



Quality Community Care

# 2019

# Annual Report

SOUTH EASTERN COMMUNITY CARE





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## Our Vision

To be a leading service provider. Helping our communities live the life they want to live.

SOUTH EASTERN  
COMMUNITY CARE



# Quality Community Care

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## BOARD MEMBERS

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## MEETINGS

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### President

Anthony Davis

11/12

### Vice President

Cliff Iles AM, JP

12/12

### Treasurer

Lois Green, OAM

12/12

### Secretary

Kerry Vincent

12/12

### General Board Members

Janice McConnon

11/12

Geoff Clow

9/12

Sue Windsor

10/12



## PRESIDENT REPORT

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I have pleasure in welcoming you to the 2018/2019 Annual General Meeting. As you can see our four independent living units are taking shape on the vacant land here behind 12 Somerville Street. We have already sold two of the units and the other two are attracting interested people who are in discussions with our Corporate Services Manager. We are very confident there is a market for this sort of development at SEC Care.

The change in our funding arrangements due to Consumer Directed Care, as mentioned in last year's Annual Report, continues to challenge the organisation. We continue to return each individual's unspent funds which previously were retained by SEC Care once a client no longer needs our services. This really affects our bottom line and our Finance Manager now has a state of the art accounting package and has been able to ensure there are provisions in our accounts for the return of unspent package funds with a greater degree of accuracy than in past years.

We continue to be active in marketing our services as other service providers are running high profile advertising campaigns and we need to continually promote our organisation in the community. We ran our third annual successful Community Expo last October. This is a big day for SEC Care and a big thank you goes to staff involved in organising and running the day.

The Day Centres continue to go from strength to strength. The overnight trips remain very popular and are well attended. A big thank you to the passionate staff who make these trips possible.

Our work in the National Disability Insurance Scheme continues to grow and is becoming a large part of our business. The number of packages we have under the NDIS have doubled in this past year. We see a big future for SEC Care in this area.

I particularly thank SEC Care staff and volunteers for their continued excellent work, which really makes SEC Care the respected organisation it is in our community.

Finally, I thank the Board of Management for their support of the organisation and myself over the past year of my term as President. The Board has worked hard on developing a new strategic plan to take the organisation through the next five years. They have overseen our move into the Independent Living Units and the further expansion into the NDIS. I would particularly like to thank retiring member Cliff Iles who retires from the Board at our AGM. Cliff was our first President when the organisation was founded over 49 years ago. Cliff came back to the Board in 2013 and has been a great source of knowledge and advice to us, on behalf of our Board and the Organisation I wish Cliff the very best in his retirement from the BOM.

Anthony Davis  
President

# Quality Community Care



## CEO REPORT

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I am pleased to be writing this report for South East Community Care's forty ninth annual general meeting. 2018/19 has been a year of continued challenges in our community setting. We have experienced continued growth with a substantial increase in the number of hours of service delivery provided, and subsequently an increase in direct care workers.

We have experienced a deficit this Financial Year, with increases to program funding not keeping pace with the costs of delivering services. The main priority of our senior staff has been to improve our internal reporting and processes over the latter half of this financial year to put us in a better position to reach a surplus next financial year. We have identified a range of areas where we have been able to improve and streamline and expect we will see the benefits in the coming year.

Disability Programs continue to grow and our Disability Programs represent more than 10% of the organisations income this Financial Year. We expect Disability Programs to continue to grow and contribute to our income and the employment of direct care workers into the future.

Aged Care Providers, as well as the community have been watching developments with the Royal Commission into Aged Care Quality and Safety. The Royal Commission was established in October 2018, with an interim report due in October 2019 and a final report in 2020. Issues around staffing and skills, access to services, funding and the quality of care received in both community and residential setting have been raised and reported in the media. South Eastern Community Care made a submission to the Royal Commission when all Providers were invited to make a submission.

Thank you to the Board of Management, managers, staff and volunteers who have worked tirelessly to ensure South Eastern Community Care continues to grow and provide much needed care, services and employment in Southern Tasmania.

Helen Pollard  
Chief Executive Officer



# Quality Community Care



## LENGTH OF SERVICE

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As a local employer and service provider we enjoy the support of many people in so many ways. South Eastern Community Care acknowledge that our staff are one of our main assets and provide many hours of care and support within our local communities.

We recognise staff who have reached or passed significant milestones in years of service during the period July 2018 to June 2019.

Congratulations and thank you.



Roslyn Grierson



Sally Clark



Carolyn Unsworth



Sam Lynch



Jan Lord  
Toni Curtain  
Robyn Green  
Marianne Heaysman  
Karie McPherson





## HEALTH SERVICES AGED COMMUNITY CARE PROGRAMS

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South Eastern Community Care continues to expand Home Care Packages, with the program servicing 80 clients at end of the 2018/19 Financial Year. Coordinators assist clients to gain the best use of their Government allocated budget and we have seen many clients experience an improvement in their wellbeing as a result of the opportunities they have had with a Home Care Package.

Commonwealth Home Support (CHSP) remains a Federally funded block funded, entry level program which can be accessed by clients who may not have the more complex needs that are offered through a Package. Whilst we expected this program to change and funding to be altered in 2020, the CHSP program is now expected to continue as is until 2022.

## DISABILITY PROGRAMS

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Our Disability Programs are growing with some participants in areas outside our traditional boundaries. A number of small groups of younger people are being developed with cooking, outings and sports being popular activities.

A new Coordinator has been added to the ever-expanding Disability Team and we are excited with the opportunities to work with our communities by developing a number of small, safe and intimate programs.





## CENTRE BASED PROGRAMS

Overnight trips are being planned for the next Financial Year, and we have seen our overnight trips become a fixture on the annual calendar.

A move from the old Brighton Council Chambers at Pontville to the Tea Tree Hall has seen our Brighton programs housed in a larger space which can accommodate better our growing numbers. We are pleased to be using a community asset such as the hall for our Programs.

## COMMUNITY ENGAGEMENT

The Community Expo continues at no cost to participants with excellent community support. Our Facebook page has wonderful community connections and involvement. Our Foot clinic has expanded significantly in the past twelve months. The Foot Clinic is now operating in Bicheno, Triabunna and looking at a range of other locations to service the needs of our smaller communities.

## MILESTONES

Finalist in the 2018 Telstra Business Awards.

Final stages of approvals for building four ILUs in the heart of Sorell in preparedness for a 1st July 2019 building start.

Prepared for 1st July 2019:

- New Charter of Resident Rights
- New Aged Care Standards
- Revised mandated pricing schedule for Home Care Packages on MYAgedCare website

Helping our communities enjoy the life they want to live.

Quality Community Care





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## Our Vision

To be a leading  
service provider.  
Helping our  
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SOUTH EASTERN  
COMMUNITY CARE

**South Eastern Nursing & Home Care Association Inc.**

**Financial statements**

**for the year ended 30 June 2019**

**ABN 11 400 505 189**



## **South Eastern Nursing & Home Care Association Inc.**

### **Statement by members of the Board**

In the opinion of the Board the accompanying financial statements and notes

1. Presents a true and fair view of the financial position of South Eastern Nursing & Home Care Association Inc. as at 30 June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012 (Cth)
  
2. At the date of this statement, there are reasonable grounds to believe that South Eastern Nursing & Home Care Association Inc. will be able to pay its debts as and when they fall due.

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



Anthony Davis  
Chairperson

Dated 23rd September 2019



Lois Green  
Treasurer

Dated 23rd September 2019

**South Eastern Nursing & Home Care Association Inc.** A.B.N. 11 400 505 189  
**Statement of comprehensive income**  
**for the year ended 30 June 2019.**

	Note	2019 \$	2018 \$
<b>Revenue</b>	<b>2</b>	<b>7,379,812</b>	<b>5,766,029</b>
<b>Expenses classified by Category</b>			
Salaries and Allowances		5,072,362	4,032,869
Other Employment Costs		772,297	643,371
Outsourced Client Services		126,858	123,302
Property and Occupancy Costs		89,037	68,128
Vehicle Operating Expenses		32,421	38,360
Office Equipment Costs		14,676	16,539
Computer Expenses		186,068	61,359
Supplies and Consumables		596,684	447,095
Telecommunications		85,545	59,121
Insurances		188,212	132,133
Depreciation of Assets		136,811	138,889
Other Operating Expenses		298,708	412,080
<b>Total expenses</b>		<b>7,599,679</b>	<b>6,173,246</b>
<b>Surplus / (Deficit) for the year</b>		<b>(219,867)</b>	<b>(407,217)</b>
<b>Other comprehensive income adjustment: following data-base change over.</b>			
<b>Total comprehensive income for year</b>		<b>(219,867)</b>	<b>(407,217)</b>
Total comprehensive income attributable to members of the entity		(219,867)	(407,217)

The accompanying notes form part of this financial statements

**South Eastern Nursing & Home Care Association Inc.** A.B.N. 11 400 505 189  
**Statement of financial position**  
**for the year ended 30 June 2019**

	Note	2019 \$	2018 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	775,655	1,287,836
Trade and other receivables	7	385,197	128,403
Other current assets	8	57,562	56,860
<b>Total current assets</b>		<b>1,218,414</b>	<b>1,473,099</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	1,446,242	1,305,020
<b>Total non-current assets</b>		<b>1,446,242</b>	<b>1,305,020</b>
<b>Total assets</b>		<b>2,664,656</b>	<b>2,778,119</b>
<b>Current liabilities</b>			
Trade and other payables	10	1,278,126	1,227,107
<b>Total current liabilities</b>		<b>1,278,126</b>	<b>1,227,107</b>
<b>Non-current liabilities</b>			
Trade and other payables	11	29,489	35,560
<b>Total non-current liabilities</b>		<b>29,489</b>	<b>35,560</b>
<b>Total liabilities</b>		<b>1,307,615</b>	<b>1,262,667</b>
<b>Net assets</b>		<b>1,357,041</b>	<b>1,515,452</b>
<b>Equity</b>			
Asset Revaluation Reserve	12	61,456	-
Retained earnings	13	1,295,585	1,515,452
<b>Total equity</b>		<b>1,357,041</b>	<b>1,515,452</b>

The accompanying notes form part of this financial statements

**South Eastern Nursing & Home Care Association Inc.**  
**Statement of changes in equity**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

	Retained profits \$	Total \$
<b>Balance at 30 June 2017</b>	1,922,669	1,922,669
Surplus/Deficit attributed to members	(407,217)	(407,217)
<b>Balance at 30 June 2018</b>	<u>1,515,452</u>	<u>1,515,452</u>
Surplus/Deficit attributed to members	(219,867)	(219,867)
Increase in Asset revaluation reserve	61,456	61,456
<b>Balance at 30 June 2019</b>	<u><u>1,357,041</u></u>	<u><u>1,357,041</u></u>

The accompanying notes form part of this financial statements

**South Eastern Nursing & Home Care Association Inc.**  
**Statement of cash flows**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Receipts From Customers		1,191,439	1,435,715
Receipts from Government		6,896,912	4,673,233
Interest received		8,172	9,122
Payments to Suppliers and Employees		(8,399,618)	(5,887,882)
<b>Net cash provided by operating activities</b>	<b>(b)</b>	<b>(303,095)</b>	<b>230,188</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of PP & E		16,364	59,312
Fixed asset purchases		(225,450)	(156,844)
<b>Net cash used in investing activities</b>		<b>(209,086)</b>	<b>(97,532)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowing		-	-
Repayment of borrowings		-	-
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash held</b>		<b>(512,181)</b>	<b>132,656</b>
<b>Cash at the beginning of financial year</b>		<b>1,287,836</b>	<b>1,155,180</b>
<b>Cash at the end of financial year</b>	<b>(a)</b>	<b>775,655</b>	<b>1,287,836</b>

The accompanying notes form part of this financial statements

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the Cash flow reconciliation for Operating Activity**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	2019 \$	2018 \$
<b>(a) Reconciliation of cash</b>		
Cash on hand	672	1,612
Cash at bank	774,983	1,286,224
Cash on deposit	-	-
<b>Cash at the end of financial year</b>	<b>775,655</b>	<b>1,287,836</b>
<b>(b) Reconciliation of net cash provided by operating activities to Net profit from ordinary activities</b>		
Surplus/Deficit from ordinary activities	(219,867)	(407,217)
Non cash flows in the profit from ordinary activities		
Depreciation and amortisation	136,811	138,889
(Gain) / loss on sale of fixed assets	(7,491)	(47,704)
(Increase) / decrease in assets		
Trade receivables	(256,794)	245,540
Other receivables	-	-
Prepayments	(702)	(22,750)
Increase / (decrease) in liabilities		
in Trade and Other Payables	377,297	102,609
Other creditors		
Employee benefits		
Accrued salaries and wages		
Revenue received in Advance		
Provision accounts	(3,423)	66,615
in unexpended funds	(328,926)	154,206
Other sundry liabilities		
<b>Net cash provided by operating activities</b>	<b>(303,095)</b>	<b>230,188</b>

The accompanying notes form part of this financial statements

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**Note 1 Statement of significant accounting policies**

The financial report covers South Eastern Nursing & Home Care Association Inc. as an individual entity. South Eastern Nursing & Home Care Association Inc. is an Association incorporated in Tasmania under the Association Incorporation Act 1964.

**Basis of preparation**

The Association has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July, 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Reporting Requirements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012 (Cth).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated. The amounts presented in the financial statements have been rounded to the nearest dollar

**a. Income Tax**

The Association is an income tax exempt charity endorsed as a deductible gift recipient and consequently no accounting for tax expense or liabilities is necessary.

**b. Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**c. 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 losses.

***Property***

Freehold land and buildings are measured on the cost basis. Additions from that time have been recorded at cost.

***Plant and Equipment***

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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**Note 1 Statement of significant accounting policies (continued)**

The carrying amount of property, plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount for those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The cost of fixed assets constructed within the Association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overhead. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of them can be measured reliably. All repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets excluding land are depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2 -10%
Plant and equipment	5 -20%

**d. Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at their estimated present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to employee superannuation funds and are charged as expenses when incurred.

**e. Revenue and other income**

Revenue is recognised upon the delivery of services to clients and consumers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donation and grant revenue is recognised when the Association receives a donation; all donations and grants are recorded as revenue. Donations or grants that are nominated for a capital purpose are transferred from retained earnings to capital grants and donations.

All revenue is stated net of the amount of goods and services tax (GST).



**f. Goods and services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are

**g Comparative Figures**

Where appropriate comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**h Trade and Other Payables**

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the financial statements**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	2019 \$	2018 \$
<b>2 Revenue and other income</b>		
Tasmanian Government	2,169,846	1,075,204
Australian Government	4,137,038	3,033,003
Brokered services	448,841	463,079
Client fees - home services	451,708	932,860
Client fees - centre services	109,243	128,823
Community contributions	331	23,220
Interest	8,172	9,122
Other recoveries	47,142	53,014
Profit on asset sales	7,491	47,704
<b>Total revenue</b>	<b>7,379,812</b>	<b>5,766,029</b>

**3 Deficit for the year**

The following significant expense items are relevant in explaining the financial performance:

**Expenses**

Wages and salaries	5,844,659	4,676,240
Depreciation of property, plant and equipment	136,811	138,889

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the financial statements**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	2019 \$	2018 \$
<b>4 Key management personnel compensation</b>		
The total remuneration paid to key management personnel was \$ 448,382 (2018 \$454,315)		
<b>5 Auditors' remuneration</b>		
Remuneration of the auditor of the Association for auditing or reviewing the financial statements	6,000	2,095
<b>6 Cash and cash equivalents - current</b>		
Cash on hand	672	1,612
Cash at bank	774,983	1,286,224
Cash on deposit	-	-
	<u>775,655</u>	<u>1,287,836</u>
<b>7 Trade and other receivables - current</b>		
Trade receivables	373,855	128,403
Other receivables	11,342	
	<u>385,197</u>	<u>128,403</u>
<b>8 Other current assets</b>		
Prepayments	<u>57,562</u>	<u>56,860</u>
<b>9 Property, plant and equipment</b>		
Buildings - Improvements @ Cost	-	250,918
Buildings @ valuation	550,000	-
Land @ valuation	650,000	-
Land & Buildings @ Cost	-	847,166
Less: Accumulated Depreciation	-	(81,304)
Motor Vehicles @ Cost	273,452	258,537
Less: Accumulated Depreciation	(120,101)	(113,934)
Equipment @ Cost	297,819	275,291
Less: Accumulated Depreciation	(204,928)	(153,608)
Capitalised Wages Software @ Cost	87,680	87,680
Less: Accumulated Amortisation	(87,680)	(65,726)
	<u>1,446,242</u>	<u>1,305,020</u>
<b>a. Valuations of freehold land and buildings</b>		
The directors' own valuation of buildings is reviewed in June each financial year primarily to ensure adequate insurance coverage. The valuations disclosed the following insurable values :	1,000,000	1,000,000

(b) Movements in carrying amounts of property, plant and equipment

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Land & Buildings	Software	Motor Vehicles	Office Equipment	Other Equipment	TOTAL
<b>Balance as at 1 July 2019</b>						-
Balance at the beginning of year	1,016,780	21,954	144,603	101,514	20,169	1,305,020
Additions	145,499		57,423	14,809	7,719	225,450
Increase from Re-valuation	61,456					61,456
Depreciation expense	(23,735)	(21,954)	(39,802)	(45,900)	(5,420)	(136,811)
Disposals - written down value			(8,873)			(8,873)
Balance as at 30 June 2019	1,200,000	-	153,351	70,423	22,468	1,446,242
	Land & Buildings	Software	Motor Vehicles	Office Equipment	Other Equipment	TOTAL
<b>Balance as at 1 July 2018</b>						-
Balance at the beginning of year	976,795	51,174	147,392	111,646	13,488	1,300,495
Additions	61,139		50,226	32,502	11,990	155,857
Depreciation expense	(21,154)	(29,220)	(40,572)	(42,634)	(5,309)	(138,889)
Disposals - written down value			(12,443)			(12,443)
Balance as at 30 June 2018	1,016,780	21,954	144,603	101,514	20,169	1,305,020

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the financial statements**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	2019 \$	2018 \$
<b>10 Trade and other payables - current</b>		
BAS liability	60,082	69,403
Other creditors	451,954	75,876
Employee benefits	505,394	544,633
Accrued salaries and wages	253,555	207,036
Funding for future services	(20)	328,906
Other sundry liabilities	7,161	1,253
	<u>1,278,126</u>	<u>1,227,107</u>
<b>Collateral pledged</b>		
No collateral has been pledged for any of the trade and other payable balances.		
 Number of employees paid in payroll at year end	 <u>134</u>	 <u>102</u>
 <b>11 Trade and other payables - non current</b>		
Employee benefits	29,489	35,560
Other sundry liabilities	-	-
	<u>29,489</u>	<u>35,560</u>

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the financial statements**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	Note	2019 \$	2018 \$
<b>12 Asset Revaluation Reserve</b>			
Increase in Land and Building valued 30 June		61,456	-
		<u>61,456</u>	<u>-</u>
<b>13 Retained earnings</b>			
Retained profits at the beginning of the financial year		1,515,452	1,922,669
Adjustment to equity year end balance as above		(219,867)	(407,217)
Net surplus/deficit attributable to the Association		<u>1,295,585</u>	<u>1,515,452</u>
Retained profits at the end of the financial year			

**14 Financial risk management**

The Association's financial instruments consist mainly of deposit with banks, short-term investments, account receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to the financial statements, are as follows:

**Financial assets**

Cash and cash equivalents	6	775,655	1,287,836
Trade and other receivables	7	385,197	128,403
<b>Total financial assets</b>		<u>1,160,852</u>	<u>1,416,239</u>

**Financial liabilities**

BAS liability	10	60,082	69,403
Other creditors	10	451,954	75,876
Employee benefits	10 & 11	534,883	580,193
Accrued salaries and wages	10	253,555	207,036
Funds for future services	10	(20)	328,906
Other sundry liabilities	10	7,161	1,253
<b>Total financial liabilities</b>		<u>1,307,615</u>	<u>1,262,667</u>

**South Eastern Nursing & Home Care Association Inc.**  
**Notes to the financial statements**  
**for the year ended 30 June 2019.**

A.B.N. 11 400 505 189

Note	2019 \$	2018 \$
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**14 Financial risk management (continued)**

**a. Financial risk management policies**

The committee members control the capital of the Association in order to maintain a good debt - to - equity ratio and to ensure that the Association can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

The gearing ratio at year end 30 June are as follows:

Total borrowings	-	-
Less cash and cash equivalents	(775,655)	(1,287,836)
<b>Net debt</b>	<b>(775,655)</b>	<b>(1,287,836)</b>
<b>Total equity</b>	<b>1,357,041</b>	<b>1,515,452</b>
<b>Gearing ratio</b>	<b>-57%</b>	<b>-85%</b>

**b Credit risk**

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association; most of our receivables are settled in advance of the provision of services.

**c. Liquidity risk**

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meet its obligations. The Association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions;

**Financial assets pledged as collateral**

No financial assets have been pledged as security for any financial liability.

**Note**

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**15 Contingent liabilities**

Under a number of the grant contracts that are undertaken by SECC there are repayment clauses which subject to enforcement requires monies to be repayed. Current history of SECC has seen outcomes meet with no repayments required.

There are no other contingent liabilities as at 30th June 2019 (2018; Nil)

**16 Events subsequent to reporting date**

South East Community Care has entered into a contract for the building of 4 Independent Living Units. This will see the occupation of these units scheduled for completion by the end of April 2020. These units will be supported with a loan from the Bendigo Bank which will be fully repaid from the leasehold agreements by the occupants.

**17 Segment reporting**

The Association operates in one business and geographic segment. The Association delivers only home care services and this general purpose financial report therefore relates only to such operations.

**18 Association details**

The principal place of business and registered office of the Association is:  
South Eastern Nursing & Home Care Association Inc.  
12 Somerville Street  
Sorell, Tasmania. 7172

**19 Liability Recognition**

Changes to Australian Legislation in relationship to balances of Aged Care Packages now requires that any balance of package budgets are to be returned, subsequently the liability has been recognised.

**20 Related party transactions**

The Directors are also our only related parties. No transactions have occurred between the Association and the Directors.

**21 Adoption of new and revised accounting standards**

During the current year, standards which became mandatory had no significant impact on the financial report of the Association. AASB 9 Financial Instruments has been adopted and had no significant impact and no requirement for any reclassification or restatement of comparatives.

**22 Critical Accounting Estimates and Judgments**

The Board members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association, however as additional information is known then the actual results may differ from the estimates.

**22 IFRS**

Implementation of IFRS new accounting standards for application in future periods is progressing in consultation with the Auditors and will be progress throughout the year.



## BOARD MEMBERS

		Meetings attended
President	Anthony Davis	11/12
Vice President	Cliff Iles AM, JP	12/12
Treasurer	Lois Green, OAM	12/12
Secretary	Kerry Vincent	12/12
General Board	Janice McConnon	11/12
Members	Geoff Clow	9/12
	Sue Windsor	10/12

Qualitative information on directors is located on our website, such as a brief summary of their experience

The further information which covers activities, financial year achievements- it is a snapshot of our short term is;-

<https://www.dropbox.com/s/flwz4cb8tgf2l6x/SECC%20FINAL%20Report%20FRONT%20ONLY%20PRESSV2.pdf?dl=0>

## South Eastern Nursing & Home Care Association Inc.

### Auditors Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

  
Crowe Tasmania

Alison Flakemore  
Senior Partner

Dated this 20<sup>th</sup> day of September 2019.

Hobart, Tasmania.

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

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# South Eastern Nursing & Home Care Association Inc.

## Independent Auditor's Report to the Members of South Eastern Nursing & Home Care Association Inc.

### Opinion

We have audited the financial report of South Eastern Nursing & Home Care Association Inc. (the Association), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Boards' Declaration.

In our opinion, the accompanying financial report of the Association has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*, including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### 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 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 the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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# South Eastern Nursing & Home Care Association Inc.

## Independent Auditor's Report to the Members of South Eastern Nursing & Home Care Association Inc.

### 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 the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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## South Eastern Nursing & Home Care Association Inc.

### Independent Auditor's Report to the Members of South Eastern Nursing & Home Care Association Inc.

We communicate with Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



Crowe Tasmania



Alison Flakemore  
Senior Partner

Dated this...23rd day of September 2019.

Hobart, Tasmania.

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