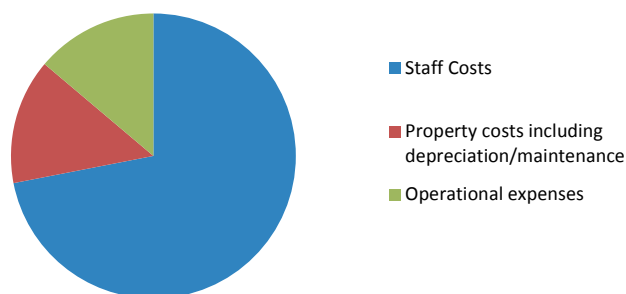
FINANCIAL RESULTS AT A GLANCE

Statement of Financial Performance

WHAT WE EARNED:	\$000
Government Subsidies	2,218,854
Resident payments	1,029,358
Patient Fees	339,048
Donations Received	30,060
Other income	253,285
Investment income	151,470
Federal & Community Funding	120,996
Capital Grant	45,797
Total Revenue	4,188,868



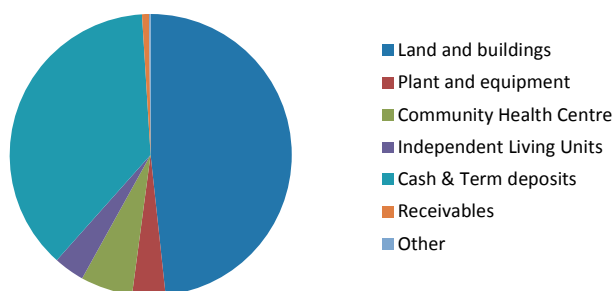
WHAT WE SPENT	\$000
Staff Costs	2,915,781
Property costs including depreciation/maintenance	576,523
Operational expenses	560,344
Total Costs	4,052,648



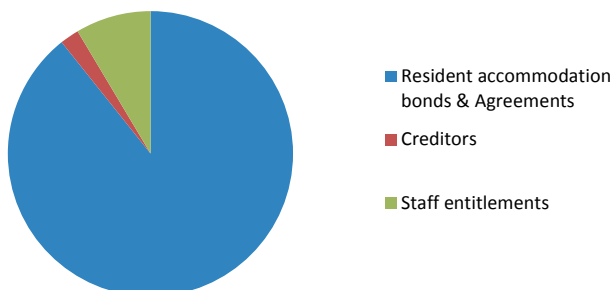
Surplus for the year **136,220**

Statement of Financial Position

WHAT WE OWN	\$000
Land and buildings	8,577,699
Plant and equipment	671,558
Community Health Centre	1,059,840
Independent Living Units	625,602
Cash & Term deposits	6,642,249
Receivables	139,891
Other	36,479
Total Assets	17,753,318



WHAT WE OWE	\$000
Resident accommodation bonds & Agreements	5,378,224
Creditors	129,531
Staff entitlements	514,582
Total Liabilities	6,022,337



Equity **11,730,981**

LADIES' AUXILIARY PRESIDENTS REPORT 2015-2016

BY HELEN KENNEDY

With the passing of 2015 the Ladies Auxiliary of Nagambie HealthCare has been of service to the hospital, and more recently the hostel, for 85 years.

We had four meetings during the year with an average attendance of nine with three apologies.

Our trolley is a much looked forward to feature of hostel life. Apart from the treats and necessities available, social contact is provided to some who are short on visitors. A small profit of \$100 was a result of this service.

Our two fundraising functions for the year were very successful due to the enthusiasm and hard work of members.

Our card day as usual received support from afar with a result of \$1,460.

Our Christmas Drinks function at Box Grove was

a great social event with good local support and resulted with a \$5,000 profit. The Lions Club was again very generous with a donation of \$1,000.

We purchased a Bladder Scanner at a cost of \$5,500 which means it is no longer necessary for some trips out of town for tests.

We have come to a time I think when we have to face the fact that time is getting the best of most of us. Times have changed and those who in days past were free to join and work for the Auxiliary are no longer in that position. They go to a day job in many cases – so – maybe we need to look to what the future is. Something to ponder.

I thank our office bearers Nola and Denise for the stirring job they have done, as I do all those who have helped when needed whether trolley duty, selling tickets or cooking.

Many thanks to all.

LADIES' AUXILIARY FINANCIAL STATEMENT 2015-2016

BALANCE SHEET AS AT 31 JANUARY 2016

	2016 (\$)	2015 (\$)
CURRENT ASSETS		
Business Cheque A/C	8267.50	638.04
Cash Management A/C	2448.81	7865.23
NET ASSETS	10716.31	8503.27
ACCUMULATED ACCOUNT		
Opening Balance	8503.27	7296.54
Excess Expenditure over Income	2213.04	1206.73
NET ACCUMULATION	10716.31	8503.27



LADIES AUXILIARY FINANCIAL SUMMARY 2016

THE AUXILIARY OF NAGAMBIE HEALTH CARE INC.

STATEMENT OF RECEIPTS AND EXPENDITURE

FOR THE PERIOD 1 FEBRUARY 2015 TO 31 JANUARY 2016

INCOME	Yr end 31/1/16 (\$)	Yr end 31/1/15 (\$)
Subscriptions	70.00	110.00
Donations	1480.00	890.00
Bank Interest	110.84	97.85
Sundries (Sale of excess supplies)	50.00	130.00
Raffles	790.00	554.00
Functions	5615.00	4093.00
Trolley	100.00	80.00
Fee Refund	12.00	
TOTAL INCOME	8227.84	5954.85
EXPENDITURE		
Bank Charges	4.00	24.00
Function Expenses	510.80	619.12
Sundries	0.00	655.00
Equipment Purchases - Bladder Scanner	5500.00	
Equipment Purchases - Lifter		3450.00
TOTAL EXPENDITURE	6014.80	4748.12
Excess Expenditure over Income	2213.04	1206.73

DONATIONS 2015/16

WE WISH TO THANK THE FOLLOWING FOR
THEIR GENEROUS DONATIONS

Lions Club of Nagambie	Rae & Peter Gunn Family Foundation	Vincent & Nola Palmer
Michelle Forbes	Andrew Facey (Parklea P/L)	Godfrey & June Haines
Kathryn Boyle	Ken Johnston	Bob & June Doherty
Avenel/Nagambie Card & Craft Group	Michelle Burgess	R.G. & L.J. McMaster
Graeme & Bev Ratten	Robert McMaster	
Seymour Dance Club	Fred Voight	
	Peter & Robyn Egan	

Ladies Auxiliary of Nagambie HealthCare

William Angliss Victoria



STAFF SERVICE 2015-2016

15+	Jennifer Andrea Marisa Haysom	Jeanette Verhardt Leonie Zanussi	
10+	Kristyn Green Joanne Joyce Christine Karacsay	Mark Kramer Katrina McMaster	
5+	Veronika Bastow Stefano D'Andrea Antonia D'Andrea John Fuhrmann Diane Jenner Irene Keogh	Peggyann Leopoldo Clara Lynch Pamela Maura Chipo Muvirimi Joanne Neven Claire Sampson	Christine Spencer Nicole Stafford Patricia Stuart Debra Ure 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	Hannah Capstick Denise Cerini Maylor Eldridge Kirsty Hare Jyothi John	Pamela Maura John Merrigan Chipo Muvirimi Sreena Sreedharan Nicole Stafford	Shiney Thomas Katherine Treble Ambily Varghese Lisa-Ann Watson
Registered Nurses Division 2	Veronica Bastow Jennie Brack Lisette Brew Amy Bryce-Singh Yvette Demavibas Fiona Grainger Merryn Green Joanne Joyce	Christine Karacsay Mark Kramer Susan Maresceaux Jacqui Mathers Danielle McMaster Joanne Neven Tammy Pedersen Sarah Pyle	Jodi Sheidl Sam Shabo Patricia Stuart Gail Wallace Barbara Watts Renae Webb Amy Wilde Sarah Zanetti
Personal Care Workers	Sarah Aldridge Shamaila Atiq Susan Bender Alison Blake Jacqui Bray Millie Button	Jane Collins-Ash Fiona Dowling Brett Felini Carol Florence Veronica Harvey Eugenia Hourigan	Irene Keogh Peggy Leopoldo Susan McCarthy Paula O'Toole Donna Pearce Rachelle Phelan
Activities and Lifestyle	Rachael Connell Clara Lynch	Kayla Shepherd Christine Spencer	
Hotel Services	Jean Aitken Jennifer Andrea Sarah Beadle Megan Brack Antonia D'Andrea Carolyn Fox	Kristyn Green Marisa Haysom Diane Jenner Angel Manneken Sandra McKenzie Rosemarie Quadara	Claire Raeburn Leanda Scopel Wesley Ure Jeanette Verhardt Leonie Zanussi
Maintenance	Stefano D'Andrea Lawrence Desmond	John Fuhrmann James Godkin	Philip Miller
Volunteers	Debra Comi Rachel D'Andrea Adrianna Di Visser Lynn Dunn Maureen Fowler	Jenny Gurr Jen Howden Deirdre Kleinig Rachel Kleinig Dawn Newman	Robert Parris Maria Sellars Sandra Slater Chad Grainger

2015 ANNUAL GENERAL MEETING

Minutes of the Annual General Meeting held on Tuesday 27th October 2015 at 7:00pm

1. PRESENT as per attendance register

2. APOLOGIES as per attendance register

3. WELCOME

Chairman James Tehan welcomed all those present, including guest speaker Dr Ann Allenby, 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 28th October 2014 were accepted as true and correct.

Moved: Margaret Moss

Seconded: Bruce Parris

5. MATTERS ARISING FROM PREVIOUS MINUTES

Nil

6. GUEST SPEAKER

Chairman Tehan introduced Dr Ann Allenby, Project Manager for the new Victorian Comprehensive Cancer Centre (VCCC) in Grattan Street, Melbourne, which is due to open in June 2016. He said Dr Allenby had 25 years' experience in health and quality management and clinical research and a very strong association with cancer care in the rural community.

Dr Allenby thanked the Chairman for his introduction and focused her presentation on living with cancer in a rural community and strategies for navigating the health care system.

How does a cancer diagnosis change your life? – for 1 in 2 men and 1 in 3 women who are diagnosed by age 85 – the adjustment is significant. The after-effect on employment, social activities, relationships and financial constraints can take their toll so how to focus on what is really important is the key.

Dr Allenby said the Government had responded by making cancer a priority for funding and support for cancer projects. Rural families and cancer patients now have access to accommodation and travel support.

Dr Allenby then asked "What does it mean for you locally?" CEO, Bronwyn Beadle, answered by stating that local doctors are the first point of call and support was available from local health, community and council services. There were also 125 cancer support groups in the region who have good knowledge of accessible services.

Dr Allenby finished with a video of the new state of the art VCCC building. She then asked those present if they had any questions.

2015 ANNUAL GENERAL MEETING

Q: When will it be open?

A: Approximately June 2016

Q: What will happen to the old Peter Mac building/site?

A: The property will most probably be sold

Q: What out of pocket expenses will there be?

A: The services are excellent and available to everyone whatever their circumstances.
Through the public system there is no cost.

Sam Verrocchi thanked Dr Allenby for her informative presentation.

7. REPORTS:

7.1 CHAIRMAN'S REPORT

Chairman James Tehan presented his report highlighting the adoption of the 2014-2017 Strategic Plan after wide consultation with key stakeholders, community and staff.

He praised the staff for their commitment to our vision in providing *high quality accessible services that best meet the needs of our community with empathy, compassion and competence*. He then thanked the Board for their dedication, Drs Atif, Berryman and Vikas for the care of our patients and residents, and Ladies Auxiliary for their continued support of our residents and for their fundraising efforts throughout the year.

Motion: To accept the Chairman's Report

Moved: James Tehan

Seconded: Robert Parris

7.2 CHIEF EXECUTIVE OFFICER'S REPORT

Bronwyn thanked the Board for their commitment and willingness to set the direction for the future of NHC to remain an independent and viable community owned health service with focus on fostering partnerships with regional healthcare providers.

She highlighted the inclusion of a Quality Report which outlined the health outcomes for our residents and patients and capacity to deliver services at and above expected standards of care.

She thanked the staff and volunteers for their enthusiasm, particularly in embracing the significant amount of change during the 12 months.

Bronwyn then thanked the Ladies Auxiliary, Philanthropic groups and remarkable support received from community groups, clubs and individuals and said she looked forward to Nagambie HealthCare's ongoing journey.

Motion: To accept the Chief Executive Officer's Report

Moved: Bronwyn Beadle

Seconded: Helen Kennedy

7.3 FINANCE REPORT

John Palmer, Chair of the Finance Sub Committee, presented the Audited Statements and Reports prepared by Davidsons for 2014/15.

2015 ANNUAL GENERAL MEETING

John reported on a Net Result for the year of \$306,517. Refurbishment and general maintenance throughout the facility contributed to significant over-budget of *Repairs and Maintenance* but has made a remarkable difference, particularly in the acute/high care areas.

The Hostel has maintained 100% occupancy levels and a solid waiting list throughout the year and all Independent Living Units are fully occupied. A satisfying result for 2014/15 which places us in a strong position for the start of the new financial year when a building campaign to add rooms in the hostel and hospital along with refurbishment/renovations to the front area of the hospital will commence.

John thanked the CEO, staff, volunteers, Doctors and Goulburn Valley Health for their support.

Motion: To accept the Financial Statements

Moved: John Palmer

Seconded: Henry Moss

8. ELECTION OF COMMITTEES:

8.1 BOARD MEMBERS

The Chairman declared there were three members of the Board, himself, Margaret Moss and John Smith who had completed three year terms.

All three nominated for re-election.

As the number of nominations did not exceed the number of positions available, Jim Tehan, Margaret Moss and John Smith were duly elected.

Motion: To elect Jim Tehan, Margaret Moss and John Smith to the Board of Nagambie HealthCare for a three year term.

Moved: Helen Kennedy

Seconded: Sue Verge

9. ELECTION OF AUDITOR

Motion: That on the recommendation of the committee 'Davidsons' be re-appointed to carry out the 2015/16 Audit.

Moved: John Palmer

Seconded: Howard Palmer

10. COMMUNITY FEEDBACK/COMMENTS

Q: Di Grant asked about the new rooms as part of the building works to take place. What type of rooms will they be.

A: CEO advised they would be multi-purpose, enabling them to be used for acute, aged care or respite clients.

Margaret Moss informed all those present the Annual Ladies Auxiliary Christmas Drinks would be held on Saturday 5th December at Box Grove, Lobbs Lane, Nagambie.

11. OTHER BUSINESS

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

12. ANNUAL GENERAL MEETING – CLOSED AT 8PM

2015 ANNUAL GENERAL MEETING

ATTENDANCE REGISTER

Attendees	
Jim Schan	
Bert & Irene Ratten	
Vin & Nola Palmer.	
Nola Deedley	Heeroa Health
Robin Haberecht	Euroa Health.
Karen Guy	Dept of Health & Human Services
Alan Pung	Nagambie
D. Grant	Nag. Euroa Gazette
Kamreen Fowler.	
Shirley Bruce	
Katrina McMaster.	
JOHN PALMER	
Henny Hoo	
Gregory Hoo	
SAM VERROECHI.	
MARISA HAYSON	
RUSSELL HAYSON	
STEVE D'ANDREA	N.H.C.
TOM FULLMAN	N.H.C.
Mel Pe	
Paul Pe	
John Kennedy.	
John Tarris	
Gladys Tarris	
Robert Tarris	
Deborah	

2015 ANNUAL GENERAL MEETING

APOLOGIES

Doug & Di Proud	
Alister Purbrick	Strathbogie Shire
Sam Campi	CEO, Violet Town
Chris McDonnell	CEO, Seymour Health
Dale Fraser	CEO, Goulburn Valley Health
Leigh Rhode	GV Community & Integrated Care
Dr Sharman Stone, MP	Federal Member for Murray
Phil O'Brien	
Mr Richmond	
Frank & Iris Staples	
June Wright	
Claire Sampson	Nurse Unit Manager
Lisa Pearson	NHC Board Member
John Smith	NHC Board Member
Debra Swan	Mayor, Strathbogie Shire
Julie Baldwin	
Gerry Ryan	
Steph Ryan, MP	

2015/2016 FINANCIAL REPORT

12th October 2016

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 2016, 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

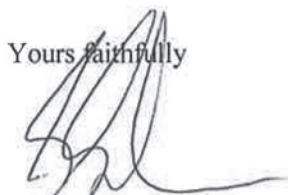
- We have fulfilled our responsibilities as set out in the terms of audit engagement that the preparation of the financial report is in accordance with Accounting Standards, in particular the financial report gives a true and fair view, in accordance therewith.
- Significant assumptions used by us in 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.
- The effects of uncorrected misstatement are immaterial both individually and in aggregate, to the financial report as a whole.
- 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 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. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
- 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.

2015/2016 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



Bronwyn Beadle
CEO/DON
Nagambie Healthcare Inc.

2015/2016 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 2016, 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.

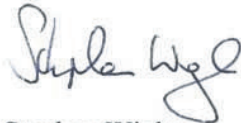
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

2015/2016 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 2016, 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 12th day of October 2016

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

2015/2016 FINANCIAL REPORT

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

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 2015 to 30 June 2016.

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 Health 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.

2015/2016 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 Health 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 Health, 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 Health 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.

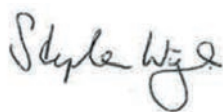
Auditor's Opinion

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 2015 to 30 June 2016.

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.



Stephen Wight
Director

Davidsons Assurance Services Pty Ltd
101 West Fyans Street

Registered Company Auditor
No 326755

Dated this 12th day of October 2016

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.

BOARD OF MANAGEMENT REPORT

Your Board of Management submit the financial report of Nagambie Healthcare Inc. for the financial year ended 30 June 2016.

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.

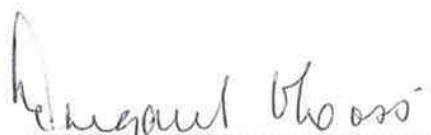
SIGNIFICANT CHANGES

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

OPERATING RESULT

The net result for the year ended 30 June 2016, prior to comprehensive items amounted to \$91,448 (2015 profit of \$306,517).

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


BOARD MEMBER


BOARD MEMBER

Dated this 12th day of October 2016.

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

	<i>Note</i>	<i>2016</i> \$	<i>2015</i> \$
Revenue from Operating Activities	(2)	3,992,015	3,975,088
Revenue from Non-Operating Activities	(2)	196,853	99,609
Employee Expenses	(3)	(2,915,781)	(2,624,705)
Operational Expenses	(5)	(860,229)	(863,352)
Audit Fees	(14)	(6,500)	(6,300)
<i>Net Result Before Capital & Specific Items</i>		<u>406,358</u>	<u>580,340</u>
Depreciation	(4)	(314,910)	(273,823)
NET RESULT FOR THE YEAR		<u>91,448</u>	<u>306,517</u>
Movement in physical asset revaluation reserve	(13b)	<u>-</u>	<u>-</u>
COMPREHENSIVE RESULT		<u>91,448</u>	<u>306,517</u>

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
BALANCE SHEET
AS AT 30 JUNE 2016

	<i>Note</i>	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	(6)	1,192,249	727,005
Trade and Other Receivables	(7)	139,891	110,214
Inventory		28,986	20,352
Financial Assets	(8)	5,450,000	3,950,000
Prepayments		7,493	2,329
TOTAL CURRENT ASSETS		6,818,619	4,809,900
NON-CURRENT ASSETS			
Property, Plant and Equipment	(9)	11,060,689	11,020,079
TOTAL NON-CURRENT ASSETS		11,060,689	11,020,079
TOTAL ASSETS		17,879,308	15,829,979
CURRENT LIABILITIES			
Trade and Other Payables	(10)	129,531	91,008
Financial Liabilities	(11)	5,378,224	3,490,844
Provisions	(12)	396,088	382,626
TOTAL CURRENT LIABILITIES		5,903,843	3,964,478
NON-CURRENT LIABILITIES			
Provisions	(12)	118,494	99,978
TOTAL NON-CURRENT LIABILITIES		118,494	99,978
TOTAL LIABILITIES		6,022,337	4,064,456
NET ASSETS		11,856,971	11,765,523
EQUITY			
Reserves	(13a)	4,982,041	4,982,041
Retained earnings	(13b)	6,874,930	6,783,482
TOTAL EQUITY		11,856,971	11,765,523

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

	<i>Retained Earnings</i>	<i>Asset Revaluation Reserve</i>	<i>Retention Reserves</i>	<i>TOTAL</i>
	\$	\$	\$	\$
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
2016				
<i>Balance at beginning of year</i>	6,783,482	4,878,356	103,685	11,765,523
Total Comprehensive Income for the year	91,448	-	-	91,448
<i>Balance at end of year</i>	6,874,930	4,878,356	103,685	11,856,971

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	<i>Note</i>	2016 \$	2015 \$
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>			
Receipts from members and activities		3,951,510	3,843,359
Interest Received		145,148	174,293
Payments to Suppliers and Employees		<u>(3,687,535)</u>	<u>(3,423,494)</u>
Net Cash Provided by Operating Activities	19	<u>409,123</u>	<u>594,158</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>			
Purchase of Property, plant and equipment		(355,520)	(258,985)
Purchase of Investments		<u>(1,500,000)</u>	<u>(400,000)</u>
Net Cash Used in Investing Activities		<u>(1,855,520)</u>	<u>(658,985)</u>
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>			
Proceeds/(Repayment) of Loans		(29,598)	186,168
Net Receipt/(Payment) of refundable entry fees & deposits		<u>1,941,239</u>	<u>(24,933)</u>
Net Cash Used in/(Provided by) Investing Activities		<u>1,911,641</u>	<u>161,235</u>
Net Increase in Cash Held		465,244	96,408
Cash at Beginning of Financial Year		<u>727,005</u>	<u>630,597</u>
Cash at End of Financial Year	6	<u><u>1,192,249</u></u>	<u><u>727,005</u></u>

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

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 2016, and the comparative information presented in these financial statements for the year ended 30 June 2015.

(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.

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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.

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

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.

	2016	2015
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.

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

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.

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*NAGAMBIE HEALTHCARE INC.
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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.

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NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) AASBs issued that are not yet effective

Certain new Australian Accounting Standards and Interpretations have been published that are not mandatory for 30 June 2016 reporting period.

As at 30 June 2016, 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 AASBs 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 2015-16 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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*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

	<i>Note</i>	<i>2016</i> \$	<i>2015</i> \$
2. REVENUE			
<i>Revenue from Operating Activities</i>			
Patient Fees		339,048	219,401
Residential Fees		1,005,097	999,828
Government Subsidies		2,218,854	2,275,518
Meals		28,004	24,263
Interest		151,470	164,024
Retentions		24,261	32,927
Rent		61,346	35,604
Other Income		163,935	223,523
<i>Subtotal Revenue from Operating Activities</i>		3,992,015	3,975,088
<i>Revenue from Non-Operating Activities</i>			
Federal and Community Funding		120,996	4,991
Capital Grant - Department of Human Services		45,797	32,584
Donations Received		30,060	62,034
<i>Subtotal Revenue from Non-Operating Activities</i>		196,853	99,609
Total Revenue		4,188,868	4,074,697
3. EMPLOYEE BENEFITS EXPENSES			
Salaries & Wages		2,633,146	2,345,980
Staff Training		25,016	31,413
Superannuation		232,474	209,555
Workcover		25,145	37,757
		2,915,781	2,624,705
4. DEPRECIATION			
Buildings		171,898	171,897
Independent Living Units		10,809	10,809
Property Improvements		14,691	6,018
Plant and Equipment		74,587	62,554
Motor Vehicles		19,577	-
Furniture & Fixtures		23,348	22,545
		314,910	273,823
5. OPERATIONAL EXPENSES			
Administration		240,155	232,870
Food		147,191	142,225
Insurance		35,443	31,830
Medical		99,575	97,905
Repairs and Maintenance		173,970	220,340
Utilities		87,643	108,421
Allowance for Doubtful Debts		38,272	-
Other		37,980	29,761
		860,229	863,352

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*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

	<i>Note</i>	2016	2015
		\$	\$
6. CASH & CASH EQUIVALENTS			
Cash at bank and on hand		1,192,249	727,005
		<u>1,192,249</u>	<u>727,005</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		284	243
Cash & Cash Equivalents		<u>1,191,965</u>	<u>726,762</u>
		<u>1,192,249</u>	<u>727,005</u>
7. RECEIVABLES			
Trade Receivables		142,618	84,616
GST Receivable		19,521	15,896
Other Receivables		16,024	9,702
Less Provision for Doubtful Debts			
- Trade Receivables		<u>(38,272)</u>	<u>-</u>
		<u>139,891</u>	<u>110,214</u>
Movement in Allowance for Doubtful Debts			
Balance at beginning of year		-	-
Increase in allowance recognised in net result		<u>38,272</u>	<u>-</u>
Balance at end of year		<u>38,272</u>	<u>-</u>
8. INVESTMENTS AND OTHER FINANCIAL ASSETS			
Loans and Receivables			
Term Deposits			
Aust. Dollar Term Deposits		<u>5,450,000</u>	<u>3,950,000</u>
		<u>5,450,000</u>	<u>3,950,000</u>

2015/2016 FINANCIAL REPORT

*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016*

	<i>Note</i>	2016	2015
		\$	\$
9. PROPERTY, PLANT AND EQUIPMENT			
(a) Gross carrying amount and accumulated depreciation			
Land at Fair Value		3,375,000	3,375,000
		<u>3,375,000</u>	<u>3,375,000</u>
Buildings at Fair Value		7,105,000	7,105,000
less Accumulated Depreciation		(365,413)	(182,707)
		<u>6,739,587</u>	<u>6,922,293</u>
Property Improvements at Cost		169,263	147,488
less Accumulated Depreciation		(20,709)	(6,018)
		<u>148,554</u>	<u>141,470</u>
Plant & Equipment at Cost		1,037,571	964,020
less Accumulated Depreciation		(594,010)	(546,696)
		<u>443,561</u>	<u>417,324</u>
Motor Vehicles at Cost		105,299	-
less Accumulated Depreciation		(19,577)	-
		<u>85,722</u>	<u>-</u>
Furniture and Fixtures at Cost		276,408	274,776
less Accumulated Depreciation		(134,133)	(110,784)
		<u>142,275</u>	<u>163,992</u>
Work In Progress		125,990	-
Total Property, Plant & Equipment		<u>11,060,689</u>	<u>11,020,079</u>

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NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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 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>Motor Vehicles</i>	<i>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

Year Ended 30 June 2016	<i>Land</i>	<i>Buildings</i>	<i>Independent Living Units</i>	<i>Property Improvements</i>	<i>Plant & Equipment</i>	<i>Furniture & Fixtures</i>	<i>Motor Vehicles</i>	<i>Works in Progress</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of year	3,375,000	6,285,883	636,411	141,470	417,324	163,991	-	-	11,020,079
Additions	-	-	-	21,775	100,824	1,632	105,299	125,990	355,520
Disposals	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	(171,898)	(10,809)	(14,691)	(74,587)	(23,348)	(19,577)	-	314,910
Carrying amount at the end of year	3,375,000	6,113,985	625,602	148,554	443,561	142,275	85,722	125,990	11,060,689

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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*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
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9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2016	Carrying amount as at 30 June 2016	Fair value measurement at end of reporting		
		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	6,113,985	-	-	6,113,985
Independent Living Units	625,602	-	-	625,602
Property Improvements	148,554	-	-	148,554
Total of building at fair value	6,888,141	-	-	6,888,141
Plant and equipment at fair value				
Plant and Equipment at fair value				
- Furniture & Fixtures	142,275	-	-	142,275
- Motor Vehicles	85,722	-	85,722	0
- Plant and equipment	443,561	-	-	443,561
Total of plant, equipment and vehicles at fair value	671,558	-	85,722	585,836

(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 2015	Carrying amount as at 30 June 2015	Fair value measurement at end of reporting		
		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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*NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
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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 2016.

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 2016

2016	Land	Buildings	Plant and equipment
Opening Balance	3,375,000	7,063,764	581,315
Purchases (sales) & Reclassifications	-	21,775	102,456
Transfers in (out) of Level 3	-	-	-
Gains or losses recognised in net result			
- Depreciation	-	(197,398)	(97,935)
- Impairment loss	-	-	-
Closing Balance	3,375,000	6,888,141	585,836

There have been no transfers between levels during the period.

Reconciliation of Level 3 fair value as at 30 June 2015

2015	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.

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	<i>Note</i>	2016 \$	2015 \$
10. PAYABLES			
Trade Payables		89,386	59,667
PAYG Payable		24,937	19,634
Other Payables		15,208	11,707
		129,531	91,008
11. OTHER LIABILITIES			
CURRENT			
Independent Living Unit Loans		712,266	741,864
Residential accommodation bonds		4,664,958	2,748,980
Other Deposits Held		1,000	-
		5,378,224	3,490,844
Residential accommodation bonds are represented by the following assets:			
Term Deposits		4,664,958	2,748,980
		4,664,958	2,748,980
12. PROVISIONS			
Current			
Employee Benefits	12a	396,088	382,626
Non Current			
Employee Benefits	12a	118,494	99,978
		514,582	482,604
12a. EMPLOYEE BENEFITS			
Current			
Annual Leave - at nominal value		178,393	177,755
Long Service Leave - at present value		25,000	25,000
Long Service Leave - at nominal value		106,668	99,476
Accrued Salaries & Wages		86,027	80,395
		396,088	382,626
Non Current			
Long Service Leave - at present value		118,494	99,978
		514,582	482,604

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.

2015/2016 FINANCIAL REPORT

NAGAMBIE HEALTHCARE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

		2016	2015
		\$	\$
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		24,261	32,927
Transfer to profit and loss statement		(24,261)	(32,927)
		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	4,878,356
Revaluation Movements			
- Land		-	-
- Buildings		-	-
		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		6,783,482	6,476,965
Net Gain/(Loss)		91,448	306,517
		6,874,930	6,783,482
14. AUDIT FEES			
Auditing of Financial Statements		6,500	6,300
		6,500	6,300

15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Board of Management was not aware of any contingent assets as at 30 June 2016.

The Board of Management was not aware of any contingent liabilities as at 30 June 2016.

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	<i>2016</i>	<i>2015</i>
	\$	\$
16. COMMITMENTS FOR EXPENDITURE		
Lease Commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	15,688	20,409
Total Lease Commitments	15,688	20,409
Operating Leases		
Operating lease exists for a photocopier		
<i>Non-Cancellable</i>		
Not later than one year	4,092	5,062
Later than 1 and not later than 5 years	11,596	15,347
TOTAL	15,688	20,409
Total commitments for expenditure (inclusive of GST)	15,688	20,409
Less GST recoverable from the Australian Taxation Office	1,426	1,855
Total commitments for expenditure (exclusive of GST)	14,262	18,553

17. EVENTS AFTER THE BALANCE SHEET DATE

There have been no major events after 30 June 2016 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>2016</i>	<i>2015</i>
	\$	\$
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit from Operations	91,448	306,517
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	314,910	273,823
- Allowance for Doubtful Debts	38,272	-
- Retention on Accommodation Bonds	(24,261)	(32,927)
Changes in assets and liabilities		
- (Increase)/Decrease in Trade & Other Receivables	(67,949)	(40,014)
- (Increase)/Decrease in Inventories	(8,634)	1,805
- (Increase)/Decrease in Prepayments	(5,164)	6,601
- Increase/(Decrease) in Trade & Other Payables	38,523	(27,577)
- Increase/(Decrease) in Provisions	31,978	105,930
	409,123	594,158

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20. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The Association's 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 2016.

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 2016.

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 2016 and 30 June 2015 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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NAGAMBIE HEALTHCARE INC.
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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 30/6/2016

	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 \$
2016										
Financial Assets										
Cash and Cash Equivalents	1.22%	1,192,249	-	1,191,965	284	1,192,249	-	-	-	-
Short-Term Deposits	2.79%	5,450,000	5,450,000	-	-	5,450,000	-	-	-	-
Trade & Other Receivables (i)	0.00%	158,642	-	-	158,642	-	78,103	40,207	40,332	-
Total Financial Assets		6,800,891	5,450,000	1,191,965	158,926	6,642,249	78,103	40,207	40,332	-
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%	94,318	-	-	94,318	-	86,742	7,576	-	-
Total Financial Assets		4,771,323	3,950,000	726,762	94,561	4,677,005	86,742	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 30/6/2016

	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 \$
2016										
Payables (i)										
Trade creditors and accruals	129,531	-	-	129,531	0.00%	129,531	129,531	-	-	-
Independent Living Unit Bonds	712,266	-	-	712,266	0.00%	712,266	-	-	-	712,266
Resident Accommodation Bonds	4,664,958	-	-	4,664,958	0.00%	4,664,958	-	-	-	4,664,958
Total Financial Liabilities	5,506,755	-	-	5,506,755		5,506,755	129,531	-	-	5,377,224
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

(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
2016	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and Cash Equivalents	1,192,249	(11,922)	(11,922)	11,922	11,922	-	-	-	-
Short Term Deposits	5,450,000	(54,500)	(54,500)	54,500	54,500	-	-	-	-
Loans and Receivables	158,642	-	-	-	-	-	-	-	-
Financial Liabilities									
Trade Creditors and Accruals	129,531	-	-	-	-	-	-	-	-
Other Liabilities (i)	5,377,224	-	-	-	-	-	-	-	-

	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	3,950,000	(39,500)	(39,500)	39,500	39,500	-	-	-	-
Loans and Receivables	94,318	-	-	-	-	-	-	-	-
Financial Liabilities									
Trade Creditors and Accruals	91,008	-	-	-	-	-	-	-	-
Other Liabilities (i)	3,490,844	-	-	-	-	-	-	-	-

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

(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 2016 \$	Net Fair Value 2016 \$	Carrying Amount 2015 \$	Net Fair Value 2015 \$
Financial Assets				
Cash on Hand	284	284	243	243
Cash at Bank	1,191,965	1,191,965	726,762	726,762
Term Deposits	5,450,000	5,450,000	3,950,000	3,950,000
Trade & Other Receivables	158,642	158,642	94,318	94,318
Total Financial Assets	6,800,891	6,800,891	4,771,323	4,771,323
Financial Liabilities				
Trade & Other Payables	129,531	129,531	90,585	90,585
Resident Accommodation Bonds	4,664,958	4,664,958	2,748,980	2,748,980
ILU Loans	712,266	712,266	741,864	741,864
Total Financial Liabilities	5,506,755	5,506,755	3,581,429	3,581,429

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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	
	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$
Segment revenue from outside	3,260,677	3,144,249	776,721	766,424	4,037,398	3,910,673
Interest Revenue	151,470	164,024	-	-	151,470	164,024
Total Revenue	3,412,147	3,308,273	776,721	766,424	4,188,868	4,074,697
Allocated Segment Expense	3,054,825	2,809,524	727,685	684,832	3,782,510	3,494,356
Depreciation and amortisation	251,928	219,059	62,982	54,765	314,910	273,824
Total Expense	3,306,753	3,028,584	790,667	739,597	4,097,420	3,768,180
Net Result from ordinary activities	105,394	279,689	(13,946)	26,827	91,448	306,517
Net Result for year	105,394	279,689	(13,946)	26,827	91,448	306,517
Segment Assets	9,233,452	7,611,796	8,645,857	8,218,183	17,879,308	15,829,979
Total Assets	9,233,452	7,611,796	8,645,857	8,218,183	17,879,308	15,829,979
Segment Liabilities	5,700,281	3,777,650	322,057	286,807	6,022,337	4,064,457
Total liabilities	5,700,281	3,777,650	322,057	286,807	6,022,337	4,064,456
Acquisition of property, plant & Equipment	249,289	245,958	106,231	13,027	355,520	258,985

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	
	2016	2015	2016	2015
	No.	No.	No.	No.
\$160,000 - \$169,999	1	0	1	0
\$170,000 - \$179,999	0	1	0	1
Total	0	1	0	1
Total Remuneration	\$165,000	\$170,356	\$165,000	\$170,356

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

2015/2016 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 2016 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 12th day of October 2016.

