



Quality Community Care

2017

Annual Report

SOUTH EASTERN COMMUNITY CARE





Our Vision

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

SOUTH EASTERN
COMMUNITY CARE



Quality Community Care

TABLE OF CONTENTS

Board Members	5
President Report	6
CEO Report	8
Length of Service	10
Centre Based Programs	11
Community Expo	12
Health Services	13
Financial Reports	14

BOARD MEMBERS

MEETINGS

President

Lois Green, OAM	12/12
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Vice President

Cliff Iles AM, JP	12/12
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Treasurer

Anthony Davis	11/12
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Secretary

Kerry Vincent	9/12
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General Board Members

Janice McConnon	12/12
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Geoff Clow	9/12
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Sue Windsor	10/12
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PRESIDENT REPORT

2016-17 has been an exciting year for the Association with the move of our offices to Somerville Street. It is amazing what patching, painting and recarpeting can do to make a building very attractive again. We have received a Tasmanian Community Fund grant to paint the roof and upgrade the street-scape so from the outside the building will look inviting and be an asset to the Sorell area.

We have seen funding changes in line with the Government’s direction and strategy for Aged and Community Care. Consumer Directed Care continues to evolve. From February 2017 Providers of Home Care Packages no longer had a guaranteed number of Packages, rather we have moved to a competitive environment where the Consumer is able to choose the provider of their choice with funding following the consumer. So far, in this new environment, we have increased our Package numbers. I thank our staff who have worked hard in this area to explain the changes and meet the needs of those who receive Packages or are looking for Packaged Care.

To enable community members to find appropriate information and access myagedcare a kiosk has been established in our building with computer access available and staff able to help those who are looking for information. We believe this is a valuable tool for the community. Since registering for the National Disability Insurance Scheme (NDIS) as a provider we have had some interest from prospective clients and staff and have gained some clients. We expect this to be a growing area with a high level of need in the community.

Our Day Centre Programs are thriving and growing because of the energetic work of the Team Leaders in organising exciting events such as “Christmas in July” at the Great Lake Hotel where eighty travelled there in the snow for a great day.

Thankyou to the staff and volunteers whose work in the community gives the organisation such an excellent reputation. Thankyou also to the Board, who are all volunteers, who have worked collaboratively to advance the Organisation.

Lois Green, OAM
President- SEC Care

Quality Community Care



CEO’S REPORT

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I am pleased to be writing this report for South Eastern Community Care’s forty seventh annual general meeting. 2016/17 has seen a number of changes with a move to new premises, the bedding down of our IT systems implemented the previous year and further changes in government funded programs.

The organisation achieved surplus in 2016/17. We are on a sound financial footing, and working on plans to ensure the viability of South Eastern Community Care as our funding models change over the next three years.

Operating out of our own premises has been a concept of previous Boards and Managers, and I am proud of the work we have done to realise this vision. Somerville Street is a highly visible building with a large amount of through traffic. We will be improving the external aspect of the building and ensuring people in the community see our brand and feel welcome when they want services, care or simply information.

This year we have worked hard to connect with our communities and to engage in a meaningful way. Our work and efforts were recognised through winning Aged Care Services Tasmania’s Media Marketing and Engagement Award in 2016. In addition our volunteers contribution was mentioned at Australia Day celebrations in Sorell and Hobart.

During the financial year 2016/17 South Eastern Community Care provided over thirty thousand hours of in-home support, and thirty five thousand hours of Centre-based Day Respite support to over one thousand people living mainly in regional and rural areas. I would like to thank staff, volunteers and the Board of Management for another year of dedication, professionalism and hard work. As an Organisation we continue to grow and evolve in an Industry which is going through significant change.

Helen Pollard
Chief Executive Officer

Quality Community Care



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.

We recognise staff who have reached or passed significant milestones in years of service during the period 2016/17.

Congratulations and thankyou.



Audrey Bellette
Lynnette Curran





CENTRE BASED PROGRAMS

SEC Care has locations at Brighton, Sorell and Orford and Centre Based programs operate six days a week. Over the past twelve months the popularity of outings has increased and bus trips are extremely well patronised. An overnight trip to Launceston saw forty clients, staff and volunteers touring the Penny Royal, trying their luck at the Launceston Country Club and having a wonderful holiday away.

The Centres are growing and providing a wonderful social outlet where friends can meet, share a cuppa and a meal and ,of course, a laugh or two. And the active group have shown us that it is never too late to try something for the first time- with some clients having their first taste of snow and others travelling to areas of Tasmania not before visited.

COMMUNITY EXPO

In October 2016 South Eastern Community Care held our inaugural expo at 12 Somerville Street Sorell. The event was held outdoors and many stallholders and members of the public braved cooler weather and blustery conditions to make the day a success. We had entertainment, a stage with information and performances throughout the day and various stalls with health and wellbeing information, displays and activities. Our Day Centre crew served Devonshire Tea and the wonderful Loins Club volunteers held a sausage sizzle. We were proud to be able to give back to the community through the provision of information and entertainment in a safe environment. Following the success of our first expo- plans are well underway for our 2017 event which will be held during seniors week. Seniors week is Monday 16th to Sunday 22nd October 2017.





HEALTH SERVICES

During 2016 the decision was made to combine a range of programs under the one SEC Care Department, to increase interactions between groups of staff and to ensure all programs are generally moving in the same direction. The Health Services is a large and broad area- covering our in-home support programs (domestic assistance, personal care, veterans home care, packaged care nursing, foot care, and more). Programs in peoples homes are supportive, and consumer driven. We aim to have a wellness approach- that is to focus on helping people with a functional disability through learning or re-learning the skills required to manage day to day activities and remain in their homes.

We believe amalgamating the various departments into one will help create a more seamless range of programs which clients may move through depending on their needs at any time.

STATEMENT BY MEMBERS OF THE BOARD

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

1. Presents a true and fair view of the financial position of South Eastern Nursing & Home Care Association Inc. as at 30 June, 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that South Eastern Nursing & Home Care Association Inc. will be able to pay its debts as and when they fall due.

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



Lois Green

President

Dated 30th August, 2017



Anthony Davis

Treasurer

Dated 30th August, 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Revenue	2	5,272,597	4,897,965
Expenses classified by Category			
Salaries and Allowances		3,413,829	3,330,892
Other Employment Costs		516,322	468,010
Outsourced Client Services		99,568	121,729
Property and Occupancy Costs		50,355	66,714
Vehicle Operating Expenses		38,688	39,002
Office Equipment Costs		1,330	4,020
Computer Expenses		51,294	56,368
Supplies and Consumables		85,919	95,986
Telecommunications		45,086	54,989
Insurances		102,194	102,176
Depreciation of Assets		127,976	84,394
Other Operating Expenses		330,907	272,890
Total expenses		4,863,468	4,697,169
Profit / (loss) for the year		409,129	200,795
Other comprehensive income: following data-base change over.		(127,416)	0
Total comprehensive income for year		281,713	200,795
Total comprehensive income attributable to members of the entity		281,713	200,795
The accompanying notes form part of this financial statements			

South Eastern Nursing & Home Care Association Inc.

ABN 11 400 505 189

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,155,196	764,589
Trade and other receivables	7	373,943	510,989
Other current assets	8	34,093	25,655
Total current assets		1,563,232	1,301,233
Non-current assets			
Property, plant and equipment	9	1,298,673	1,458,241
Total non-current assets		1,298,673	1,458,241
Total assets		2,861,905	2,759,474
Current liabilities			
Trade and other payables	10	844,471	1,003,868
Total current liabilities		844,471	1,003,868
Non-current liabilities			
Trade and other payables	11	100,230	120,114
Total non-current liabilities		100,230	120,114
Total liabilities		944,701	1,123,982
Net assets		1,917,204	1,635,491
Equity			
Asset Revaluation Reserve	12	0	188,234
Retained earnings	13	1,917,204	1,447,257
Total equity		1,917,204	1,635,491

The accompanying notes form part of this financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

	Retained Profits \$
Balance at 30 June 2015	1,434,696
Profit attributed to members	200,795
Balance at 30 June 2016	1,635,491
Profit attributed to members	281,713
Balance at 30 June 2017	1,917,204

The accompanying notes form part of this financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts in course of operations		753,355	717,273
Government grants received		4,318,773	4,077,437
Interest received		14,860	18,281
Payments to suppliers and employees		(4,735,492)	(4,913,040)
Net cash provided by operating activities	(b)	351,496	(100,048)
Cash flows from investing activities			
Proceeds from sale of fixed assets		185,609	38,220
Fixed asset purchases		(146,498)	(309,203)
Net cash used in investing activities		39,111	(270,982)
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		390,607	(371,030)
Cash at the beginning of financial year		764,589	1,135,619
Cash at the end of financial year	(a)	1,155,196	764,589

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
(a) Reconciliation of cash			
Cash on hand		1,235	1,235
Cash at bank		1,153,961	109,318
Cash on deposit		0	654,036
Cash at the end of financial year		1,155,196	764,589
(b) Reconciliation of net cash provided by operating activities to Net profit from ordinary activities			
Profit from ordinary activities		409,129	200,795
Non cash flows in the profit from ordinary activities			
Depreciation and amortisation		127,976	84,394
(Gain) / loss on sale of fixed assets		(185,609)	(3,699)
(Increase) / decrease in assets			
Trade receivables		78,046	(374,440)
Other receivables		(80,485)	(52,876)
Prepayments		(8,439)	(3,726)
Increase / (decrease) in liabilities			
PAYG liability		(36,577)	45,867
Other creditors		(2,344)	(44,655)
Employee benefits		54,847	67,104
Accrued salaries and wages		11,173	32,501
Revenue received in Advance		168,489	(27,255)
Provision accounts		(185,990)	0
Other sundry liabilities		1,280	(24,059)
Net cash provided by operating activities		351,496	(100,048)

The accompanying notes form part of this financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2017

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.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

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:

Class of Fixed Asset	Depreciation Rate
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.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Note 2			
Revenue and other income			
Tasmanian Government		639,172	488,649
Australian Government		3,679,601	3,616,043
Brokered services		284,814	377,447
Client fees - home services		337,905	315,816
Client fees - centre services		66,419	46,724
Community contributions		6,226	909
Interest		14,860	25,908
Other recoveries		57,991	30,168
Profit on asset sales		185,609	(3,699)
Total revenue		5,272,597	4,897,965
Note 3			
Profit for the year			
The following significant expense items are relevant in explaining the financial performance:			
Expenses			
Wages and salaries		3,930,151	3,719,912
Depreciation of property, plant and equipment		127,976	195,885
Note 4			
Key management personnel compensation			
Key management personnel are limited to our Directors who provide their services on a voluntary basis. The Directors are also our only related parties. No transactions have occurred between the Association and the Directors.			
Note 5			
Auditors' remuneration			
Remuneration of the auditor of the Association for auditing or reviewing the financial statements		2,095	2,990

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Note 6			
Cash and cash equivalents - current			
Cash on hand		1,235	1,235
Cash at bank		1,153,961	109,318
Cash on deposit		0	654,036
		1,155,196	764,589
Note 7			
Trade and other receivables - current			
Trade receivables		350,814	428,860
Other receivables		23,129	82,129
		373,943	510,989
Note 8			
Other current assets			
Prepayments		34,093	25,655
Note 9			
Property, plant and equipment			
Buildings - Improvements @ Cost		186,360	11,464
Buildings @ valuation		-	255,000
Land & Buildings @ Cost		1,006,035	1,006,035
Less: Accumulated Depreciation		217,422	203,037
Motor Vehicles @ Cost		268,078	268,078
Less: Accumulated Depreciation		120,686	92,351
Office Equipment @ Cost		230,799	256,765
Less: Accumulated Depreciation		105,665	131,394
Capitalised Wages Software @ Cost		87,680	87,680
Less: Accumulated Amortisation		36,507	-
		1,298,673	1,458,241
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	1,100,000

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Note 10			
Trade and other payables - current			
BAS liability		38,612	83,473
Other creditors		21,848	57,819
Employee benefits		466,433	565,430
Accrued salaries and wages		141,317	130,144
Grants for future services		174,720	167,263
Other sundry liabilities		1,541	(261)
		844,471	1,003,868
Collateral pledged			
No collateral has been pledged for any of the trade and other payable balances.			
Number of employees at year end		98	87
Note 11			
Trade and other payables - non current			
Employee benefits		90,422	182,417
Other sundry liabilities		9808	
		100,230	182,417
Note 12			
Asset Revaluation Reserve			
Increase in Land and building valued 30 June 2015		0	188,234
		0	188,234
Note 13			
Retained earnings			
Retained profits at the beginning of the financial year		1,447,257	1,246,462
Adjustment to equity year end balance as above		188234	0
Net profit attributable to the Association		281,713	200,795
Retained profits at the end of the financial year		1,917,204	1,447,257

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

	Note	2017 \$	2016 \$
Note 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	1,155,196	764,589
Trade and other receivables	7	373,943	510,989
Total financial assets		1,529,139	1,275,578
Financial liabilities			
BAS liability	10	38,612	83,473
Other creditors	10	21,848	57,819
Employee benefits	10	566,663	685,544
Accrued salaries and wages	10	141,317	130,144
Grants for future services	10	174,720	167,263
Other sundry liabilities	10	1,541	0
Total financial assets		944,701	1,124,243

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE, 2017

Note 14 (continued)

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.

	Note	2017 \$	2016 \$
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		(1,155,196)	(764,589)
Net debt		(1,155,196)	(764,589)
Total equity		1,917,204	1,635,491
Gearing ratio		-60%	-18%

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.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2017

Note 15

Contingent liabilities

No contingent liabilities exist at balance date.

Note 16

Events subsequent to reporting date

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

Note 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.

Note 18

Association details

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

South Eastern Nursing & Home Care Association Inc.

12 Somerville Street

Sorell, Tasmania. 7172

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 2017.

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 2017 and the results of its operations for the year then ended.

MAX PECK & ASSOCIATES



Rendell W. RIDGE
9 August 2017



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15		





Our Vision

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

SOUTH EASTERN
COMMUNITY CARE



www.secommunitycare.com.au