


NagambieHealthCare
It's the way we care for our people



**ANNUAL REPORT
2020-2021**



A photograph of the Nagambie HealthCare building, a single-story structure with a gabled roof and large windows. The name 'Nagambie HealthCare' is visible on the facade. The image is slightly faded to serve as a background for the text.

Nagambie HealthCare

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.

CO-OPERATION

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

Revised by the Board of Management and Staff 2018

BOARD

CHAIRMAN	James Tehan
DEPUTY CHAIR	Sam Verrocchi
BOARD MEMBERS	Margaret Moss
	John Palmer
	Rebecca Baker
	John Smith
	Lisa Pearson
LIFE GOVERNORS	Timothy Goodacre
	Nola Palmer
	Dr Graeme Ratten
	Bruce Parris

COMMITTEE

Finance, Nominations and Fundraising
Building & Maintenance
Building & Maintenance and Nominations
Finance & Fundraising
Quality & Risk
Finance and Fundraising
Quality & Risk
Finance and Fundraising

TEAM

Chief Executive Officer / Director of Nursing	Bronwyn Beadle
Human Resources/Administration Management	Simone Homewood
Business Development Manager	Sharni Lloyd
Clinical & Business Support Manager – Community Care	Wayne Sullivan
Community Care Co-ordinators	Kathryn Coll & Nicole Taylor
Nurse Unit Manager	Katrina McMaster & Claire Sampson
Quality & OHS Co-ordinator	Christine Karacsay
Finance	Tanya Williams
Hotel Services	Diane Jenner
Maintenance	Steve D'Andrea
Leisure & Lifestyle	Susan Bender
Auditors	Davidsons



NOTICE OF ANNUAL GENERAL MEETING

You are invited to attend the Annual General Meeting of Members which will be held in the Conference Room of the Nagambie HealthCare, Community Health Centre at 7:00pm on Tuesday 26 October 2021.

AGENDA

1. **Present**
2. **Apologies**
3. **Welcome**
4. **Confirmation of Minutes**
Confirmation of Minutes of the previous Annual General Meeting held on 24 November 2020.
5. **Business arising from minutes**
6. **Reports**
 - Chairman's Report
 - Chief Executive Officer's Report
 - Chair of Finance Committee
7. **Election of Board Members**
8. **Community Feedback/Comments**
9. **Other Business**
10. **Close of Annual General Meeting**



CHAIRMAN'S REPORT

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

The development of the 2020-23 Strategic Plan was delayed due to COVID 19. The Plan was finally ticked off by the Board at our August meeting. The emphasis of this three year plan is to continue to expand our services to the Community which is the fastest growing area of our business and to continue to provide a very high quality of care to our residents.

To meet the expansion of our services and increased corporate activity the Board will progress with Board Governance training which was put on hold due to COVID 19.

The renovation of the old hospital wing, the building of 10 new rooms with ensuites, the renovation of the old kitchen and new laundry are well under way.

Our Chief Executive Officer/DON, Bronwyn Beadle continues to show great leadership for Nagambie Health Care, where we are regarded as leaders in our field. We thank Bronwyn, staff and volunteers for the work you have done over the past year in very trying circumstances.

Last September 2020, Bronwyn appointed Sharni Lloyd as Business Development Manager at Nagambie Health Care. This appointment was opportune given the growth of our business and her role compliments the increasing demands of our diverse services.

We thank the Ladies Auxiliary for their continued support of our residents.

We thank Dr Abdul Atif, Dr Sabah Nazir and Dr Nahida Khan for the care they show our residents and patients.

In May this year, Sam Verrochi resigned from our Board of Management. We thank Sam for his great work for Nagambie Health Care over the past sixteen years.

I would like to thank the Board for their support over the past year and have advised the Board I will be stepping down as Chairman next February 2022.

James Tehan
Chairman



CEO & DON REPORT WELCOME

I am proud to present an overview of 2020-2021 within our annual report and the significant achievements made by our organisation in what has been an incredibly challenging year of lockdowns, restrictions, enhanced government scrutiny and overall community anxiety relating to the significant impact created by COVID.

Within the context of an already challenging environment for health and aged care service provision created by both COVID and the negative multi-media hype surrounding the outcomes of the Royal Commission into Aged Care, the Nagambie Health Care team has fostered an outstanding level of comradery with emphasis on high standards of care, innovation and growth and overall support for each other.

The 2020-21 annual report and quality of care report highlights the continued growth of Nagambie HealthCare, demand for services, recognition of the organisation's strength of capability through capital investment from both the State and Commonwealth governments and the continued high standards of care and health care outcomes for our consumers.

This report also reflects the bravery of the Nagambie HealthCare Board and their capacity to make some bold decisions with focus on the viability and sustainability of Nagambie HealthCare. The Board also place strong emphasis in achieving the organisational vision of providing high quality, accessible services that best meet the needs of the community. It is worthy of note that the Board Members are all volunteers who contribute a significant portion of their time to ensuring high standards of organisational governance.

The demands of the CEO/DON role throughout the 2020-21 year have been testing at times and the years achievements could not have occurred without the support of our amazing workforce who commit to the vision and values of Nagambie HealthCare and continually extend their empathy and compassion to me to ensure that I am also weathering the storm.

Nagambie HealthCare has a strong future with exciting prospects, let us see what the next 12 months brings.

A handwritten signature in black ink, which appears to read 'Bronwyn Beadle'.

Bronwyn Beadle
CEO/DON



OUR CARE SERVICES

ACUTE CARE SERVICES

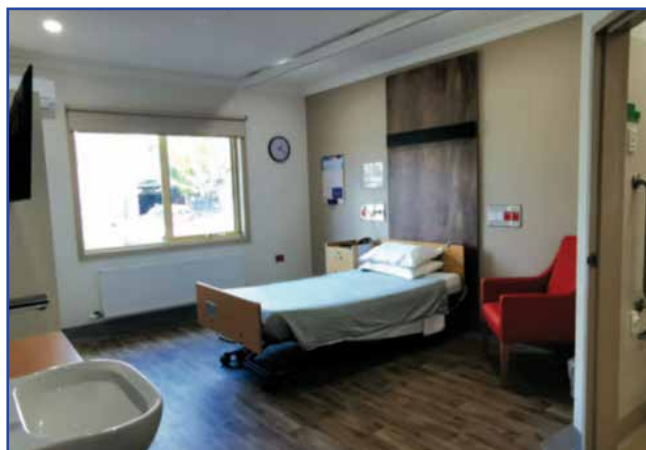
HOSPITAL CARE

The 2020-21 financial year has seen the completion and occupancy of the first stage of the hospital wing with six new large single rooms and ensuites. The design and amenities of the rooms have greatly enhanced the patient experience and facilitate best practice in slow stream rehabilitation and palliative care. The hospital extension capital works project has also seen the completion of the front entrance of the health service with a designated ambulance bay and disability parking, along with new administrative office areas and meeting rooms.

With the projected population growth of Nagambie and surrounding areas and forecast increase in demand for hospital services, the capital works project provides a strong footprint to accommodate growth and provision of services at a high standard. The Victorian State Government's contribution to matching NHC's financial contribution to the build through the allocation of \$726,000 as part of the Rural Infrastructure Funding Program is indicative of the Government's investment in the future of Nagambie HealthCare.

Early 2022 will see the commenced build of additional hospital rooms which will complete the hospital wing. Design specifications for the rooms are being finalised to ensure spatial and architectural flow with the proposed Aged Care wing development along the lake side of the facility.





URGENT CARE

Nagambie HealthCare's urgent care room continues to support first line clinical assessment and management with increased presentations. The urgent care facility also supports community members to access treatment at a local level through Goulburn Valley Health's Hospital in the Home (HITH) program. Through the HITH program community members can receive ongoing clinical treatment at home with treatments such as complex dressings and antibiotic infusions being provided through NHC's urgent care room. Opportunity for such treatments at a local level reduces the need for community members to travel to Shepparton on a daily basis for outpatient treatment this was of significant benefit during COVID outbreaks and lockdowns. With the Urgent Care room in need of refurbishment and upgrade NHC was very fortunate in receiving funding from the Valda Klaric foundation to support the installation of an upgraded oxygen supply system, installation of sterile stock shelving and benches and purchase of resuscitation equipment.

Continued collaborative partnerships with the Nagambie Medical Centre has enabled a multidisciplinary approach to providing primary health services to community members, minimising the requirement to travel outside the community to access care.

During regional COVID outbreaks and increased demand for COVID testing NHC and the Nagambie Medical Centre were able to partner and provide screening at a local level reducing the need for community members to travel outside the Shire District to access testing services.



AGED CARE SERVICES RESIDENTIAL CARE

NHC continues to have strong demand for aged care beds with a significant increase in requests for respite services, a direct consequence of our expansion of services into Community Care and the seamless transition which is offered to clients who are moving between home and our bed based and day respite services.

Demand for services has resulted in high occupancy and strong waiting lists with availability of bed licences and infrastructure increasingly serving as barriers to accessing respite care. In recognition of the projected demand for aged care services in the Nagambie Region and viability of our business operations NHC was successful in its application to the 2020 Aged Care Approvals Round (ACAR) in being allocated 6 additional bed licences and \$2.1M in capital funding to create 18 new and refurbished bedrooms, building of a new kitchen and building of an onsite laundry with capacity to manage both personal laundry and general linen. The aged care capital works project is an exciting project for NHC and will address the remaining aging infrastructure of the healthcare building, bringing the entire facility in line with current design standards.

The last 12 months has posed significant challenges for residents and families in navigating the recurrent visiting restrictions and lockdown requirements for Residential Aged Care facilities. As an organisation we have worked closely with all residents and families in maintaining essential connections with families and taking every opportunity to focus on psychological health and well-being for both residents and their loved ones. The NHC team have demonstrated an outstanding commitment to maintaining a level of 'normality' of life for residents and minimising the exposure to the daily saturation of COVID risk as this has proved distressing for many residents. Many staff



have also volunteered a significant amount of time in going above and beyond to maintain a level of vibrancy and positivity through social activities and one on one support for residents throughout the last 12 months of restrictions and at times significant disruption due to COVID lockdowns. Staff have worked many additional hours to ensure continued high standards of care whilst staff have been furloughed during the Shepparton and Mitchell Shire COVID outbreaks.

COMMUNITY CARE

Community Care services have continued to grow with Nagambie HealthCare broadening its service as an Approved Aged Care provider to also include approval as an NDIS provider. With emphasis on providing services at a local level the Community Care hub has also extended its service provision to include access to physiotherapy services, legal support services, community nursing and the launch of a Men's Health program.

As an integrated service provider with collaborative partnerships with the Nagambie Medical Centre and community pharmacy, community care clients are provided with a multidisciplinary coordinated approach to care with the client at the centre of the decision-making process. This model of care facilitates improved consumer outcomes, increased levels of satisfaction with care service provision, reduction of unnecessary visits to regional emergency departments for assessment and minimisation of duplication of assessments, leading to more comprehensive and holistic approach to care.

During COVID lockdowns and restrictions, staff undertook a commitment to ensuring that all vulnerable members of the community received welfare visits and were provided with support to access care and supplies. Of note was the significant impact of social isolation on ageing members of our community and our team's efforts to provide psychological support visits during breaks on shifts and on a volunteer basis.

The leadership within the community care team and commitment of care staff has been pivotal to the cultural focus on consumer directed care, individualised support, the continued growth of the service and the high levels of satisfaction with service provision.





INDEPENDENT LIVING

In line with the growth in community care and the strong message from our consumers regarding their desire to remain in their homes as they age, Nagambie HealthCare continues to maintain strong demand for its independent living units with 100% occupancy and strong waiting lists for accommodation should it become available. Forecast population growth and demand for supported living has informed NHCs 2021-2024 strategic plan with a resulting focus on commencing the Vale Street independent living precinct development in collaboration with the Strathbogie Shire and RSL.



NEAD Architecture Services

VOLUNTEERS

As a community owned Not for Profit organisation Nagambie HealthCare would not be able to provide the broad range of supportive services to its patients, residents and community members without the dedication and commitment of the 52 Volunteers that assist us in so many ways. On a daily basis Nagambie HealthCare has members of the community who give up their valuable time to assist with a broad range of activities including the operation of Miss Rodway's thrift shop, assistance with community luncheons,

gardening, transport, leisure and lifestyle programs, meals assistance and companionship. Our volunteers bring an enthusiasm and vibrancy to Nagambie HealthCare and work alongside the healthcare team to enhance the lives of those we deliver care and services to.

QUALITY REPORT GOVERNANCE

The provision of Healthcare is inherently complex and increasingly challenging from a risk management perspective. High-quality health and aged care requires strong leadership and a commitment from all staff to ensure consumer safety, high standards of care and compliance with the standards of excellence within the Aged Care, NDIS and National standards. Whether that excellence is in Aged Care, Community Care, Hospital Care or Urgent Care each and every component of service provision counts. Fundamental to such excellence is providing quality person-centred care and robust integrated clinical governance systems. Safer Care Victoria requires all health services to have formal clinical governance structures and functions in place, with the requirement that those structures and functions are evaluated regularly for their effectiveness in driving continuous improvement. The NHC Board ultimately holds this responsibility as a key aspect of their overall governance role and are directly accountable for the quality and risk outcomes of the organisation.

To ensure transparency in service provision and care outcomes the Nagambie HealthCare Board receives a score card report covering the domains of Efficiency and Productivity, Access and Equity, Quality Outcomes and Organisational Culture. Reporting on and analysis of these domain areas have been based on an evidence based approach to good governance in health and aged care. The Board receives information on clinical outcomes for patients, residents and community clients along with audit outcomes against the Aged Care and National Standards, information on complaints and



data relating to workforce satisfaction. Through a supportive education program all Board members can identify trends of concern or improvement and as such are able to ensure that the health service is delivering care in line with community expectation and best practice standards of care.

The Quality and Risk Committee provides another layer of governance. The Quality and Risk Committee is a formally appointed committee of the Board of Management and is responsible to the Board. The Committee reports to the Board of Management and provides appropriate advice and recommendations on matters to facilitate decision making by the Board of Management in relation to the discharge of its responsibilities.

The role of the Quality Committee is to:

- Oversee the development, implementation, monitoring and evaluation of the NHC Clinical Governance and Risk Management Framework;
- Oversee the development, implementation, monitoring and evaluation of the NHC Quality Improvement Framework;
- Oversee and report against performance and improvement activities relating to the achievement of relevant quality and accreditation standards across Nagambie HealthCare's services
- Oversee major NHC quality improvement projects;
- Oversee implementation of the NHC infection control plan
- Provide the Board of Management with quality improvement information, supported by qualitative and quantitative information, including those relating to the Accountability Framework and relevant legislative compliance reports.

The Nagambie HealthCare Accountability report is the scorecard report which capture outcomes data to assist in measuring NHCs performance. Data is benchmarked against industry standards with all aged

care outcomes reported to the Australian Government Aged Care Quality and Safety Commissions National Benchmarking Program which provides national benchmarking comparisons.

The 2020-21 Accountability report card highlights the high standards of Nagambie HealthCare's service provision with a broad range of evidence based quality initiatives undertaken to improve on identified areas for improvement.

WORKFORCE DEVELOPMENT

Nagambie HealthCare's recruitment and retention strategy has continued to evolve with a paid traineeships program undertaken for both Enrolled Nurses and Community Care workers. The paid model broadens the scope of opportunity for those wishing to enter the health care industry with supported pathways available for those staff to further their careers with NHC. Providing a traineeship program not only ensures NHCs current staffing profile of minimal vacancies and low turn over of staff but also facilitates currency of practice and evidence based care which is essential for a small rural NFP organisation. In turn NHC is able to offer to its trainees an outstanding level of mentorship and guidance by NHC staff who all offer exemplary care and a supportive workforce culture on a daily basis. In 2020-2021 NHC was in receipt of industry awards and recognition for our outstanding workforce culture and incredibly talented staff.



Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Productivity														
Aged Care Occupancy (47 beds)	Budgeted for 95% average occupancy	99%	97%	96%	96%	91%	88%	99%	93%	93%	95%	95%	92.5%	94%
ACFI revenue per occupied bed day	Equal or better than bench mark report (\$125 a day)	\$175	\$175	\$169	\$172	\$176	\$177	\$177	\$172	\$165	\$171	\$171	\$172	\$182
Acute Care Occupancy (combined restorative care, TCP, private and Nursing Home type)	Budgeted for 65% total occupancy	40%	32%	23%	16%	42%	28%	25%	28%	50%	61%	62%	36%	33%
Total Acute Income per bed day	Budgeted for \$117/day	\$223	\$242	\$242	\$242	\$160	\$230	\$171	\$171	\$297	\$262	\$316	\$295	\$356
ILU Occupancy	100%	100	100	100	100	100	100	100	100	83%	83%	83%	83%	100%
Vale St Unit Occupancy	100%	100	100	100	100	100	100	100	100	83%	83%	83%	100%	100%
No. Community Clients	Trend	37	42	42	42	42	43	56	56	59	62	52	52	53
No. Community clients on packages	Trend	17	17	17	14	15	16	16	16	17	18	18	18	19
No. Community Clients with a comprehensive care plan (MANAD)	100%	37	42	42	42	42	42	56	56	59	62	52	52	53

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Access/ Equity														
No of presentations to the emergency stabilisation room	Trend	8	1	0	12	8	5	4	6	5	3	5	4	11
No of transfers to the emergency department for management	Trend	0	1	1	0	0	1	1	0	0	1	1	0	1
Number of people on waiting list ready for care placement (High priority)	Trend	4	4	4	4	4	4	5	5	5	5	3	3	3
Total number of people awaiting permanent aged care placement (low, medium and high priority)	Trend	7	7	7	7	7	7	6	5	6	5	8	6	4
Total number of people awaiting respite placement	Trend	10	10	9	10	12	11	20	20	20	21	20	19	17

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Quality														
Patient Satisfaction Overall weighted average max score 5	Trend Annual report			3.8										
Resident Satisfaction Overall weighted average max score 5	Trend Annual report										4.41			
Number of Complaints	Trend	0	0	0	0	0	0	2	1	1	1	0	1	0
Episodes of non-compliance with Aged Care Accreditation	Nil	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of infections	trend	5	5	6	7	6	4	12	13	3	5	7	8	11
Number of SIRS 1 reports From 1/4/21	0											0	0	0
Number SIRS 2 reports From 1/10/21	0													

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Acute Care Clinical Indicators	Equal or better than benchmark range* ⁱ													
Medication errors with adverse outcome	(.012)	0	0	0	0	0	0	0	0	1	0	0	0	0
Medication errors	(6.5)	0	0	1.0	0	0	1.6	0	1.0	1.6	1.07	0	1.16	0.1
Pressure Injury	(0.8%)	0	0	0	0	0	0	0	0	0	0	0	0	0
Patient Falls	(0.62%)	1.0	0.1	0	0.3	0	0	1.6	1.0	1.0	0.3	0.6	0	0
Aged Care Clinical Indicators	Equal or better than Dept. Health recommended benchmarks* ⁱⁱ													
Prevalence of stage 1 pressure ulcers	1.2	0	0	0.7	0.8	0	0	0	0	0	1.4	0	0.7	0.7
Prevalence of Stage 2 pressure ulcers	0.8	0	0	0	0	0	0	0	0	0	0	0.6	0	0
Prevalence of Stage 3 and 4 pressure ulcers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prevalence of falls	11	4.9	6.3	5.3	6.6	5.0	6.1	9.1	2.8	4.9	2.8	6.3	9.5	0.5

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Prevalence of falls resulting in fractures	0.1	0	0	0	0	0	0.1	0	0	0	0	0.1	0	0
Incidence of physical restraint	0	0	0	0	0	0	0	0	0	0	0	0	0	0
No. of residents prescribed psychotropic medication	trend	2	2	3	3	3	3	3	3	3	3	3	4	4
No. of residents prescribed psychotropic medication for the purpose of restraint		0	0	0	0	0	0	0	0	0	0	0	0	0
Unplanned weight loss >3kg	1.0	0.7	0.7	1.5	0	0	0	0	0	1.4	1.4	1.4	0	0.5
Compliance with food safety standards	100% (external audit)	100%							100%			100%		

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Organisational Culture														
Staff satisfaction (annually) Overall weighted average max score 5				4.6										
Staff Recruitment		1	1	0	0	0	0	5	2	2	3	1	4	0
Staff Departures		0	0	0	0	1	3	0	1	1	1	0	0	2
Average sick leave rates per EFT (days)* ^{iv} _{iii}		14.2	9.5	8.8	9.5	6.5	6.2	14.2	10.5	7.5	18.5	6.5	7.5	9.6
Percentage of staff excess Leave * ^{iv} (Bi-Monthly)				0%	0%	0%	3%	7%	2%	2%	3%	2%	3%	2%
Percentage of staff compliant with annual mandatory training		60%	85%	85%	85%	85%	85%	20%	30%	32%	45%	56%	65%	100%
Number of workplace injuries/incidents		0	1	0	3	0	0	0	0	0	0	0	0	1

Accountability/Scorecard Report

	2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Number of new WorkCover claims	Trend	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of current WorkCover claims	Trend	0	0	0	0	0	0	0	0	0	0	0	0	0
% of staff on return to work with a return to work plan	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

2020-21 Summary

Acute Occupancy: the low occupancy rates are reflective of the flow on impact of COVID and the restrictions associated with surgical activity and patient flow. As NHC offers slow stream rehabilitation for post-operative patients and subcontracted bed bed-based activities with Goulburn Valley Health, lack of activity has had a direct impact on demand for Acute beds. Periods of hospital room closures during construction also impacted on capacity to accommodate patients.

Workplace Injuries: NHC places significant emphasis on support staff safety and well-being and closely manages any injury with emphasis on early intervention and supporting the employee in their return to work. NHC supports staff with direct access to medical and allied health care and psychological support services where required, minimising the number of Workcover claims and time lost at work due to injury

Serious Incident Scheme Reports (SIRS a new report): The Serious Incident Response Scheme (SIRS) is an initiative to help prevent and reduce incidents of abuse and neglect in residential aged care services subsidised by the Australian Government. The SIRS set new arrangements for approved providers of residential aged care and flexible care delivered in a residential setting to manage and take reasonable action to prevent incidents with a focus on the safety, health, well-being and quality of life of aged care consumers. **'Priority 1'** reportable incidents must be reported to the Commission within 24 hours of becoming aware of the incident. **'Priority 2'** reportable incidents are any reportable incidents that do not meet the criteria for a 'Priority 1' reportable incident.

Accountability/Scorecard Report

2020-21	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
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- i Bench Mark ranges for like sized services obtained from ACHS indicator reports on a quarterly basis
- ii Aged Care Quality Indicator reference ranges referenced to Department of Health (2011)
- iii State Services Authority (Vic) Workforce data
- iv State Services Authority (Vic) Workforce data

Calculations: ACHS indicators based on per 100 patient days (# of episodes / number of patient days)x 100 Aged Care indicators per 1000 occupied bed days: (indicator/number of bed days for the month)x 1000

NHC CELEBRATIONS





NORM AND BERNICE'S STORY

A CONSUMER PERSPECTIVE

My wife and I moved from Melbourne and settled in Nagambie at Kirwins Bridge. My parents Mick and Eileen Cahill had a holiday home at Kirwins Bridge and we moved into it after their passing. Our son a builder renovated and extended the premises and made it very comfortable for my wife and I.

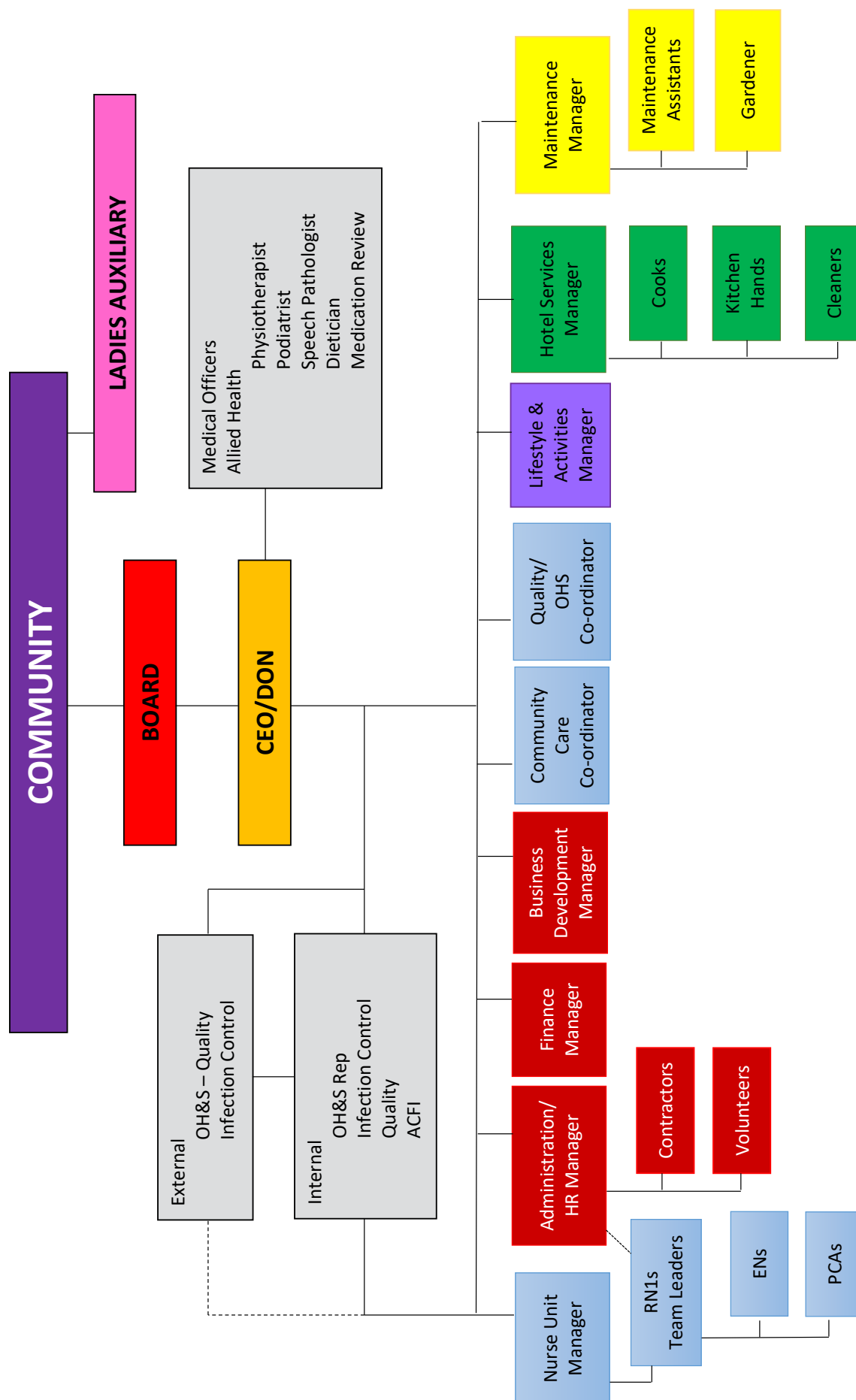
My wife and I became ill and we needed hospitalisation. We received care at the Nagambie Hospital then we moved into one of Nagambie HealthCare's independent living units. We resided at the units overlooking the lake for 3 years and 9 months and we received excellent care with easy access to the medical centre and community care staff. We also were able to call on nursing staff from the hospital after hours when we needed any assistance.

After we experienced some falls in the unit we had a meeting with the NHC nursing staff and the medical team and we decided it was time for us to go in to respite care for 3 or 4 weeks, during our time in respite our health improved so much that at the expiration of the respite period we decided with the staff and our family that it would be good for us to be admitted as permanent residents.

We cannot speak highly enough of the care we receive, it is very professional and at a very high standard. In conclusion I would like to say that my wife and I are fortunate to be here and we could not be in a better place. We are very happy and content.

Norm Cahill (Victorian Tennis Coaching Legend and Nagambie Citizen of the year 2019)

ORGANISATIONAL STRUCTURE

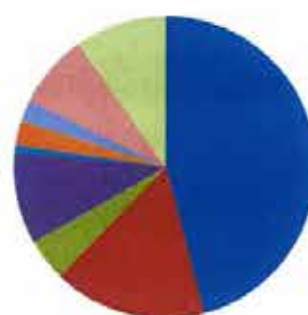


FINANCIAL RESULTS AT A GLANCE

Financial Results At A Glance

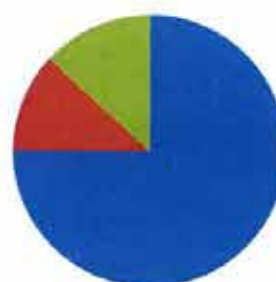
Statement of Financial Performance

WHAT WE EARNED:	\$
Government Subsidies	2,927,857
Residential Income	1,041,341
Patient Income	285,716
Community Care Income	626,758
Donations Received	50,925
Other income	166,570
Investment income	143,507
Federal & Community Funding	509,063
Capital Grant	626,591
Total Revenue	6,378,327



- Government Subsidies
- Residential Income
- Patient Income
- Community Care Income
- Donations Received
- Other income
- Investment income

WHAT WE SPENT	\$
Staff Costs	4,669,639
Property costs including depreciation/maintenance	733,006
Operational expenses	818,460
Total Costs	6,221,105

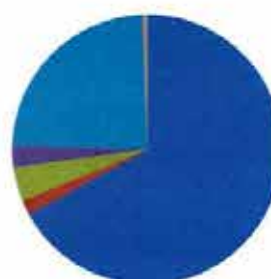


- Staff Costs
- Property costs including depreciation/maintenance
- Operational expenses

Surplus for the year **157,222**

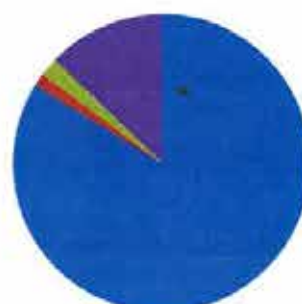
Statement of Financial Position

WHAT WE OWN	\$
Land and buildings	22,659,540
Plant and equipment	629,374
Community Health Centre	1,362,000
Independent Living Units	877,000
Cash & Term deposits	8,139,370
Receivables	110,898
Other	79,982
Total Assets	33,858,164



- Land and buildings
- Plant and equipment
- Community Health Centre
- Independent Living Units
- Cash & Term deposits
- Receivables
- Other

WHAT WE OWE	\$
Resident accommodation bonds & other agreements	6,953,561
Creditors	117,705
Financial lease liabilities	166,317
Staff entitlements	1,062,331
Total Liabilities	8,299,914



- Resident accommodation bonds & other agreements
- Creditors
- Financial lease liabilities
- Staff entitlements

Equity **25,558,250**

LADIES' AUXILIARY PRESIDENTS REPORT 2020-2021

BY MARGARET MOSS

2021 has been a difficult year!

We weren't able to have an Annual Meeting but continued having our meetings when possible. The trolley lists filled and we were able to continue the trolley, with Nola our Secretary still buying stock when necessary. Thank you to the NHC staff whom did the trolley over the COVID period keeping our residents happy.

We have some new members which is wonderful, hope to see them next year.

Unfortunately we had no functions to raise money, but we do have \$5,300.00 in our bank account.

Thank you to Nola Palmer and Denise Verrocchi our Treasurer.

Looking forward to a COVID free year in 2022.

Margaret Moss

President

DONATIONS 2020/2021

WE WISH TO THANK THE FOLLOWING FOR
THEIR GENEROUS DONATIONS

William Angliss Charitable Fund

The Valda Klaric Foundation

Godolphin

F.W. Parris and Sons P/L

McMaster RG & LJ

Estate of Harold Bowen

Robert Parris Donation

Community of Nagambie

Estate of Doug Hay

Ratten GJ & BE

Doherty, Bob & Jane



STAFF SERVICE 2020-2021

15+

Christine Karacsay
Mark Kramer
Katrina McMaster

Kristyn Green
Leonie Zanussi

10+

Diane Jenner
Pamela Maura
Tanya Williams

Stefano D'Andrea
Claire Sampson
Clara Lynch

5+

Angel Manneken
Jyothi John
Carol Florence
Sandra McKenzie
Leanda Scopel
Donna Pearce
Sarah Zanetti
Veronica Harvey

Ambily Varghese
Brett Felini
Sreena Sreedharan
Eugenia Hourigan
Megan Brack
Simone Homewood
Phillip Miller
Amy Wilde

Lisette Brew
Susan Bender
Danielle McMaster
Bronwyn Beadle
James Godkin
Jennie Brack
Yvette Demavibas

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.



2020 ANNUAL GENERAL MEETING

**Minutes of the Annual General Meeting
held on Tuesday 27th October 2020 at 7:00pm
(note limited numbers present due to COVID restrictions)**

1. PRESENT as per attendance register

2. APOLOGIES as per attendance register

3. WELCOME

Chairman Jim Tehan welcomed all those present, including Life Governor Mrs Nola and Vin Palmer, Board Members, and members of the community.

4. PREVIOUS MINUTES

Minutes of the Annual General Meeting held on the 22nd October 2019 were accepted as true and correct.

Moved: Tim Goodacre

Seconded: Margaret Moss

5. MATTERS ARISING FROM PREVIOUS MINUTES

None noted.

6. GUEST SPEAKER

No Guest speaker as limited numbers and short meeting timeframe due to COVID restrictions in place.

7. REPORTS:

7.1 CHAIRMAN'S REPORT

Jim highlighted the achievements for the 2019-20 year including the near completion of the 2017-20 strategic and the achievement of NHCs strategic goals and resulting progress of the organisation including diversification of services and strong financial positioning. Jim outlined the commencement of the capital works project focus on the completion of ten new hospital beds with multipurpose use capacity and thanked Sam Verrocchi for his design work contribution.

Jim outlined plans in place for the development of the 2021-2024 strategic plan and the emphasis on NHC meeting the forecast growth of the Nagambie community and the needs of Nagambie and surrounding area's aging community.

Jim thanked the Masonic lodge for their generous donation toward the building appeal and thanked the ladies auxillary for their support and fundraising efforts.

Jim expressed his thanks to all staff and volunteers and Board Members for their commitment to Nagambie HealthCare's ongoing success.

Motion: To accept the Chairman's Report

Moved: John Palmer

Seconded: Lisa Pearson

2020 ANNUAL GENERAL MEETING

7.2 CHIEF EXECUTIVE OFFICER'S REPORT

Bronwyn provided an overview of activities for the 2019-20 and reinforced the Board Chairs discussion points regarding the very challenging environment in which Nagambie HealthCare operates and the impact of COVID on consumers and staff.

Bronwyn provided an overview of the benefits of collaborative partnerships between health providers in the Hume region and the key leadership role provided by Goulburn Valley Regional Health. Bronwyn emphasized the vital element of support to a small rural provider with limited resources that the health alliance network provided.

Bronwyn noted the significant contribution by all staff and volunteers and the very positive workforce culture and high standards of care that result from the commitment of all.

Motion: To accept the Chief Executive Officer's Report

Moved: John Palmer

Seconded: Tim Goodacre

7.3 FINANCE REPORT

John reported on a \$120K turnaround for the organisation and highlighted that the result was in the context of no grants for the 2019-20 period. John highlighted the improvement in ACFI income, the marked revenue stream gained through the growth of community care and the supplementary funding received through the Heads of Agreement (HOA) arrangement between the Victorian Department of Health and private hospital operators; income designed to help supplement loss of hospital operational activity due to COVID.

John presented on the financial impact of low interest rates with NHCs Bank Term Deposits and provided an overview of NHCs diversification of investments with JB Were and revision of NHCs investment strategy.

John commended the overall financial result within the context of a very unpredictable and challenging year

Motion: To accept the Financial Statements

Moved: John Smith

Seconded: Lisa Pearson

8. ELECTION OF COMMITTEES:

8.1 BOARD MEMBERS

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

Both nominated for re-election with no other nominations

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

Moved: Tim Goodacre

Seconded: Lisa Pearson

2020 ANNUAL GENERAL MEETING

9. ELECTION OF AUDITOR

Motion: That on the recommendation of the committee 'Davidsons' be re-appointed to carry out the 2020/21 Audit.

Moved: John Palmer

Seconded: Tim Goodacre

10. COMMUNITY FEEDBACK/COMMENTS

No Feedback provided from the community

11. OTHER BUSINESS

No other Business

12. ANNUAL GENERAL MEETING – CLOSED AT 7.45 PM

2020-2021 FINANCIAL REPORT

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

23 September 2021

Dear Stephen,

AUDIT FOR YEAR ENDED 30 JUNE 2021 OF NAGAMBIE HEALTHCARE INC.

This representation letter is provided in connection with your audit of the financial report of Nagambie Healthcare Inc. for the year ended 30 June 2021, for the purpose of expressing an opinion as to whether the financial report, in all material aspects, gives a true and fair view in accordance with Australian Accounting Standards that apply to Nagambie Healthcare Inc. and the *Australian Charities and Not-For-Profits Commission Act 2012*.

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

Financial report

1. We have fulfilled our responsibilities, as set out in your engagement letter dated 11 June 2021, for the preparation for the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*; in particular that the financial report gives a true and fair view in accordance therewith.
2. We have established and maintained adequate internal controls to facilitate the preparation of a reliable financial report and adequate records have been maintained. Any and all deficiencies in internal control of which we are aware have been communicated to you.
3. We confirm that the selection and application of accounting policies remains appropriate, and that there have been no changes to the accounting policies applied in the previous annual financial statements or the methods used in applying them.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
5. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
6. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets that have not been disclosed, nor has any asset been pledged as collateral.

2020-2021 FINANCIAL REPORT

Books, records and documentation

7. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - All minutes of meetings held by the Board of Directors, Committees and shareholders since the end of the previous reporting period have been given to you for your inspection;
 - Additional information that you have requested from us for the purpose of the audit;
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
8. All transactions have been recorded in the accounting records and are reflected in the financial report.

Related parties

9. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions.
10. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with Australian Accounting Standards in the financial report.

Fraud

11. We acknowledge our responsibility for the design, implementation and maintenance of accounting and internal control systems that are designed to prevent and detect fraud.
12. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
13. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where fraud could have a material impact on the financial report.
14. 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.

Litigation and claims

15. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered in the financial report; and accounted for and disclosed in accordance with Australian Accounting Standards.

Compliance with laws and regulations

16. We have disclosed to you all known actual or possible non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
17. There have been no instances of non-compliance of laws and regulations involving management or employees who have a significant role in internal control.

There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.

Subsequent events

18. All events occurring subsequent to the date of the financial report and for which adjustment or disclosure are required have been adjusted or disclosed.

2020-2021 FINANCIAL REPORT

Other information

19. We have informed you of all the documents that we expect to issue which may comprise other information accompanying the financial report. Where information is not available at the date of the audit report, we will provide it to you in sufficient time to allow you to review and perform necessary audit procedures prior to the issuing of the financial report.
20. The financial report and any other information obtained by you prior to the date of the auditor's report are consistent with one another, and the other information does not contain any material misstatements.

Impairment of Assets

21. We have reviewed the requirements of AASB 136 *Impairment of Assets* and have determined that there have been no impairment indicators in the period which would require the performance of impairment testing.

Receivables

22. Adequate allowance has been made, in the opinion of the directors, against receivables owing at the end of the reporting period. Such allowance has been made in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*.

Revenue

23. Revenue has been recognised in accordance with AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-For-Profit-Entities*.

Electronic presentation of Financial Report

24. We are responsible for the electronic presentation of the financial report.
25. We will ensure that the electronic version of the audited financial report and the auditor's report on the web site will be identical to the final signed hard copy version.
26. We will clearly differentiate between audited and unaudited information in the construction of the entity's web site as we understand the risk of potential misrepresentation.
27. We have assessed the controls over the security and integrity of data on the web site and that adequate procedures are in place to ensure the integrity of the information published.
28. We will not present the auditor's report on the full financial statements with extracts only of the full financial statements.
29. Where applicable, we have complied with the requirements of the *Corporations Act 2001* with respect to the electronic presentation of the audited financial reports.

Yours faithfully



Bronwyn Beadle

Chief Executive Officer

Nagambie Healthcare Inc.

2020-2021 FINANCIAL REPORT



/ EST.1905

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS 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 2020 to 30 June 2021.

Opinion

In our opinion, Nagambie Healthcare Inc. has complied, in all material respects, with the requirements of Part 5, Part 6, and Part 7 of the *Fees and Payments Principles 2014 (No.2)* for the period 1 July 2020 to 30 June 2021.

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.

Directors' Responsibility

The directors of Nagambie Healthcare Inc. are responsible for compliance with the Act and the Fees and Payments Principles and for such internal control as the directors determine is necessary for compliance with the Act and the Fees and Payments Principles. The responsibilities of the directors 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 form and 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 of the Fees and Payments Principles. ASAE 3100 requires that we comply with relevant ethical requirements.

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/ TORQUAY

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/ DIRECTORS

Stephen Wight CA
Stephen Kirtley CA

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2020-2021 FINANCIAL REPORT

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, Part 6, and Part 7 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, accommodation bonds; compliance with the Prudential Standards relating to liquidity, records, governance and disclosure; and use of refundable deposits and accommodation bonds.

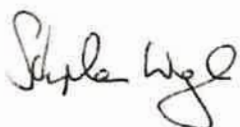
Use of Report and Restriction on Distribution

This auditor's report has been prepared for the directors 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 directors 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 directors 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.



Stephen Wight
Director
Registered Company Auditor
No. 326755

Dated this 12th day of October, 2021

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

2020-2021 FINANCIAL REPORT



/ EST.1905

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAGAMBIE HEALTHCARE INC.

Opinion

We have audited the financial report of Nagambie Healthcare Inc. (the Association), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report, in all material respects, gives a true and fair view of the financial position of the Association as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of *Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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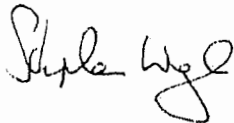
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2020-2021 FINANCIAL REPORT

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



Stephen Wight
Director

Dated this 5th day of October, 2021

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

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

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For the Year Ended 30 June 2021

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2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	4	6,378,326	5,586,854
Employee benefits expense	5	(4,698,236)	(4,073,291)
Administration & other expenses		(65,195)	(115,225)
Domestic services		(303,494)	(286,018)
Depreciation & amortisation expense		(420,313)	(353,599)
Finance costs		(70,147)	(54,165)
Information technology & communications		(100,572)	(34,045)
Maintenance & replacements		(129,305)	(122,726)
Medical supplies & services		(99,468)	(101,781)
Motor vehicle expenses		(18,977)	(17,438)
Professional services		(60,662)	(109,240)
Program and client activities		(40,519)	(44,454)
Occupancy & property		(214,205)	(209,953)
Profit (loss) for the year		157,233	64,919
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value gain (loss) on financial assets		178,964	-
Fair value gain (loss) on revaluation of land & buildings		12,802,670	-
Other comprehensive income for the year		12,981,634	-
Total comprehensive income for the year		13,138,867	64,919

The accompanying notes form part of these financial statements.

1

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	591,688	1,084,485
Trade and other receivables	7	203,358	345,959
Inventories	8	19,835	24,465
Financial assets	9	7,547,684	8,261,802
Other assets	10	30,165	26,671
TOTAL CURRENT ASSETS		8,392,730	9,743,382
NON-CURRENT ASSETS			
Property, plant and equipment	11	25,329,595	11,388,987
Right-of-use assets	14	198,318	271,421
TOTAL NON-CURRENT ASSETS		25,527,913	11,660,408
TOTAL ASSETS		33,920,643	21,403,790
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	263,417	525,680
Other liabilities	13	272,036	64,968
Lease liabilities	14	44,093	40,532
Employee benefits	15	858,769	478,359
Other financial liabilities	16	6,681,525	7,483,356
TOTAL CURRENT LIABILITIES		8,119,840	8,592,895
NON-CURRENT LIABILITIES			
Lease liabilities	14	122,224	166,316
Employee benefits	15	120,397	225,264
TOTAL NON-CURRENT LIABILITIES		242,621	391,580
TOTAL LIABILITIES		8,362,461	8,984,475
NET ASSETS		25,558,182	12,419,315
EQUITY			
Retained earnings		7,631,384	7,437,274
Reserves	17	17,926,798	4,982,041
TOTAL EQUITY		25,558,182	12,419,315

The accompanying notes form part of these financial statements.

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Statement of Changes in Equity

For the Year Ended 30 June 2021

	Retained Earnings	Asset Revaluation Reserve	Financial Asset Reserve	Restricted Funds Reserve	Retention Reserve	Total
	\$	\$	\$	\$	\$	\$
2021						
Balance at 1 July 2020	7,437,274	4,878,356	-	-	103,685	12,419,315
Profit (loss) for the year	157,233	-	-	-	-	157,233
Transfers to/from retained earnings	36,877	-	-	66,808	(103,685)	-
Total other comprehensive income	-	12,802,670	178,964	-	-	12,981,634
Balance at 30 June 2021	7,631,384	17,681,026	178,964	66,808	-	25,558,182
2020						
Balance at 1 July 2019	7,372,355	4,878,356	-	-	103,685	12,354,396
Profit (loss) for the year	64,919	-	-	-	-	64,919
Balance at 30 June 2020	7,437,274	4,878,356	-	-	103,685	12,419,315

The accompanying notes form part of these financial statements.

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Statement of Cash Flows For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		6,584,488	5,339,208
Payments to suppliers and employees		(5,785,383)	(4,662,421)
Interest & investment income received		143,507	140,699
Net cash provided by/(used in) operating activities	18	942,612	817,486
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		-	18,255
Purchase of property, plant and equipment		(1,486,127)	(743,422)
Net proceeds from/(payments for) financial assets		893,082	(361,802)
Net cash provided by/(used in) investing activities		(593,045)	(1,086,969)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net proceeds from/(repayment of) loans		(801,833)	(101,403)
Net receipt/(payment) of refundable entry fees & deposits		-	(5,840)
Principal repayments of lease liabilities		(40,531)	-
Net cash provided by/(used in) financing activities		(842,364)	(107,243)
Net increase/(decrease) in cash and cash equivalents held		(492,797)	(376,726)
Cash and cash equivalents at beginning of year		1,084,485	1,461,211
Cash and cash equivalents at end of financial year	6	591,688	1,084,485

The accompanying notes form part of these financial statements.

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Nagambie Healthcare Incorporated as an individual entity. Nagambie Healthcare Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2021 included the provision of residential aged care services, the provision of hospital services and the provision of community care to Nagambie and the surrounding area.

The functional and presentation currency of Nagambie Healthcare Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

2020-2021 FINANCIAL REPORT

Nagambie Healthcare Incorporated

ABN: 94 288 195 795

Notes to the Financial Statements **For the Year Ended 30 June 2021**

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Fees

Revenue arising from fees is recognised when or as the performance obligation is completed and the client receives the benefit of services being performed.

Operating grants & subsidies

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied.

Interest revenue

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

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(b) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

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Notes to the Financial Statements **For the Year Ended 30 June 2021**

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	Up to 40 years
Leasehold improvements	Up to 40 years
Plant and equipment	Up to 15 years
Motor vehicles	Up to 5 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

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2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Fair value through other comprehensive income

Equity instruments

The Association has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Association has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

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Notes to the Financial Statements **For the Year Ended 30 June 2021**

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Leases

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(h) Leases

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

3 Critical Accounting Estimates and Judgments

The Board of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions 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 estimates - fair value of financial instruments

The Association has certain financial assets and liabilities which are measured at fair value. Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Critical Accounting Estimates and Judgments

Key estimates - provisions

Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates - leases

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the entity will make. The entity determines the likelihood to exercise the options on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to the future strategy of the entity.

4 Revenue and Other Income

	2021	2020
	\$	\$
Residential care - resident income	3,969,197	3,909,077
Community care	626,758	327,227
Hospital care	285,716	352,417
Grants	509,063	516,011
Property income	131,672	148,361
Fundraising & donations	50,924	69,193
Interest & investment income	143,507	132,999
Other income	661,489	131,569
Total revenue and other income	6,378,326	5,586,854

5 Employee Benefits Expense

Salaries & wages	4,255,939	3,632,231
Superannuation contributions	342,760	317,800
Staff training	28,597	58,196
Workers compensation	70,940	65,064
Total employee benefits expense	4,698,236	4,073,291

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6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	591,688	1,084,485
Total cash and cash equivalents	591,688	1,084,485

7 Trade and Other Receivables

Trade receivables	110,898	118,497
GST receivable	62,478	45,507
Other receivables	29,982	181,955
Total current trade and other receivables	203,358	345,959

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Inventories

Stock on hand	19,835	24,465
Total inventories	19,835	24,465

9 Financial Assets

Financial assets held at amortised cost		
Deposits at call	1,671,250	8,261,802
Financial assets held at fair value through other comprehensive income		
Listed investments	5,876,434	-
Total financial assets	7,547,684	8,261,802

10 Other Assets

Prepayments	30,165	26,671
Total other assets	30,165	26,671

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Notes to the Financial Statements For the Year Ended 30 June 2021

11 Property, Plant and Equipment

	2021 \$	2020 \$
LAND AND BUILDINGS		
Freehold land		
At fair value	4,855,000	3,375,000
Total land	4,855,000	3,375,000
Buildings		
At fair value	20,007,500	8,088,521
Accumulated depreciation	-	(1,155,229)
Total buildings	20,007,500	6,933,292
Total land and buildings	24,862,500	10,308,292
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	1,012,133	912,782
Accumulated depreciation	(746,060)	(681,563)
Total plant and equipment	266,073	231,219
Furniture, fixtures and fittings		
At cost	320,461	277,733
Accumulated depreciation	(192,234)	(172,245)
Total furniture, fixtures and fittings	128,227	105,488
Motor vehicles		
At cost	127,938	112,938
Accumulated depreciation	(91,183)	(78,337)
Total motor vehicles	36,755	34,601
Property Improvements		
At cost	-	277,474
Accumulated depreciation	-	(86,298)
Total property improvements	-	191,176
Capital works in progress		
At cost	36,040	518,211
Total capital works in progress	36,040	518,211
Total plant and equipment	467,095	1,080,695
Total property, plant and equipment	25,329,595	11,388,987

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Notes to the Financial Statements For the Year Ended 30 June 2021

11 Property, Plant and Equipment

Movements in carrying amounts of property, plant and equipment

	Land	Buildings	Property Improve- ments	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Capital Works in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2021								
Opening balance	3,375,000	6,933,292	191,176	231,219	105,488	34,601	518,211	11,388,987
Additions	-	-	14,619	34,880	10,421	15,000	1,411,207	1,486,127
Disposals	-	-	-	-	(981)	-	-	(981)
Transfers	-	1,433,646	356,722	64,471	38,539	-	(1,893,378)	-
Depreciation expense	-	(213,456)	(31,170)	(64,497)	(25,240)	(12,846)	-	(347,209)
Revaluation	1,480,000	11,854,018	(531,347)	-	-	-	-	12,802,671
Closing balance	4,855,000	20,007,500	-	266,073	128,227	36,755	36,040	25,329,595
30 June 2020								
Opening balance	3,375,000	6,891,865	136,552	271,454	102,113	20,253	183,132	10,980,369
Additions	-	21,754	515	25,179	27,611	34,808	633,555	743,422
Disposals	-	-	-	-	-	-	-	-
Transfers	-	225,593	72,883	-	-	-	(298,476)	-
Depreciation expense	-	(205,920)	(18,774)	(65,414)	(24,236)	(20,460)	-	(334,804)
Closing balance	3,375,000	6,933,292	191,176	231,219	105,488	34,601	518,211	11,388,987

An independent valuation of land and buildings was performed by Opteon (Gouldburn North East Vic) Pty Ltd. The valuation has been prepared in accordance with the International Valuation Standards, based on independent assessments and was adopted by the Association effective 30 June 2021.

12 Trade and Other Payables

	2021	2020
	\$	\$
Trade payables	87,539	379,031
Accrued expenses	109,229	69,560
Other payables	66,649	77,089
Total trade and other payables	263,417	525,680

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Other Liabilities

Prepaid income	272,036	64,968
Total other liabilities	272,036	64,968

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Notes to the Financial Statements For the Year Ended 30 June 2021

14 Leases

Association as a lessee

The Association has leases over a range of assets including plant and IT equipment.

Information relating to the leases in place and associated balances and transactions are provided below.

Right-of-use assets

	Plant and Equipment \$	Total \$
Year ended 30 June 2021		
Opening balance	271,421	271,421
Depreciation expense	(73,103)	(73,103)
Closing balance	198,318	198,318
Year ended 30 June 2020		
Opening balance	290,215	290,215
Depreciation expense	(18,794)	(18,794)
Closing balance	271,421	271,421

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
2021					
Lease liabilities	57,186	140,249	20,001	217,436	166,317
2020					
Lease liabilities	57,186	173,433	44,001	274,620	206,848

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Association is a lessee are shown below:

	2021 \$	2020 \$
Depreciation of right-of-use assets	73,103	18,794
Interest expense on lease liabilities	16,654	10,569
Total expense	89,757	29,363

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15 Employee Benefits

	2021 \$	2020 \$
Current liabilities		
Accrued Annual Leave	375,740	263,413
Long service leave	483,029	214,946
Total current employee benefits	858,769	478,359
Non-current liabilities		
Long service leave	120,397	225,264
Total non-current employee benefits	120,397	225,264

16 Other Financial Liabilities

Independent living unit loans	284,700	457,530
Residential accommodation bonds	6,396,825	7,025,826
Total financial liabilities	6,681,525	7,483,356

17 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

(b) Financial asset reserve

The financial asset reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets.

(c) Restricted funds reserve

The restricted funds reserve represents funds the Association has received from a third party to meet specific obligations, set aside but not yet expended for these purposes.

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Notes to the Financial Statements For the Year Ended 30 June 2021

18 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the year	157,233	64,919
Non-cash flows in profit:		
- depreciation and amortisation	420,313	353,598
- (gain) loss disposal of fixed assets	981	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	142,601	(107,438)
- (increase)/decrease in prepayments	(3,494)	(1,749)
- (increase)/decrease in inventories	4,630	(1,275)
- increase/(decrease) in trade and other payables	(55,195)	273,322
- increase/(decrease) in provisions	275,543	236,109
Cashflows from operations	942,612	817,486

19 Auditors' Remuneration

Remuneration of the auditor Davidsons Assurance Services Pty Ltd, for:

- auditing the financial statements	8,800	6,000
- other services	1,500	-
- other services performed by associated company	3,400	-
Total auditor's remuneration	13,700	6,000

20 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Nagambie Healthcare Incorporated during the year are as follows:

Short-term employee benefits	179,129	165,970
Long-term benefits	19,362	17,030
Total key management personnel remuneration	198,491	183,000

21 Related Parties

(a) The Association's main related parties are as follows:

Key management personnel - refer to Note 20.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

There were no transactions with other related parties during the reporting period.

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Notes to the Financial Statements For the Year Ended 30 June 2021

22 Fair Value Measurement

The Association measures the following assets and liabilities at fair value on a recurring basis:

- Land
- Buildings
- Listed investments

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the association:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
30 June 2021				
Recurring fair value measurements				
Property, plant and equipment				
Land	-	4,855,000	-	4,855,000
Buildings	-	20,007,500	-	20,007,500
Listed investments	5,876,434	-	-	5,876,434
30 June 2020				
Recurring fair value measurements				
Property, plant and equipment				
Land	-	3,375,000	-	3,375,000
Buildings	-	6,933,292	-	6,933,292
Listed investments	-	-	-	-

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Notes to the Financial Statements For the Year Ended 30 June 2021

23 Financial Risk Management

The Association is exposed to a variety of financial risks through its use of financial instruments.

The Association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Association is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Association are:

- Trade receivables
- Cash at bank
- Deposits at call
- Investments in listed shares
- Trade and other payables
- Lease liabilities
- Other financial liabilities

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Notes to the Financial Statements For the Year Ended 30 June 2021

23 Financial Risk Management

Summary Table

	Note	2021 \$	2020 \$
Financial assets			
Held at amortised cost			
Cash at bank and on hand	6	591,688	1,084,485
Trade and other receivables	7	203,358	345,959
Deposits at call	9	1,671,250	8,261,802
Fair value through Other Comprehensive Income (OCI)			
Listed investments	9	5,876,434	-
Total financial assets		8,342,730	9,692,246
Financial liabilities			
Held at amortised cost			
Trade and other payables	12	263,417	525,680
Lease liabilities	14	166,317	206,848
Other financial liabilities	16	6,681,525	7,483,356
Total financial liabilities		7,111,259	8,215,884

Objectives, policies and processes

The Board of Management have overall responsibility for the establishment of Nagambie Healthcare Incorporated's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Nagambie Healthcare Incorporated's activities.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

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Notes to the Financial Statements For the Year Ended 30 June 2021

23 Financial Risk Management

Liquidity risk

The table below reflects the undiscounted contractual maturity analysis for financial assets and liabilities (excluding lease liabilities for the current year - refer to note 14).

Financial asset and liability maturity analysis

	Within 1 Year		Not past due and not impaired		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash at bank and on hand	-	-	591,688	1,084,485	591,688	1,084,485
Trade and other receivables	203,358	345,959	-	-	203,358	345,959
Deposits at call	-	-	1,671,250	8,261,802	1,671,250	8,261,802
Listed investments	-	-	5,876,434	-	5,876,434	-
Total financial assets	203,358	345,959	8,139,372	9,346,287	8,342,730	9,692,246
Financial liabilities						
Trade and other payables	263,417	525,680	-	-	263,417	525,680
Other financial liabilities	-	-	6,681,525	7,483,356	6,681,525	7,483,356
Total financial liabilities	263,417	525,680	6,681,525	7,483,356	6,944,942	8,009,036
Net inflow (outflow)	(60,059)	(179,721)	1,457,847	1,862,931	1,397,788	1,683,210

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Association's standard payment and delivery terms and conditions are offered. The Association review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

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Notes to the Financial Statements **For the Year Ended 30 June 2021**

23 Financial Risk Management

Credit risk

The Board of Management receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Association's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

The Association's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign exchange risk

The Association is not exposed to fluctuations in foreign currencies.

(ii) Interest rate risk

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

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Notes to the Financial Statements For the Year Ended 30 June 2021

24 Segment Reporting

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

	Residential Aged Care		Other Services		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
REVENUE						
Segment revenue	4,079,904	4,913,347	2,154,919	498,771	6,234,823	5,412,118
Interest revenue	143,507	140,699	-	-	143,507	140,699
Total segment revenue	4,223,411	5,054,046	2,154,919	498,771	6,378,330	5,552,817
EXPENSE						
Allocated segment expense	4,290,251	4,692,478	1,510,543	476,350	5,800,794	5,168,828
Depreciation and amortisation	262,577	282,879	157,736	70,720	420,313	353,599
Total segment expense	4,552,828	4,975,357	1,668,279	547,070	6,221,107	5,522,427
Segment operating profit	(329,417)	78,689	486,640	(48,299)	157,223	30,390
ASSETS						
Segment assets	31,055,033	12,345,655	2,865,610	9,012,629	33,920,643	21,358,284
Total segment assets	31,055,033	12,345,655	2,865,610	9,012,629	33,920,643	21,358,284
LIABILITIES						
Segment liabilities	7,539,106	8,180,755	823,355	591,899	8,362,461	8,772,654
Total segment liabilities	7,539,106	8,180,755	823,355	591,899	8,362,461	8,772,654

25 Contingencies

In the opinion of the Board of Management, the Association did not have any contingencies at 30 June 2021 (30 June 2020: None).

26 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

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Nagambie Healthcare Incorporated

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Notes to the Financial Statements **For the Year Ended 30 June 2021**

27 COVID-19

The global health pandemic COVID-19 has impacted Australia and the World in a significant manner. Victoria was originally declared a State of Emergency and subsequently move to a State of Disaster. The impact on communities and businesses has been varied with Government policies put in place to provide support to those who are most in need.

The COVID-19 pandemic had a significant impact on the Victorian Healthcare industry in 2020-21 having both direct and indirect influence on Nagambie Healthcare's Operations.

The resulting impact of the virus on the operations and measures taken by both the State and Commonwealth Governments to contain the virus whilst providing a level of financial support to Healthcare providers have had a mixed effect on Nagambie Healthcare's overall results in the reporting period.

The current known impacts of COVID-19 on the Association are:

- A higher than anticipated 2020-21 operational income due to additional Commonwealth RACS subsidy for COVID-19, Commonwealth Workers Retention funding and payroll tax relief.
- A higher than anticipated 2020-21 expenditure, predominantly driven by wage costs directly associated with additional staffing required during lockdown periods and extended leave provisions with replacement staffing. Expenditure on medical and cleaning consumables were also higher than originally anticipated.
- As a flow on effect of reduced elective operating theatre activity at regional and metropolitan health services, there were significantly lower hospital occupancy rates compared with the same period in 2019-20. Reduced occupancy resulted in reduced hospital income however this was evenly supplemented by the Victorian Private Hospitals Heads of Agreement funding arrangements.
- The nation-wide 21% increase in building supplies and trade costs as a result of COVID-19 directly impacted on the capital build project with material costs for the build exceeding budget. There has been a notable impact on the net funds held to complete the works, however it is anticipated that the building project will be completed as scheduled.

Given the financial and operational impact of COVID-19, Nagambie Healthcare Inc has strategically focused on a number of contingencies to help buffer the ongoing impact of COVID-19, this has included adoption of a revised investment strategy, implementation of operational system efficiencies and continued growth of our Home Care services. Although it is not certain that these efforts will be successful, management has determined that the actions that it has taken are sufficient to mitigate the uncertainty and has therefore prepared the financial report on a going concern basis.

28 Statutory Information

The registered office and principal place of business of the association is:

Nagambie Healthcare Incorporated
22 Church Street
NAGAMBIE VIC 3608

2020-2021 FINANCIAL REPORT

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Declaration by Board of Management

The board of management declare that in their opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Accounting Standards* and *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Board Member



Board Member



Dated this^{1st}..... day of^{10th}..... 2021





Thank you from Nagambie Health Care