

DARLINGFORD UPPER GOULBURN NURSING HOME INC

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Income			
Revenue from operating activities	2	4,349,311	4,119,618
Revenue from non-operating activities	2	139,109	116,970
Capital purpose income	2	304,933	258,228
Total Income		4,793,353	4,494,816
Expenses			
Employee expenses	3	(4,155,357)	(3,915,896)
Supplies and consumables	3	(249,778)	(231,774)
Other expenses	3	(583,133)	(486,513)
Depreciation	4	(238,075)	(243,994)
Total Expenses		(5,226,343)	(4,878,177)
NET RESULT FOR THE YEAR		(432,990)	(383,361)
COMPREHENSIVE RESULT		(432,990)	(383,361)

This Statement should be read in conjunction with the accompanying notes.

DARLINGFORD UPPER GOULBURN NURSING HOME INC

BALANCE SHEET AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	5	926,351	450,100
Receivables	6	156,066	100,739
Investments and other financial assets	7	3,583,915	3,636,938
Inventories	8	16,642	21,257
Other assets	9	13,205	14,448
Total current assets		4,696,179	4,223,482
Non-current assets			
Property, plant and equipment	10	6,212,547	6,397,197
Total non-current assets		6,212,547	6,397,197
TOTAL ASSETS		10,908,726	10,620,679
Current Liabilities			
Payables	11	328,966	91,919
Provisions	12	1,006,675	901,553
Other current liabilities	14	3,721,001	3,332,908
Total current liabilities		5,056,642	4,326,380
Non-current liabilities			
Provisions	12	83,007	92,232
Total non-current liabilities		83,007	92,232
TOTAL LIABILITIES		5,139,649	4,418,612
NET ASSETS		5,769,077	6,202,067
EQUITY			
Property, plant and equipment revaluation surplus	15a	3,138,181	3,138,181
Accumulated surplus	15b	2,630,896	3,063,886
TOTAL EQUITY		5,769,077	6,202,067
Commitments	18		
Contingent Assets and Contingent Liabilities	19		

This Statement should be read in conjunction with the accompanying notes.

DARLINGFORD UPPER GOULBURN NURSING HOME INC

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants from government		3,403,052	3,255,712
Capital grants from government		78,696	-
Patient and resident fees received		888,146	869,172
Donations and bequests received		44,309	53,520
GST received from / (paid to) ATO		6,944	(8,940)
Interest received		101,999	83,151
Other receipts		221,824	230,398
Total receipts		4,744,970	4,483,013
Employee expenses paid		(4,052,776)	(3,804,705)
Payments for supplies and consumables		(24,794)	(260,940)
Other payments		(578,840)	(492,452)
Total payments		(4,656,410)	(4,558,097)
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	16	88,560	(75,084)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(53,425)	(118,952)
Proceeds from sale of non-financial assets		-	14,091
Hostel ingoing bonds / residents trust		- 136,768.00	(100)
Net Proceeds from / (purchase of) investments		441,116	418,719
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		250,923	313,758
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		339,483	238,674
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		450,100	211,426
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5	789,583	450,100

This Statement should be read in conjunction with the accompanying notes.

DARLINGFORD UPPER GOULBURN NURSING HOME INC
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Property, Plant and Equipment Revaluation Surplus \$	Accumulated Surplus \$	Total \$
Balance at 1 July 2017	3,138,181	3,447,247	6,585,428
Net result for the year	-	(383,361)	(383,361)
Revaluation reserve movement	-	-	-
Balance at 30 June 2018	3,138,181	3,063,886	6,202,067
Net result for the year	-	(432,990)	(432,990)
Revaluation reserve movement	-	-	-
Balance at 30 June 2019	3,138,181	2,630,896	5,769,077

This Statement should be read in conjunction with the accompanying notes.

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These annual financial statements represent the audited general purpose financial statements for Darlingford Upper Goulburn Nursing Home Inc. (the Nursing Home) (ABN 14 428 357 750) for the period ended 30 June 2019. The purpose of the report is to provide users with information about the Nursing Homes' stewardship of resources entrusted to it.

Basis of Preparation

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

The financial statements except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The Nursing Home is a not-for profit entity and therefore applies the additional Aus. paragraphs applicable to "not-for-profit" Nursing Homes under the Accounting Standards.

The Nursing Home delivers only residential aged care services and this general purpose financial report therefore relates only to such operations.

(a) Reporting Entity

The financial statements includes all the controlled activities of Darlingford Upper Goulburn Nursing Home Inc.

Its principal address is:
High Street
Eildon Vic 3713

A description of the nature of Darlingford Upper Goulburn Nursing Home Inc's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Objectives and funding

Darlingford Upper Goulburn Nursing Home Inc's overall objective is to provide care services for people who are no longer able to live comfortably and securely in their own homes, as well as improve the quality of life to Victorians.

Darlingford Upper Goulburn Nursing Home Inc. is predominately funded by accrual based grant funding for the provision of outputs.

Assets

(b) Cash and Cash Equivalents

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

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

(c) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where doubt as to collection exists. Bad debts are written off when identified.

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

(d) Other Financial Assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which assets are held and the contractual cash flow characteristics of the financial asset.

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(e) Property, Plant and Equipment

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

Plant and equipment and motor vehicles are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment and motor vehicles is greater than the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

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 the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the financial period in which they are incurred.

(f) Fair Value of Assets and Liabilities

Darlingford Upper Goulburn Nursing Home Inc. measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

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

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

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

Fair value Hierarchy

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

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

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(g) Revaluations of Non-current Physical Assets

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

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

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

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

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

(h) Depreciation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated (i.e. excludes land assets). Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in a manner intended by management.

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset's useful life. Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health and Human Services.

Assets with a cost in excess of \$1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

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

	2019	2018
Buildings	12 to 35 years	12 to 35 years
Plant & Equipment	3 to 7 years	3 to 7 years
Medical Equipment	7 to 10 years	7 to 10 years
Computers and Communication	3 years	3 years
Furniture & Fittings	7 to 10 years	7 to 10 years
Motor Vehicles	6 years	10 years

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Impairment of Non-Financial Assets

At the end of each reporting period Darlingford Upper Goulburn Nursing Home Inc. assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information.

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

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

(j) Payables

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Net 30 days.

(k) Provisions

Provisions are recognised when Darlingford Upper Goulburn Nursing Home Inc. has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

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

(l) Functional and Presentation Currency

The presentation currency of Darlingford Upper Goulburn Nursing Home Inc. is the Australian dollar, which has also been identified as the functional currency of Darlingford Upper Goulburn Nursing Home Inc.

(m) Goods and Services Tax

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

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

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

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(n) Employee Benefits

Wages and Salaries, Annual Leave, Sick Leave and Accrued Days Off

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

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

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

Long Service Leave (LSL)

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

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

The components of this current LSL liability are measured at:

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

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

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

Superannuation

Contributions to defined contribution superannuation plans are expensed when incurred.

(o) Accommodation Bond/Charge

Refundable accommodation deposits and resident accommodation bonds are non-interest bearing deposits made by aged care facility residents to the entity upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at the principal amount net of any retentions or any other amounts deducted from the bond at the election of the resident.

(p) Income Recognition

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

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

Government Grants

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

Donations and Other Bequests

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

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(p) **Income Recognition (continued)**

Interest Revenue

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

(q) **Comparative Information**

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

(r) **Income Tax**

Darlingford Upper Goulburn Nursing Home Inc. is an exempt body for taxation purposes under the Income Tax Assessment Act. Accordingly there is no income tax payable.

(s) **Critical Accounting Estimates and Judgments**

The members of the committee evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment on property, plant and equipment

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

Fair Value of land and buildings

The fair value of land and buildings has been assessed by management on an annual basis since the last formal valuation. Refer to note 10(b) for further information.

Key judgments

Employee benefits

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

(t) **New or amended Accounting Standards and Interpretations adopted**

The Association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

The following Accounting Standards and Interpretations are most relevant to the Association:

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for impairment of financial assets. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption

AASB 9 *Financial Instruments* was adopted using the modified retrospective approach as at 1 July 2018 and as such, comparatives have not been restated. There was no impact on opening retained earnings as at 1 July 2018.

NOTE 1 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(u) Accounting Standards issued that are not yet effective

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the entity. The entity has decided not to early adopt any of the new and amended pronouncements.

The Nursing Home's assessment of the new and amended pronouncements that are relevant to the entity but applicable in future reporting periods are set out below:

Standard	Nature of change in accounting policy	Application start date	Impact on financial statements
AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-profit Entities	<p>The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.</p> <p>AASB 1058 supersedes all the income recognition requirements relating to not for profit entities, previously in AASB 1004 Contributions. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.</p>	Annual reporting periods beginning on or after 1 January 2019, i.e. Nursing Home's financial statements for the year ended 30 June 2020.	The Nursing Home is still assessing the impact of this standard.
AASB 16 <i>Leases</i>	<p>AASB 16 will result in most of the operating leases of an entity being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which may remain off the balance sheet.</p> <p>The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments.</p> <p>A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges.</p>	Annual reporting periods beginning on or after 1 January 2019, i.e. Nursing Home's financial statements for the year ended 30 June 2020.	No impact is expected for the Nursing Home with regards to implementation of this standard, given there are currently no leases undertaken by the Nursing Home.

AASB has issued other amending standards, which are expected to have insignificant impacts to the Nursing Home.

(v) Going Concern Basis

During the year ended 30 June 2019 Darlingford Upper Goulburn Nursing Home achieved a deficit of \$(432,990) (2018 deficit of \$383,361).

The financial statements have been prepared on the going concern basis in consideration of the following:

- All resident accommodation bonds are backed by liquid investments.
- Darlingford Upper Goulburn Nursing Home has received full accreditation.
- The Department of Health & Human Services continues to support and fund Darlingford Upper Goulburn Nursing Home in the 2019-20 financial year.

NOTE 2: ANALYSIS OF REVENUE BY SOURCE	TOTAL 2019 \$	TOTAL 2018 \$
Government Grants		
- Department of Health & Human Services	1,303,234	1,117,111
- Commonwealth Government	2,104,006	2,153,061
Resident Fees		
- Residential Aged Care Fees	942,071	849,446
Total Revenue from Operating Activities	4,349,311	4,119,618
Interest	99,213	89,701
Other Revenue from Non-Operating Activities	39,896	27,269
Total Revenue from Non-Operating Activities	139,109	116,970
State Government Capital Grants	78,696	-
Residential Accommodation Payments	181,928	203,129
Donations and Bequests	44,309	53,520
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2a)	-	1,579
Total Capital Purpose Income	304,933	258,228
Total Revenue	4,793,353	4,494,816
NOTE 2a: NET GAIN/(LOSS) ON DISPOSAL OF NON-FINANCIAL ASSETS	2019 \$	2018 \$
Proceeds from Disposal of Non-Current Assets		
- Motor Vehicles	-	14,091
Total Proceeds from Disposal of Non-Current Assets	-	14,091
Less: Written Down Value of Non-Current Assets Disposed		
- Motor Vehicles	-	12,512
Total Written Down Value of Non-Current Assets Disposed	-	12,512
NET GAIN/(LOSS) ON DISPOSAL OF NON-FINANCIAL ASSETS	-	1,579

NOTE 3: ANALYSIS OF EXPENSE BY SOURCE

	TOTAL 2019 \$	TOTAL 2018 \$
Employee Expenses		
Salaries & Wages	3,693,785	3,496,618
Work Cover	70,288	62,265
Long Service Leave	58,424	42,861
Superannuation	332,860	314,152
Total Employee Expenses	4,155,357	3,915,896
Supplies and Consumables		
Medical, Surgical Supplies and Prosthesis	91,309	78,306
Food Supplies	158,469	153,468
Total Supplies and Consumables	249,778	231,774
Other Expenses from Continuing Operations		
Domestic Services & Supplies	55,869	53,836
Fuel, Light, Power and Water	171,630	149,137
Repairs & Maintenance	56,536	36,981
Maintenance Contracts	44,275	41,621
Administrative Expenses	239,323	190,938
Audit Fees	15,500	14,000
Total Other Expenses from Continuing Operations	583,133	486,513
Depreciation and Amortisation (refer Note 4)	238,075	243,994
TOTAL EXPENSES	5,226,343	4,878,177

NOTE 4: DEPRECIATION AND AMORTISATION

	2019	2018
	\$	\$
Depreciation		
Buildings	201,024	196,737
Plant and Equipment		
- Plant	29,464	40,181
- Motor Vehicles	7,587	7,076
TOTAL DEPRECIATION	238,075	243,994

NOTE 5: CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flow Statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

	2019	2018
	\$	\$
Cash on Hand	398	398
Cash at Bank	925,953	449,702
TOTAL	926,351	450,100
Represented by:		
Cash for Nursing Home Operations	789,265	449,782
Cash for Monies Held in Trust	137,086	318
TOTAL CASH AND CASH EQUIVALENTS	926,351	450,100

NOTE 6: RECEIVABLES

	2019	2018
	\$	\$
CURRENT		
Contractual		
Resident Fees	99,390	45,465
Accrued Revenue - Other	39,519	42,305
Commonwealth Benefits	17,157	12,969
TOTAL RECEIVABLES	156,066	100,739

(a) Ageing analysis of receivables

Please refer to note 17(b) for the ageing analysis of receivables

(b) Nature and extent of risk arising from receivables

Please refer to note 17(b) for the nature and extent of credit risk arising from receivables

Note 7: INVESTMENTS AND OTHER FINANCIAL ASSETS	2019	2018
	\$	\$
CURRENT		
Loans and Receivables		
Term Deposit		
Aust. Dollar term Deposits < 3 months	-	-
Aust. Dollar term Deposits > 3 months	3,583,915	3,636,938
TOTAL	3,583,915	3,636,938
Represented by:		
Nursing Home Investments	-	304,348
Monies Held in Trust	3,583,915	3,332,590
TOTAL OTHER FINANCIAL ASSETS	3,583,915	3,636,938
NOTE 8: INVENTORIES	2019	2018
	\$	\$
Catering/Housekeeping Supplies	4,689	4,272
Administration Supplies	1,804	1,880
Medical and Surgical Lines	10,149	15,105
TOTAL INVENTORIES	16,642	21,257
NOTE 9: OTHER ASSETS	2019	2018
	\$	\$
CURRENT		
Prepayments	13,205	14,448
TOTAL OTHER ASSETS	13,205	14,448
NOTE 10: PROPERTY, PLANT & EQUIPMENT		
(a) Gross carrying amount and accumulated depreciation	2019	2018
	\$	\$
Land		
- Land at Valuation	247,880	247,880
Total Land	247,880	247,880
Buildings		
- Buildings at Valuation	6,402,120	6,402,120
Less Accumulated Depreciation	665,009	468,540
	5,737,111	5,933,580
- Building Improvements at Fair Value	98,950	50,807
Less Accumulated Depreciation	4,905	350
	94,045	50,457
Total Buildings	5,831,156	5,984,037
Plant & Equipment		
- Plant and Equipment at Cost	990,461	985,179
Less Accumulated Depreciation	886,273	856,809
Total Plant and Equipment	104,188	128,370
Motor Vehicles		
- Motor Vehicles at Cost	37,934	37,934
Less Accumulated Depreciation	8,611	1,024
Total Motor Vehicles	29,323	36,910
TOTAL	6,212,547	6,397,197

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(b) Reconciliations of the carrying amounts of each class of asset at the beginning and end of the previous and current financial year is set out below.

	Land	Buildings	Plant & Equipment	Motor Vehicle	Total
	\$	\$	\$		\$
Balance at 1 July 2017	247,880	6,132,967	135,339	18,565	6,534,751
Additions	-	47,807	33,212	37,933	118,952
Disposals	-	-	-	(12,512)	(12,512)
Depreciation and Amortisation	-	(196,737)	(40,181)	(7,076)	(243,994)
Revaluation	-	-	-	-	-
Balance at 1 July 2018	247,880	5,984,037	128,370	36,910	6,397,197
Additions	-	48,143	5,282	-	53,425
Disposals	-	-	-	-	-
Depreciation and Amortisation	-	(201,024)	(29,464)	(7,587)	(238,075)
Revaluation	-	-	-	-	-
Balance at 30 June 2019	247,880	5,831,156	104,188	29,323	6,212,547

Land and buildings carried at valuation

An independent valuation of the Nursing Home's property, plant & equipment was performed by the Opteon Property Group to determine the value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The effective date of the valuation is 3rd February 2016.

For the year ended 30 June 2019, the Nursing Home's management conducted an annual assessment of the fair value of land and buildings. There was no material impact on change in fair value of land or buildings.

(c) Fair value measurement hierarchy for assets as at 30 June 2019

	Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value				
Specialised land	247,880	-	-	247,880
Total of land at fair value	247,880	-	-	247,880
Buildings at fair value				
Specialised buildings	5,831,156	-	-	5,831,156
Total of building at fair value	5,831,156	-	-	5,831,156

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

There have been no transfers between levels during the period.

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2018

	Carrying amount as at 30 June 2018	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value				
Specialised land	247,880	-	-	247,880
Total of land at fair value	247,880	-	-	247,880
Buildings at fair value				
Specialised buildings	5,984,037	-	-	5,984,037
Total of building at fair value	5,984,037	-	-	5,984,037

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

There have been no transfers between levels during the period.

Specialised land and specialised buildings

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

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

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

An independent valuation of the Nursing Home's specialised land and specialised buildings was performed by Opteon Property Group. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 3rd February 2016.

There were no changes in valuation techniques throughout the period to 30 June 2019.

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

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(d) Reconciliation of Level 3 fair value

	2019	Land	Buildings
Opening Balance		247,880	5,984,037
Purchases (sales)		-	48,143
Transfers in (out) of Level 3		-	-
Gains or losses recognised in net result			
- Depreciation		-	(201,024)
- Impairment loss		-	-
Subtotal		<u>247,880</u>	<u>5,831,156</u>
Items recognised in other comprehensive income			
- Revaluation		-	-
Subtotal		<u>-</u>	<u>-</u>
Closing Balance		<u>247,880</u>	<u>5,831,156</u>

Reconciliation of Level 3 fair value

	2018	Land	Buildings
Opening Balance		247,880	6,132,967
Purchases (sales)		-	47,807
Transfers in (out) of Level 3		-	-
Gains or losses recognised in net result			
- Depreciation		-	(196,737)
- Impairment loss		-	-
Subtotal		<u>247,880</u>	<u>5,984,037</u>
Items recognised in other comprehensive income			
- Revaluation		-	-
Subtotal		<u>-</u>	<u>-</u>
Closing Balance		<u>247,880</u>	<u>5,984,037</u>

NOTE 11: PAYABLES

	2019	2018
	\$	\$
CURRENT		
Contractual		
Trade Creditors	168,760	36,220
Accrued Expenses	85,079	-
Accrued Audit Fees	17,200	14,450
Other Payables	3,050	-
	274,089	50,670
Statutory		
PAYG Payable	51,128	44,444
Tax Liability	3,749	(3,195)
	54,877	41,249
TOTAL	328,966	91,919

(a) Maturity analysis of payables

Please refer to note 17(c) for the ageing analysis of payables.

(b) Nature and extent of risk arising from payables

Please refer to note 17 (c) for the nature and extent of risks arising payables.

NOTE 12: PROVISIONS

	2019	2018
	\$	\$
Current Provisions		
Employee Benefits & Related On Costs (Note 12a)		
- Expected to be settled within 12 months	577,238	539,765
- Expected to be settled after 12 months	429,437	361,788
Total Current Provisions	1,006,675	901,553
Non-Current Provisions		
Employee Benefits & Related On Costs (Note 12a)	83,007	92,232
Total Non-Current Provisions	83,007	92,232
Total Provisions	1,089,682	993,785

(a) Employee Benefits and Related On-Costs

Current Employee Benefits and related on-costs

Annual Leave	403,895	372,517
Accrued Salaries and Wages	168,264	154,996
Accrued Days Off	5,079	12,252
Unconditional Long Service Leave	429,437	361,788

Non-Current Employee Benefits

Conditional Long Service Leave	83,007	92,232
--------------------------------	--------	--------

Total Employee Benefits and Related On-Costs

1,089,682 **993,785**

(b) Movement in Long Service Leave:

Balance at start of year	454,020	412,484
Provision made during the year	102,489	63,003
Settlement made during the year	(44,065)	(21,467)
Balance at end of year	512,444	454,020

Notes:

(i) Employee benefits consist of annual leave, accrued days off and long service leave accrued by employees. On-costs such as superannuation and workers compensation are included in the calculation of each provision.

(ii) The amounts disclosed are at present values.

NOTE 13: SUPERANNUATION

Employees of the Nursing Home are entitled to receive superannuation benefits and the Nursing Home contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

The Nursing Home does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Nursing Home. The name, details and amounts expense in relation to the major employee superannuation funds and contributions made by the Nursing Home are as follows:

Fund		Paid Contributions for the Year		Contributions Outstanding at Year End	
		2019	2018	2019	2018
		\$	\$	\$	\$
<u>Defined Benefit Plans:</u>	First State Super	5,634	6,290	-	-
<u>Defined Contribution Plans:</u>	First State Super	260,993	231,312	-	-
	HESTA	66,233	76,550	-	-
Total:		332,860	314,152	-	-

NOTE 14: OTHER LIABILITIES

CURRENT

Monies Held in Trust

- Patient Monies Held in Trust

- Accommodation Bonds

Total Current Other Liabilities

2019

\$

2018

\$

318

318

3,720,683

3,332,590

3,721,001

3,332,908

TOTAL OTHER LIABILITIES

3,721,001

3,332,908

TOTAL MONIES HELD IN TRUST

Represented by the following assets:

Cash Assets (refer Note 5)

Other Financial Assets (refer to Note 7)

318

318

3,583,915

3,332,590

TOTAL

3,584,233

3,332,908

NOTE 15: RESERVES	2019	2018
(a) Reserves	\$	\$
Property, Plant & Equipment Revaluation Reserve ⁽ⁱ⁾		
Balance at beginning of the Reporting Period		
- Buildings	2,930,801	2,930,801
- Land	207,380	207,380
Revaluation Increment/(Decrements)		
- Buildings	-	-
- Land	-	-
Balance at the end of the reporting period	3,138,181	3,138,181
Represented by:		
- Buildings	2,930,801	2,930,801
- Land	207,380	207,380
Total Reserves	3,138,181	3,138,181
 (i) The property, plant & equipment asset revaluation reserve arises on the revaluation of property, plant & equipment.		
(b) Accumulated Surpluses		
Balance at the beginning of the reporting period	3,063,886	3,447,247
Net Result for the Year	(432,990)	(383,361)
Balance at the end of the reporting period	2,630,896	3,063,886
Total Equity at Reporting Date	5,769,077	6,202,067
 NOTE 16: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
	2019	2018
	\$	\$
NET RESULT FOR THE PERIOD	(432,990)	(383,361)
Depreciation & Amortisation	238,075	243,994
Net (Gain)/Loss from Non-Financial Assets	-	(1,579)
Change in Operating Assets & Liabilities		
Increase/(Decrease) in Payables	200,844	(42,562)
Increase/(Decrease) in Employee Benefits	95,897	108,152
(Increase)/Decrease in Prepayments	1,243	(5,939)
(Increase)/Decrease in Receivables	(19,124)	(1,284)
(Increase)/Decrease in Stores	4,615	7,495
NET CASH FLOWS USED IN OPERATING ACTIVITIES	88,560	(75,084)

NOTE 17: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

From 1 July 2018, the nursing home applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Categorisation of financial instruments

	Contractual financial assets - amortised cost	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$
2019			
Contractual Financial Assets			
Cash and cash equivalents	926,351	-	926,351
Receivables	156,066	-	156,066
Term Deposits	3,583,915	-	3,583,915
Total Financial Assets (i)	4,666,332	-	4,666,332
Financial Liabilities			
At amortised cost	-	4,046,218	4,046,218
Total Financial Liabilities(ii)	-	4,046,218	4,046,218

	Contractual financial assets - loans and receivables	Contractual financial assets - available for sale	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$	\$
2018				
Contractual Financial Assets				
Cash and cash equivalents	450,100	-	-	450,100
Receivables	100,739	-	-	100,739
Term Deposits	3,636,938	-	-	3,636,938
Total Financial Assets (i)	4,187,777	-	-	4,187,777
Financial Liabilities				
At amortised cost	-	-	3,428,022	3,428,022
Total Financial Liabilities(ii)	-	-	3,428,022	3,428,022

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit recoverable)

(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payable)

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(a) Financial Risk Management Objectives and Policies (Continued)

Net holding gain/(loss) on financial instruments by category

	Net holding gain/(loss) \$'000	Total interest			Total \$'000
		income/ (expense) \$'000	Fee income / (expense) \$'000	Impairment loss \$'000	
2019					
Financial Assets					
At amortised cost (i)	-	99,213	-	-	99,213
Total Financial Assets	-	99,213	-	-	99,213
Financial Liabilities					
At amortised cost (ii)	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-
2018					
Financial Assets					
Loans and Receivables(i)	-	89,701	-	-	89,701
Total Financial Assets	-	89,701	-	-	89,701
Financial Liabilities					
At amortised cost (ii)	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.

(ii) For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

(b) Credit Risk

Credit risk arises from the contractual financial assets of the Nursing Home, which comprise cash and deposits, non-statutory receivables and available for sale contractual financial assets. The Nursing Home's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Nursing Home. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Nursing Home's contractual financial assets is minimal because the main debtor is the Commonwealth and Victorian Government.

In addition, the Nursing Home does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. As with the policy for debtors, the Nursing Home's policy is to only deal with banks with high credit ratings.

Impairment of financial assets under AASB 9 – applicable from 1 July 2018

From 1 July 2018, the Nursing Home has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Nursing Home's contractual receivables and statutory receivables.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Darlingford Upper Goulburn Nursing Home maximum exposure to credit risk without taking account of the value of any collateral obtained.

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(b) Credit Risk (Continued)

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AA credit rating) \$	Government agencies (AAA credit rating) \$	Government agencies (BBB credit rating) \$	Other \$	Total \$
2019					
Financial Assets at amortised cost					
Cash and Cash Equivalents	926,351	-	-	-	926,351
Trade Debtors	-	-	-	99,390	99,390
Other Receivables (i)	39,519	-	-	-	39,519
Term Deposit	-	-	-	-	-
Total Financial Assets	965,870	-	-	99,390	1,065,260
2018					
Financial Assets					
Cash and Cash Equivalents	450,100	-	-	-	450,100
Loans and Receivables					
- Trade Debtors	-	-	-	45,465	45,465
- Other Receivables (i)	42,305	-	-	-	42,305
Available for Sale					
- Term Deposit	-	-	-	-	-
Total Financial Assets	492,405	-	-	45,465	537,870

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Ageing analysis of financial asset as at 30 June

	Total Carrying Amount \$	Not Past due and not impaired \$	Past Due But Not Impaired				Impaired Financial Assets \$
			Less than 1 Month \$	1 - 3 Months \$	3 Months - 1 Year \$	1 - 5 Years \$	
2019							
Financial Assets at amortised cost							
Cash and Cash Equivalents	926,351	926,351	-	-	-	-	-
Trade Debtors	99,390	55,903	20,745	15,049	7,693	-	-
Other Receivables	56,676	56,676	-	-	-	-	-
Term Deposit	3,583,915	3,583,915	-	-	-	-	-
Total Financial Assets	4,666,332	4,622,845	20,745	15,049	7,693	-	-
2018							
Financial Assets							
Cash and Cash Equivalents	450,100	450,100	-	-	-	-	-
Loans and Receivables (i)							
- Trade Debtors	45,465	1,978	20,745	15,049	7,693	-	-
- Other Receivables	55,274	55,274	-	-	-	-	-
- Term Deposit	3,636,938	3,636,938	-	-	-	-	-
Total Financial Assets	4,187,777	4,144,290	20,745	15,049	7,693	-	-

(i) Ageing analysis of financial assets must exclude the types of statutory financial assets (i.e. GST input tax credit)

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(c) Liquidity Risk

Liquidity risk is the risk that the Nursing Home would be unable to meet its financial obligations as and when they fall due.

The Nursing Home's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Nursing Home manages its liquidity risk as follows:

- Term Deposits and cash held at financial institutions are managed with variable maturity dates and take into consideration cash flow requirements of the Nursing Home from month to month.

The following table discloses the contractual maturity analysis for Darlingford Upper Goulburn Nursing Home Inc's financial liabilities.

Maturity analysis of financial liabilities as at 30 June

	Total Carrying Amount	Contractual Cash Flows	Maturity Dates			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
	\$	\$	\$	\$	\$	\$
2019						
Financial Liabilities						
<i>At amortised cost</i>						
Payables	274,089	274,089	273,258	831	-	-
Other Financial Liabilities (i)						
- Accommodation Bonds/Deposits (ii)	3,720,683	3,720,683	-	500,000	3,220,683	-
- Other	318	318	318	-	-	-
Total Financial Liabilities	3,995,090	3,995,090	273,576	500,831	3,220,683	-
2018						
Financial Liabilities						
<i>At amortised cost</i>						
Payables	50,670	50,670	49,839	831	-	-
Other Financial Liabilities (i)						
- Accommodation Bonds/Deposits (ii)	3,332,590	3,332,590	-	500,000	2,832,590	-
- Other	318	318	318	-	-	-
Total Financial Liabilities	3,383,578	3,383,578	50,157	500,831	2,832,590	-

(i) Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST Payable)

(ii) Accommodation Bonds/Deposits are due for maturity and payable to residents within 14 days of departure.

(d) Market Risk

Darlingford Upper Goulburn Nursing Home Inc's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraph below.

Currency Risk

Darlingford Upper Goulburn Nursing Home Inc. is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest Rate Risk

Exposure to interest rate risk's arise primarily through the Darlingford Upper Goulburn Nursing Home Inc's other financial assets. Minimisation of risk is achieved by mainly holding fixed rate or non-interest bearing financial instruments. For financial liabilities, the Nursing Home mainly undertake financial liability with relatively even maturity profiles.

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(d) Market Risk (Continued)

Other Price Risk

The Nursing Home is exposed to normal price fluctuations from time to time through market forces. Where adequate notice is provided by suppliers, additional purchases are made for long term goods. Supplier contracts are also in place for major product lines purchased by the Nursing Home on a monthly basis. These contracts have set price arrangements and are reviewed on a regular basis.

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June 2019

	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate \$	Variable Interest Rate \$	Non - Interest Bearing \$
2019					
Financial Assets at amortised cost					
Cash and Cash Equivalents	1.70	926,351	-	926,151	200
Trade Debtors	0.00	99,390	-	-	99,390
Other Receivables (i)	0.00	56,676	-	-	56,676
Term Deposit	2.49	3,583,915	3,583,915	-	-
Total Financial Assets		4,666,332	3,583,915	926,151	156,266
Financial Liabilities					
<i>At amortised cost</i>					
Payables (i)	0.00	274,089	-	-	274,089
Other Financial Liabilities					
- Accommodation Bonds	0.00	3,720,683	-	-	3,720,683
- Other	0.00	318	-	-	318
Total Financial Liabilities		3,995,090	-	-	3,995,090

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June 2018

	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non - Interest Bearing \$'000
2018					
Financial Assets					
Cash and Cash Equivalents	1.70	450,100	-	449,900	200
Loans and Receivables (i)					
- Trade Debtors	0.00	45,465	-	-	45,465
- Other Receivables	0.00	55,274	-	-	55,274
- Term Deposit	2.62	3,636,938	3,636,938	-	-
Total Financial Assets		4,187,777	3,636,938	449,900	100,939
Financial Liabilities					
<i>At amortised cost</i>					
Payables (i)	0.00	50,670	-	-	50,670
Other Financial Liabilities					
- Accommodation Bonds	0.00	3,332,590	-	-	3,332,590
- Other	0.00	318	-	-	318
Total Financial Liabilities		3,383,578	-	-	3,383,578

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

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(d) Market Risk (Continued)

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Darlingford Upper Goulburn Nursing Home Inc. Service believes the following movements are 'reasonably possible' over the next 12 months.

- A shift of 100 basis points up and down in market interest rates (AUD) from year-end rates of 2.5%; and
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%.

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

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1%		+1%		-1%		+1%	
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
2019	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets at amortised cost									
Cash and Cash Equivalents	926,351	(9,264)	(9,264)	9,264	9,264	-	-	-	-
Trade Debtors	99,390	-	-	-	-	-	-	-	-
Other Receivables	56,676	-	-	-	-	-	-	-	-
Term Deposit	3,583,915	(35,839)	(35,839)	35,839	35,839	-	-	-	-
Financial Liabilities									
<i>At amortised cost</i>									
Payables	274,089	-	-	-	-	-	-	-	-
Other Financial Liabilities									
- Accommodation Bonds	3,720,683	-	-	-	-	-	-	-	-
- Other	318	-	-	-	-	-	-	-	-
		(45,103)	(45,103)	45,103	45,103	-	-	-	-

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1%		+1%		-1%		+1%	
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
2018	\$	\$	\$	\$	\$	\$	\$	\$	
Financial Assets									
Cash and Cash Equivalents	450,100	(4,501)	(4,501)	4,501	4,501	-	-	-	-
Loans and Receivables									
- Trade Debtors	45,465	-	-	-	-	-	-	-	-
- Other Receivables	55,274	-	-	-	-	-	-	-	-
- Term Deposit	3,636,938	(36,369)	(36,369)	36,369	36,369	-	-	-	-
Financial Liabilities									
<i>At amortised cost</i>									
Payables	50,670	-	-	-	-	-	-	-	-
Other Financial Liabilities									
- Accommodation Bonds	3,332,590	-	-	-	-	-	-	-	-
- Other	318	-	-	-	-	-	-	-	-
		(40,870)	(40,870)	40,870	40,870	-	-	-	-

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Nursing Home considers that the carrying amount of financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

Comparison between carrying amount and fair value

	Total Carrying Amount	Fair Value	Total Carrying Amount	Fair Value
	2019	2019	2018	2018
	\$	\$	\$	\$
Financial Assets at amortised cost				
Cash and Cash Equivalents	926,351	926,351	450,100	450,100
Trade Debtors	99,390	99,390	45,465	45,465
Other Receivables (i)	56,676	56,676	55,274	55,274
Term Deposits	3,583,915	3,583,915	3,636,938	3,636,938
Total Financial Assets	4,666,332	4,666,332	4,187,777	4,187,777
Financial Liabilities				
<i>At amortised cost</i>				
Payables	274,089	274,089	50,670	50,670
Other Financial Liabilities (i)				
Accommodation Bonds	3,720,683	3,720,683	3,332,590	3,332,590
-Other	318	318	318	318
Total Financial Liabilities	3,995,090	3,995,090	3,383,578	3,383,578

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

NOTE 18: COMMITMENTS FOR EXPENDITURE

There are no known capital or leasing commitments as at the date of this report.

NOTE 19: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no known contingent assets or contingent liabilities for Darlingford Upper Goulburn Nursing Home as at the date of this report.

NOTE 20a: RESPONSIBLE PERSON DISCLOSURES

The name and positions of key management personnel are:

Governing Board

	<u>Period</u>
Mrs Helen Findlay	01/07/2018 - 30/06/2019
Mr Kevin Boote	01/07/2018 - 30/06/2019
Mrs Debra Loveday	01/07/2018 - 30/06/2019
Mr Frank Devries	01/07/2018 - 30/06/2019
Ms Alison Dyson	01/07/2018 - 30/06/2019
Mr Peter Fletcher	01/07/2018 - 30/06/2019

Accountable Officers

Mr Shane Kirk	01/07/2018 - 07/11/2018
Ms Louise Gallagher	01/07/2018 - 21/12/2018
Ms Debbie Rodgers	07/11/2018 - 22/04/2019
Ms Judith Brookes	22/04/2019 - 30/06/2019

Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands;

Income Band	<u>Total Remuneration</u>	
	2019 No.	2018 No.
\$0 - \$9,999	6	7
\$30,000 - \$39,999	1	-
\$60,000 - \$69,999	1	-
\$140,000 - \$149,999	-	1
Total Numbers	8	8
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	\$99,723	\$140,693

Indigo North Health Inc. provided the services of Shane Kirk to act as Accountable Officer of Darlingford Upper Goulburn Nursing Home from 01/07/2018 - 07/11/2018. A fee of \$5,182 (2018: \$20,221) was paid to Indigo North Health Inc. for this service. Alexandra District Health provided the services of Debbie Rodgers to act as Accountable Officer of Darlingford Upper Goulburn Nursing Home from 07/11/2018 - 22/04/2019. A fee of \$39,738 was paid to Alexandra District Health for this service. This has not been included in the total remuneration paid to responsible persons.

NOTE 20b: KEY MANAGEMENT PERSONNEL

Any person(s) having responsibility and authority for planning, directing and controlling the activities of the Association, directly or indirectly, including the Board of Directors, is considered Key Management Personnel.

Key Management Personnel Compensation

Compensation	2019 \$	2018 \$
Short term employee benefits	89,786	126,698
Post-employment benefits	7,356	10,360
Other long-term benefits	2,581	3,635
Termination benefits	-	-
Total	99,723	140,693

Other Transactions of Responsible Persons and their Related Parties

No responsible person or their related parties received any remuneration or retirement benefits during the year.

NOTE 21: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material subsequent events post reporting date.

DARLINGFORD UPPER GOULBURN NURSING HOME INC

**BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND
CHIEF FINANCE & ACCOUNTING OFFICER'S DECLARATION**

The attached financial statements for Darlingford Upper Goulburn Nursing Home Inc. have been prepared in accordance with Associations Incorporation Reform Act 2012, the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards, including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and the financial position of Darlingford Upper Goulburn Nursing Home Inc. at 30 June 2019.

At the time of signing we are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.

.....
Kevin Boote
Chairperson

.....
Judith Brookes
Chief Executive Officer /
Chief Financial Officer

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Dated this day of 2019.