



South Eastern Community Care
Annual Report
2014 - 2015



SOUTH EASTERN COMMUNITY CARE

South Eastern Nursing & Home Care Association Inc. (trading as South Eastern Community Care) was formed in 1970 at a meeting of interested community representatives. It commenced operations in 1971 and was incorporated under the Associations Incorporation Act, 1964, in September 1975 (ARBN No. 228), (ABN 11 400 505 189)

Areas Serviced by South Eastern Community Care

SECC is committed to providing a range of flexible home care services in rural and regional Tasmania, predominately in the South of Tasmania.

Vision – Our Preferred Future

A leading service provider helping our
Communities enjoy the life they want to live.

Contact Details

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e-mail mail@secommunitycare.com.au

Telephone (03) 6269 1200 Fax (03) 6269 1208

Website www.secommunitycare.com.au

Donations to 'Gift Fund' are Income Tax Deductible

The Association is a not-for-profit organisation endorsed by the Australian Taxation Office as an Income Tax Exempt Charitable Entity and a Deductible Gift Recipient.

A 'Gift Fund' is maintained for receiving donations from the public. Donations are very much appreciated and assist the Association in meeting its objectives. Amounts of \$2 and more are Income Tax Deductible.

Funding

South Eastern Community Care Inc. is supported by financial assistance from the Australian Government.



President's Report

2014-15 has been a year of significant change within the Aged and Community Care Industry and South Eastern Community care has not been an exception in this situation. July 1st 2015 marked a number of changes and South Eastern Community Care staff have worked during 2014-15 to prepare the Organisation for the changes that have occurred.

In my President's Report last year I outlined the Agreement/Partnership between South Eastern Community Care, May Shaw in Swansea and Aged Care Deloraine. After some months working within the Agreement the Board determined that the partnership was not meeting the current needs of the organisation and all three Organisations agreed to work more independently. As a result Aged Care Deloraine and May Shaw have continued with a partnership with South Eastern Community Care no longer being involved. The Board, however, recognises the need for collaboration with like organisations and still have an appetite for working with and partnering other groups for various projects or initiatives which benefit South Eastern Community Care and the communities we serve.

In regard to Information Technology (IT), after a lengthy project implementation period it became apparent to the Board of Management that the new Comcare system being introduced during 2014 was not suitable for South Eastern Community Care. The program was geared towards a larger and more complex organisation than South Eastern Community Care and was unwieldy in our environment. The project was ceased in October 2014. During early 2015 a whole of Organisation IT review was undertaken by an external consultant and we are now in the process of determining what is the best suite of IT products to serve South Eastern Community Care into the future.

I thank the Board of Management for their continuous support of the objectives South Eastern Community Care in what continues to be a challenging time. The expertise, community knowledge and experience of our Board members, who volunteer their time, has been invaluable in overseeing the Organisations operations.

2014-15 saw the resignation of Roger Stride after approx. six years service as a Board member, and his position has been filled by Geoff Clow. Margaret Darling retired after

approx. twenty four years on the Board and working prior with the Organisation as a Community Nurse. Margaret's position has been filled by Sue Windsor. I thank these two outgoing Board members for their contribution to South Eastern Community Care.

Senior staff have reviewed the Management Structure of South Eastern Community Care, and we have undertaken some changes to the senior team- with the amalgamation of Home Care and Packaged Care being a significant change.

As reported previously South Eastern Community Care purchased the former Sorell Council Chambers some two years ago and the Board of Management has decided to utilise the building- initially for Day Centres. We have Day Centre programs operating five days per week so it seems sensible that with minor alterations we use the building. Somerville Street provides a central, flat and visible location for clients to meet and feel connected with the community. South Eastern Community Care aim to be recognised as an independent community service provider rather than a Government organisation as some mistakenly assume with our current accommodation arrangements.

On behalf of the Board of Management I would like to thank Helen Pollard and the Management Staff who have worked tirelessly to accommodate changes brought about by the Government direction and associated policies. The Management team have worked hard also to develop and meet a sustainable budget. This has seen the financial position of South Eastern Community Care improve during 2014/15 and expect to continue to strengthen during 2015/16.

All staff contribute to the success and reputation of South Eastern Community Care and I thank all for their work during the past year. The many changes have created a sense of uncertainty in the Community and staff have dealt with questions and client concerns professionally and in a supportive fashion. South Eastern Community Care continues to give excellent and highly regarded care to clients in Southern Tasmania across a range of programs.

Lois Green

PRESIDENT



CEO Report

I am pleased to write a report for the forty fifth Annual General Meeting of South Eastern Community Care.

2014/15 has been a year of change in the external environment as well as within our Organisation. National changes to Community Care came into effect on 1st July 2015 and during 2014/15 we have prepared for *MyAgedCare* and a single entry point for Community Aged Care. Some changes in our intake processes have been necessitated and streamlining of our admission procedures which we have achieved and will continue to monitor and manage into 2015/16.

The decision was made to not progress with our new IT system *Comcare*- after a lengthy implementation project period and this has been the right decision for the Organisation. An overall review of our IT, systems, general management has been undertaken and with an excellent understanding of how the Organisation operates, priorities for the future, and likely new operating environment in Community Care we are well placed to make a decision moving forward on IT systems that will serve the Organisation into the future and be supported by the SECC Team. Overall, with the significant changes we have experienced- support for staff to embrace change and to be able to address various challenges in a new way has been a focus of the year 2014/15.

Whilst we have moved away from the partnership with Aged Care Deloraine and May Shaw, the SECC Management team still is actively networking and would consider partnerships for both short term and longer term projects should they be appropriate and beneficial. The past year has been, for me, one of gaining a full understanding of the business, the people, the space we operate within and readying SECC to prosper and be able to meet the challenges ahead.

I am able to report a financial result in surplus, exceeding the expectations as budgeted. This has been through hard work of senior staff and support from all at SECC. All positions have been reviewed and the resulting staff changes have been achieved through natural attrition. Every change in our Organisation is an opportunity for review of staffing and processes and their alignment with our future direction. Department Heads meet with me regularly and we continue to look for more efficient ways to deliver the care our communities require.

During late September 2015 the Sorell and Richmond Day Respite programs will relocate to 12 Somerville Street. This will enable larger groups to meet and the visible central location ensures clients are able to feel part of the community. We have completed some work in the kitchen area to prepare the space for Day Respite and with a number of areas within the building we expect to be able to offer flexible and innovative programs to those attending Day Respite. Our Brighton and Orford Day Respite centres will remain at their current locations.

I would like to conclude by thanking the Board of Management, Department Heads, staff and volunteers for their support and enormous efforts during 2014/15 as we journey into a challenging and rapidly changing era in Community Care. The fact we have been able to improve our overall financial performance while continuing to deliver high quality care, and now are in a position to look for ways to improve and increase our operations is a testament to the hard and dedicated work of all involved with South Eastern Community Care.

Helen Pollard

CHIEF EXECUTIVE OFFICER

LENGTH OF SERVICE

South Eastern Community Care enjoys strong community support and has a reputation for delivering high quality care. Our staff are dedicated, professional and are one of our main assets.

Staff who have reached or passed significant milestones in years of service and we recognise them in this report.

10 YEARS

Angela Dunn

TASMANIA AGED CARE AWARD- CONGRATULATIONS

South Eastern Community Care congratulate Terry Harriss, who received a Highly Commended Award for volunteers services to the community from Aged Care Services Tasmania (ACST). Terry's many hours working as a volunteer driver and all the 'little extras' he does for clients is valued and recognised by all at South Eastern Community Ccare.

The Award was presented at the ACST Christmas cocktail function in December 2014.



*Back (L-R): Melinda Foster, Karen Peacock, Michelle Moore
Front (L-R): Lois Green, Terry Harriss, Christine Harriss*

Well done Terry, and thank you for all the work you do!

BOARD OF MANAGEMENT AND DEPARTMENT MANAGERS

Board of Management

Lois Green, OAM (President)

Cliff Iles, AM, JP (Vice President)

Anthony Davis (Treasurer)

Kerry Vincent (Secretary/Public Officer)

Geoff Clow

Janice McConnon

Sue Windsor

Chief Executive Officer

Helen Pollard

Senior Staff

Administration Manager

Melinda Foster

Clinical Nurse Manager

Robyn Bresnehan

Day Centre Manager

Michelle Moore

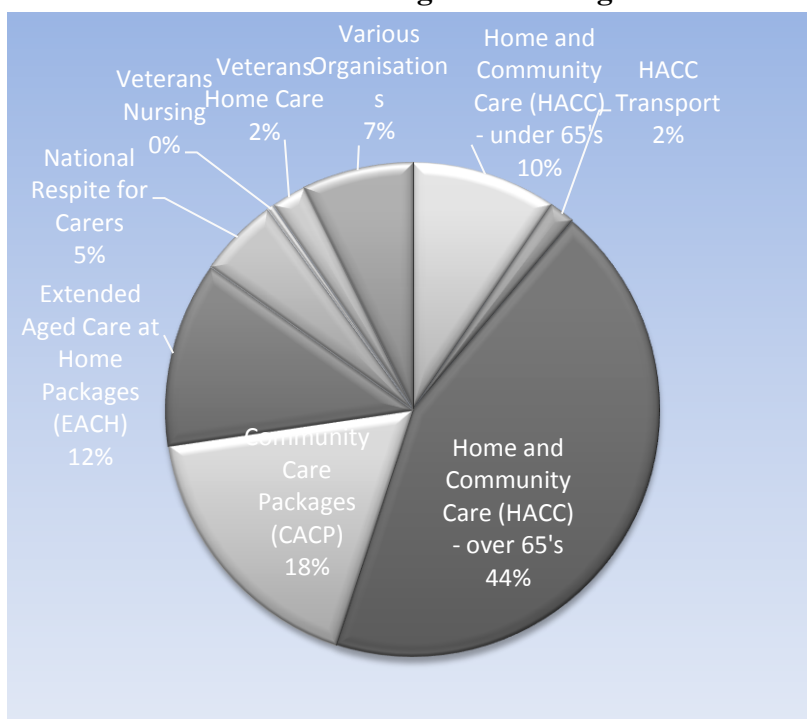
Home & Packaged Care Manager

Karen Peacock

Summary of Direct Funding from Governments and other Organisations

Name of Program	2014-15	2013-14
Department of Health & Human Services	\$	\$
Home and Community Care (HACC) - under 65's	419,386	426,624
HACC Transport	76,343	54,816
Department of Health & Ageing		
Home and Community Care (HACC) - over 65's	1,950,772	1,552,017
Community Care Packages (CACP)	783,154	749,365
Extended Aged Care at Home Packages (EACH)	539,131	568,013
National Respite for Carers	231,705	257,185
Department of Veterans' Affairs		
Veterans Nursing	19,127	27,954
Veterans Home Care	103,173	138,375
Brokered Services		
Various Organisations	321,111	211,572
Total	\$ 4,443,902	\$ 3,985,921

**Chart showing Percentages of
Total Program Funding**



**Total Funding
for 2014/15 was \$4,443,902**

Note: the above chart excludes co-payments from clients for services they received

Program Statistics 2014/2015

Program	Total Hours
HACC	40689
NRCP	10434
Home Care Packages	19677
Veterans	2931
Other	7339
Transport	8 2932 Trips

SOUTH EASTERN NURSING & HOME CARE ASSOCIATION INC.

Trading as SOUTH EASTERN COMMUNITY CARE

**FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE 2015**

The accompanying financial statements for the year ended 30 June 2015 comprising a Balance Sheet, an Income Statement, and notes thereto, have been prepared from the accounts and records of the South Eastern Nursing & Home Care Association Inc. and are in agreement with those accounts and records.

At the date of signing we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.

At the date of this statement, there are reasonable grounds to believe that South Eastern Community Care Inc and its controlled entities 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 on behalf of the Board by:



Lois Green, OAM
PRESIDENT



Anthony Davis
TREASURER

25th August, 2015.

South Eastern Nursing & Home Care Association Inc. A.B.N. 11 400 505 189
Statement of comprehensive income
for the year ended 30 June, 2015

	Note	2015 \$	2014 \$
Revenue	2	4,876,978	4,437,453
Expenses classified by Category			
Salaries and Allowances		3,431,514	3,386,058
Other Employment Costs		288,398	407,196
Outsourced Client Services		157,742	119,979
Property and Occupancy Costs		61,018	40,940
Vehicle Operating Expenses		39,153	44,036
Office Equipment Costs		60,631	50,464
Computer Expenses		36,403	20,208
Other Equipment Costs		14,046	15,878
Supplies and Consumables		82,514	90,513
Telecommunications		43,748	23,576
Insurances		118,532	106,249
Depreciation of Assets		195,885	132,907
Other Operating Expenses		219,915	159,385
Total expenses		4,749,499	4,597,391
Profit / (loss) for the year		127,478	(159,937)
Other comprehensive income:		0	0
Total comprehensive income for year		127,478	(159,937)
Total comprehensive income attributable to members of the entity		127,478	(159,937)

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, 2015

	Note	2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,135,619	717,799
Trade and other receivables	7	83,673	318,607
Other current assets	8	21,929	11,864
Total current assets		1,241,220	1,048,270
Non-current assets			
Property, plant and equipment	9	1,275,974	1,313,139
Total non-current assets		1,275,974	1,313,139
Total assets		2,517,194	2,361,409
Current liabilities			
Trade and other payables	10	900,081	921,722
Total current liabilities		900,081	921,722
Non-current liabilities			
Trade and other payables	11	182,417	320,703
Total non-current liabilities		182,417	320,703
Total liabilities		1,082,498	1,242,424
Net assets		1,434,697	1,118,984
Equity			
Asset Revaluation Reserve	12	188,234	0
Retained earnings	13	1,246,463	1,118,984
Total equity		1,434,697	1,118,984

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, 2015

A.B.N. 11 400 505 189

	Retained profits \$	Total \$
Balance at 30 June 2013	1,278,921	1,278,921
Profit attributed to members	-159,937	-159,937
Balance at 30 June 2014	<u>1,118,984</u>	<u>1,118,984</u>
Profit attributed to members	127,478	127,478
Total other comprehensive income for year	0	0
Asset Revaluation Reserve		188,234
Balance at 30 June 2015	<u>1,246,463</u>	<u>1,434,697</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, 2015

A.B.N. 11 400 505 189

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts in course of operations		919,428	176,256
Government grants received		4,168,047	3,986,838
Interest received		30,582	50,371
Payments to suppliers and employees		-4,737,190	-4,321,698
Net cash provided by operating activities	(b)	380,867	-108,233
Cash flows from investing activities			
Proceeds from sale of fixed assets		38,364	51,000
Fixed asset purchases		-1,410	-909,659
Net cash used in investing activities		36,953	-858,659
Cash flows from financing activities			
Proceeds from borrowing		0	0
Repayment of borrowings		0	0
Net cash provided by financing activities		0	0
Net increase / (decrease) in cash held		417,820	-966,892
Cash at the beginning of financial year		717,799	1,684,690
Cash at the end of financial year	(a)	1,135,619	717,799

The accompanying notes form part of this financial statements

South Eastern Nursing & Home Care Association Inc.
Notes to the statement of cash flows
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
(a) Reconciliation of cash		
Cash on hand	1,350	1,050
Cash at bank	489,497	92,741
Cash on deposit	644,772	624,008
Cash at the end of financial year	1,135,619	717,799
(b) Reconciliation of net cash provided by operating activities to Net profit from ordinary activities		
Profit from ordinary activities	127,478	-159,937
Non cash flows in the profit from ordinary activities		
Depreciation	195,885	132,907
(Gain) / loss on sale of fixed assets	-7,440	-4,296
(Increase) / decrease in assets		
Trade receivables	241,079	-223,989
Other receivables	-6,145	9,781
Prepayments	-10,064	-11,864
Increase / (decrease) in liabilities		
PAYG liability	9,261	28,344
Other creditors	-66,846	-46,589
Employee benefits	-88,051	-42,979
Accrued salaries and wages	5,602	29,348
Grants for future services	-14,306	144,930
Other sundry liabilities	-5,586	36,110
Net cash provided by operating activities	380,867	-108,233

The accompanying notes form part of this financial statements

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 Associations Incorporations Act (Tasmania) 1964.

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.

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.

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.

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 balance sheet are shown inclusive of GST.

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
2 Revenue and other income		
Tasmanian Government	476,449	480,322
Australian Government	3,705,905	3,361,586
Brokered services	321,111	211,572
Client fees - home services	234,769	226,082
Client fees - centre services	56,944	48,200
Community contributions	2,049	1,223
Interest	30,582	50,371
Other recoveries	41,729	53,803
Profit on asset sales	7,440	4,296
Total revenue	4,876,978	4,437,453

3 Profit for the year

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

Expenses

Wages and salaries	3,719,912	3,793,254
Depreciation of property, plant and equipment	195,885	132,907

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
4 Key management personnel compensation		
Key management personnel are limited to our Directors who provide their services basis. The Directors are also our only related parties. No transactions have occurred between the Association and the Directors.		
5 Auditors' remuneration		
Remuneration of the auditor of the Association for auditing or reviewing the financial statements	2,990	3,225
6 Cash and cash equivalents - current		
Cash on hand	1,350	1,050
Cash at bank	489,497	92,741
Cash on deposit	644,772	624,008
	1,135,619	717,799
7 Trade and other receivables - current		
Trade receivables	54,420	295,499
Other receivables	29,253	23,108
	83,673	318,607
8 Other current assets		
Prepayments	21,929	11,864
9 Property, plant and equipment		
Freehold land at cost	332,500	332,500
Buildings		
as per valuation	255,000	0
at cost	673,535	753,684
	928,535	753,684
Accumulated depreciation	(183,162)	(163,426)
	745,373	590,258

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
9 Property, plant and equipment (continued)		
Plant and equipment at cost	393,096	625,898
Accumulated depreciation	(194,995)	(235,518)
	198,101	390,380
Total property, plant and equipment	1,275,974	1,313,139

a Valuations of freehold land and buildings

The directors' own valuation of buildings is undertaken in June each financial year primarily to ensure adequate insurance coverage. The valuations disclosed the following insurable values :

1,100,000 1,000,000

b Movements in carrying amounts

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

	Freehold land	Buildings	Plant and equipment	Total
Balance at the beginning of previous year	0	208,494	374,597	583,091
Additions	332,500	414,666	162,493	909,659
Disposals			(46,704)	(46,704)
Depreciation		(32,902)	(100,005)	(132,907)
Balance at the beginning of year	332,500	590,259	390,380	1,313,139
Additions	0	0	41,795	41,795
Disposals		(66,766)	(71,309)	(138,075)
Valuation	255,000			255,000
Depreciation		(33,119)	(162,766)	(195,885)
Carrying amount at the end of year	587,500	490,374	198,100	1,275,974

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
10 Trade and other payables - current		
BAS liability	37,606	28,345
Other creditors	102,474	169,320
Employee benefits	436,023	385,788
Accrued salaries and wages	97,643	92,041
Grants for future services	194,518	208,824
Other sundry liabilities	31,817	37,403
	900,081	921,722
Collateral pledged		
No collateral has been pledged for any of the trade and other payable balances.		
Number of employees at year end	87	92
11 Trade and other payables - non current		
Employee benefits	182,417	320,703
	182,417	320,703

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	Note	2015 \$	2014 \$
12 Asset Revaluation Reserve			
Increase in Land and building valued 30 June 2015		188,234	0
		188,234	0
13 Retained earnings			
Retained profits at the beginning of the financial year		1,118,984	1,278,921
Net profit attributable to the Association		127,478	(159,937)
Retained profits at the end of the financial year		1,246,463	1,118,984
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	1,135,619	717,799
Trade and other receivables	7	83,673	318,607
Total financial assets		1,219,291	1,036,405
Financial liabilities			
BAS liability	10	37,606	28,345
Other creditors	10	102,474	169,320
Employee benefits	10	618,440	706,491
Accrued salaries and wages	10	97,643	92,041
Grants for future services	10	194,518	208,824
Total financial assets		1,050,681	1,205,021

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note	2015 \$	2014 \$
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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	0	0
Less cash and cash equivalents	(1,135,619)	(717,799)
Net debt	(1,135,619)	(717,799)
Total equity	1,434,697	1,118,984
Gearing ratio	-79%	-64%

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.

South Eastern Nursing & Home Care Association Inc.
Notes to the financial statements
for the year ended 30 June, 2015

A.B.N. 11 400 505 189

Note

14 Financial risk management (continued)

d. Market risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted average effective interest rate		Floating interest rate		Fixed interest rate maturing within one year		Fixed interest rate maturing within Two to five years	
	2015	2014	2015	2014	2015	2014	2015	2014
	%age	%age	\$	\$	\$	\$	\$	\$
Financial assets								
Cash	0.80%	0.80%	490,847	93,791	0	0	0	0
Deposits	2.45%	3.40%	644,772	624,008	0	0	0	0
			1,135,619	717,799	0	0	0	0
Financial liabilities								
Bank overdraft	0.00%	0.00%	0	0	0	0	0	0
Bank loan	0.00%	0.00%	0	0	0	0	0	0
	0.00%	0.00%	0	0	0	0	0	0

The Association will not be affected materially by fluctuations in interest rates.

The Association does not invest in financial instruments that are subject to market price risk.

15 Contingent liabilities

No contingent liabilities exist at balance date.

16 Events subsequent to reporting date

No subsequent event has occurred that will materially affect the reported results.

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.
 57 Cole Street
 Sorell, Tasmania. 7172

Independent auditor's report to members of South Eastern Nursing & Home Care Association Inc.

I have audited the general purpose financial report of South Eastern Nursing & Home Care Association Inc. for the year ended 30 June 2015.

Management Committee's Responsibility for the Financial Report

The Management Committee is responsible for preparation and fair presentation of the general purpose financial report and information contained therein. This responsibility includes establishing and maintaining internal controls relevant to preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Concepts and Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) (where applicable), and statutory requirements so as to present a view which is consistent with my understanding of the Association's financial position and the results of its operations and cash flows.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

To the best of my knowledge and belief, there has been no contravention of auditor independence and any applicable code of professional conduct in relation to the audit.

Limitation of Scope

It is not practicable to establish complete accounting control over all transactions processed by the Association from all of its activities. Verification therefore has been limited to the transactions recorded in the Association's financial records.

Audit Opinion

In my opinion, the general purpose financial report of South Eastern Nursing & Home Care Association Inc. presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of the Association as at 30 June 2015 and the results of its operations for the year then ended.

MAX PECK & ASSOCIATES



Rendell W. RIDGE
21 August 2015

