

Cann Valley Bush Nursing Centre Inc.

Reg. A11159L

# Annual Report

2013 - 2014



# Contents

|  |           |
|--|-----------|
| <b>President's Message</b>                                 | <b>5</b>  |
| <b>Committee of Management</b>                             | <b>4</b>  |
| <b>Nurse Centre Manager's Report</b>                       | <b>9</b>  |
| <b>Strategic Plan</b>                                      | <b>3</b>  |
| <b>Organisational Structure</b>                            | <b>7</b>  |
| <b>Our Service Profile</b>                                 | <b>8</b>  |
| <b>Our Partnerships &amp; Alliances</b>                    | <b>12</b> |
| <b>Business Administrator's Report</b>                     | <b>10</b> |
| <b>The Team</b>  | <b>11</b> |
| <b>Strategic Performance</b>                               | <b>14</b> |
| <b>Service Level &amp; Activity</b>                        | <b>13</b> |
| <b>Treasurer's Report</b>                                  | <b>15</b> |
| <b>Statement by members of the Committee of Management</b> | <b>33</b> |
| <b>Independent Auditor's Report</b>                        | <b>34</b> |
| <b>Financial Statements</b>                                | <b>16</b> |

# Strategic Plan 2012-2015

## Our Vision

The people of Cann River and District will reach their full potential in good health, well-being and independence

## Our Role

As a remote nursing service the Centre is the single point of access for the community to multidisciplinary, innovate primary care and community based services. This includes 24 hour access to emergency response care

## Strategic Goals

To be a respected and viable organisation  
Ensure that our community has access to quality care  
To value and support our people

## Core Principles

**Adaptable:** Ensure we have the flexibility and adaptability to react and respond positively to the changing environment and demands placed on the service.

**Person Centred:** We will ensure that we place our consumers and the community in the centre of our decision making and engage individuals in all aspects of health care delivery.

**Collaborative:** We will take a consultative approach to ensure essential partnerships and relationships enhance community access and design of our health services.

**Innovative:** We will strive for the delivery state of the art services by providing an environment that enhances creativity.

**Integrity:** We will act with the highest regard to honesty and reliability to enable community trust.

# Committee of Management

Cann Valley Bush Nursing Centre is an incorporated, community based, not for profit organisation governed by a volunteer Committee of Management.

The Committee of Management's role is to oversee the delivery of services, set the strategic directions and to uphold its values.

The Committee is responsible and accountable for ensuring that the Centre performs well, is solvent and complies with all its legal, financial and ethical obligations

For the 2013/2014 period there were 11 meetings held. No meeting was held in January, due to annual Committee break.

Michael O'Brien - President

Jill Filmer - Vice President

Myrna Richter - Treasurer

Ian Quick

Ron Luhrs

Judy McKinnon

Tony Stephenson

Rose Young

## *Life Members*

Ian Quick

Tony Stephenson

Gus McKinnon

## Our Community



Located in Far East Gippsland between the Lind National Park and Alfred National Park on the Sydney to Melbourne coast road. Cann River is your crossroad to adventure for Croajingolong and the stunning rainforests of the far east. Cann River has a population of approximately 169 people. (ABS Census 2011) However, the Bush Nursing Centre caters for the needs of a rural community of approximately 500 people and the numerous tourists and motorists passing through the region.

# President's Message

On behalf of the Committee of Management I present this report for 2013-2014.

12 months ago I signed onto the Committee, and last October I was voted in as President to replace Judy McKinnon, who recently resigned after over 26 years of dedicated and faithful service to the CVBNC.

We have completed the building works, and have had the official opening in February 2014. We are currently negotiating with East Gippsland Shire for sealing and paving works out the front of the centre.

We have had staffing issues and budgetary restraints which were challenging at the time. This proved to be a valuable learning experience for the committee, which will stand us all in good stead for the future.

Under my guidance and direction, with the unwavering support of the Committee of Management, and our dedicated staff, we have gone from a state of flux into a period of stability. We have finally employed a new Nurse Centre Manager, Frank Blong, who started in the first week of the new financial year with a full budget and everything ticking along nicely.

I wish to acknowledge the dedication, effort and resolve of the Committee in seeing through these issues to resolution, and I also wish to thank them for their unwavering support through this difficult and challenging year.

I would also like to thank the staff for their loyalty, and in particular we need to acknowledge and thank Marija Mrsic, who against her own self-interest, took on the very stressful role of Acting Nurse Centre Manager and kept the Centre ticking over.

I am both pleased and proud to report, that all systems are go, and in good order. The centre is once again meeting the highest professional standards. Frank Blong, our new Nurse Centre Manager has proven himself to be professional, competent and in charge, and has made a positive impression on everyone he has met.

It is with renewed enthusiasm, under Frank's leadership, that we look forward to the next 12 months. We have the upgraded facilities, our staff are loyal, dedicated and highly professional. The budget is in good order, and all the changes we have made to the running of the centre appear to be working well.

All in all, things are looking good.

*Michael O'Brien*  
President,  
Committee of Management



# Summary of Key Achievements

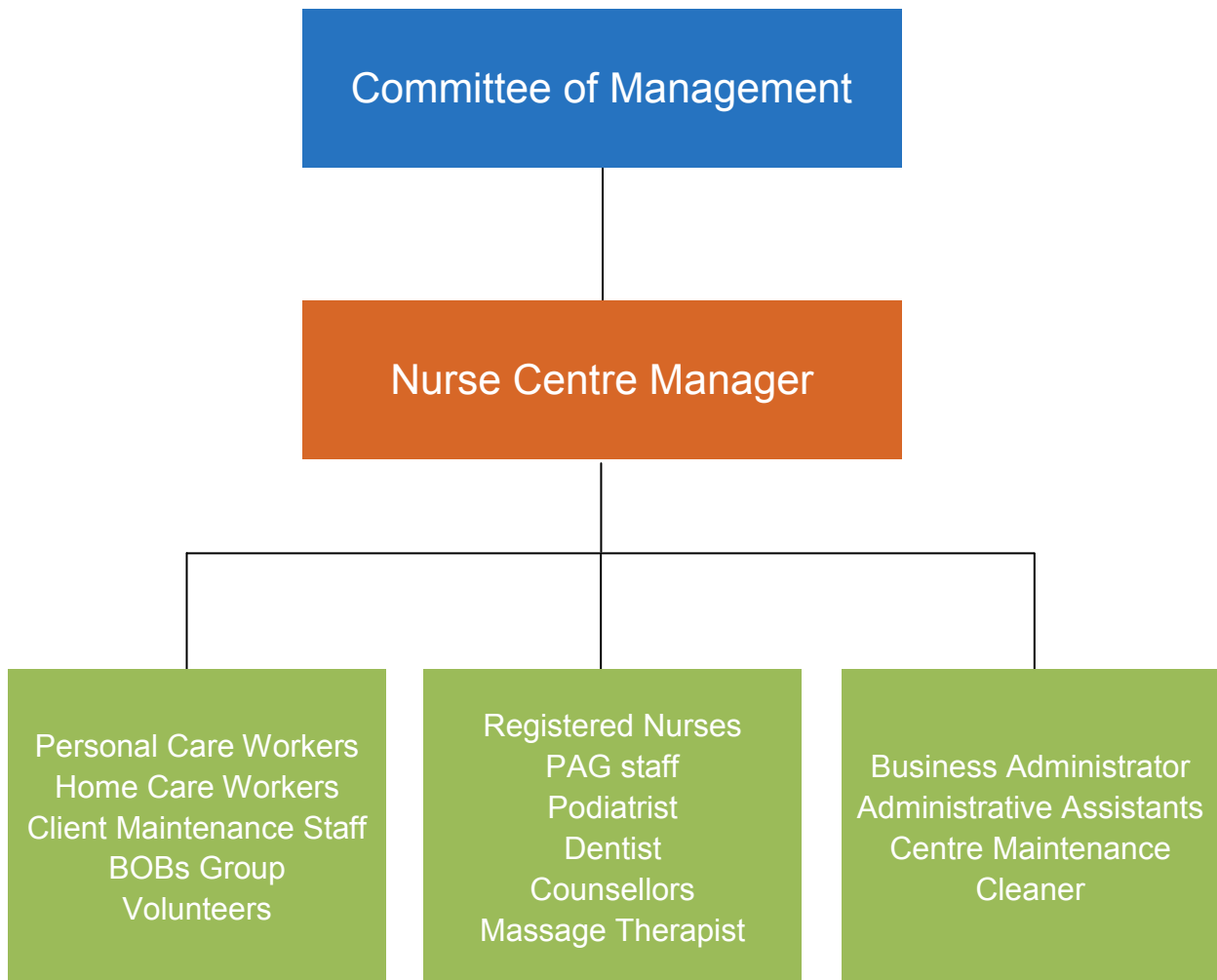
- ☑ Development and review of all CVBNC Policies & Procedures
- ☑ Re-structure of centre organisational structure
- ☑ Completion of the building re-development with official opening
- ☑ Completion of Common Care Community Standards Improvement Plan
- ☑ Successful recruitment of Nurse Centre Manager
- ☑ Lobbied for continuity of RPHS funding through Medicare Local
- ☑ Drug & Alcohol counselor visiting weekly
- ☑ Massage therapist visiting fortnightly
- ☑ DH requirements met (ASM Plan & Diversity Plan)
- ☑ Team building workshop
- ☑ Regular health promotion activities
- ☑ Re-opening of Mens Shed
- ☑ Regular staff training
- ☑ Recruitment of Home Care worker and successfully supporting them to complete Certificate III in Aged Care
- ☑ Continual quality improvements in clinic and administrative departments



## What's ahead...

- ☑ Website development
- ☑ Enhanced health promotions
- ☑ Meaningful staff communications and collaboration
- ☑ Re-establishment of Planned Activity Group
- ☑ Formalizing car parking in front of Centre

# Organisational Structure



# OUR SERVICE PROFILE

## Clinical Services

- District Nursing
- Accident & Emergency Nursing
- Palliative Care
- Post Acute Care
- Collection of Pathology Specimens
- Access to Medications & Pharmacy Services
- Wound Care
- Community Nursing
- Care Coordination



## Allied Health Services

- Bus trips/Respite
- Counselling
- Diabetes Management
- Dietetics and Nutrition
- Drug & Alcohol Support
- Family & Child Health
- General Practitioners
- Health Promotion
- Maternal & Child Nurse
- Masseurs
- Men's Health
- Mental Health
- Occupational Therapy
- Oral Health/Dental
- Physiotherapy
- Podiatry
- Speech Pathology Support and Activity Groups
- Volunteer Driving

## Community Services

- Respite program
- Planned Activity Group
- Domestic Assistance
- In-home Respite Care
- Personal Care
- Property Maintenance
- Volunteer Program
- Equipment Hire





# NURSE CENTRE MANAGER'S REPORT

This is my first year in the position of Nurse Centre Manager at Cann River, and I would like to say what a pleasure it has been getting to know the clinic and staff, as well as the clients in the area.

The clinic is an extraordinary facility considering its remote location. It has a high level of functionality, and accessibility and the level of care offered and provided is a credit to the hard working clinic staff and Committee of Management.

It is my understanding that the clinic has undergone considerable flux over the last year in terms of staffing. Hopefully now that the centre has a balanced staff mix, things will continue to settle down and work can proceed in a happy, harmonious and productive manner. Outcomes for patients can only improve as stability returns to the centre. The feedback I have received thus far from the community is that people have a high level of confidence in the Bush Nurse Centre, its' staff and the services provided.

A number of health initiatives are planned for the coming year, mainly educational, and with the hope that interest generated will provoke a positive response by the community in terms of individual health awareness. Such topics as Cardiac awareness, incorporating "Heart Week", Diabetes and others. My belief is that providing an interesting and perhaps entertaining description of anatomical structures and how they relate to other bodily processes will raise peoples' awareness of the fact that whatever they do has some effect on their body, positive or negative. The talks are meant to be informative rather than telling people what they should or should not do.

Marija, Kym, Kathy and Sarah (and Maria the cleaner) had the clinic running like clockwork, and I am grateful to them for handing it over to me at such a high standard.

Given the demands of remote area nursing, I am anxious to build and maintain mutually advantageous and collaborative relationships with other services in the town, such as Ambulance Victoria, Victoria Police, CFA, SES and others.

It is an ongoing challenge to attract allied health professionals to the area, in particular a physiotherapist. However, I have tried a few unconventional methods, such as contacting Melbourne University physiotherapy department. I believe I have found a new graduate who will be able to fill the slot, at least in the short term.

The staff and committee have worked hard to formulate a set of Policies and Procedures, and it is my intent to ensure that the Bush Nurse Centre operates within those policies, along with State and Federal constraints.

My wife and myself are happy to be in Cann River and have settled here. I hope that I can continue to be of service at least for the next two years. After that, we will see...

*Frank Blong*  
Nurse Centre Manager



# Business Administrator's Report

"The secret of change is to focus all of your energy, not on fighting the old, but on building the new." - Socrates



Bush Nursing Centres are responsive and flexible non bed-based quality primary and community health services within smaller rural catchments where access to these services is a major issue for the communities.

The Cann Valley Bush Nursing Centre has continued to provide local accessible health services to the Cann River and district community.

Our Memberships for 2013/2014 are 124 which consist of Family and Single memberships.

Cann Valley Bush Nursing Centre is supported by funding from the Commonwealth and Victorian Governments under the HACC program. This operational funding assists the Centre in providing and maintaining health care services, community programs, staffing resources and equipment.

Department of Health and Ageing continue to fund four "Level 2" Home Care Packages and two "Level 4" Packages. These packages allow clients to sustain their lifestyle in their homes.

RPHS (Rural Primary Health Services) grant has been renewed for 2014/2015. This vital funding allows the provision of a bus for client needs, podiatry, physiotherapy and nursing services. This funding continues to be provided through Gippsland Medicare Local.

Cann Valley Bush Nursing Centre provides Allied Health services on a regular basis, according to available funding and professional services.

Over the past year CVBNC has continued to build infrastructure to meet the community's evolving needs with the total completion of the Centre's re-development.

The 21st February, 2014 was the official opening of the Centre's re-development. It was opened by The Hon. David Davis, MLC Minister for Health. Also in attendance was The Hon. Darren Chester MP, Federal Member for Gippsland, The Hon. Tim Bull, Local Member for Gippsland, delegates from Department of Health along with representatives from other bush nursing centres and local community members. It was a great day for all that attended.

We would like to take this opportunity to thank all the stakeholders and organizations that partner with us for their continued support of Cann Valley Bush Nursing Centre.

It is said that "time flies when you're having fun!" This year disproves that point—that time still flies even if it isn't all fun. It's hard to believe that we are through another financial year full of challenges and opportunities. I am pleased to report that the challenges faced in the last 12 months have certainly improved the resolve of staff and committee members alike.

With a challenging year behind us we look forward to continuing to provide much needed health services to our community.

*Kym McLeod*  
Business Administrator

# The Team

## STAFF & CONTRACTORS

**Nurse Centre Manager** Marija Mrsic (Acting)

**Nursing Staff** Marija Mrsic Mary Filmer Carolyn Phillips  
Sue Love Kathy Mowbray

**Planned Activity Group** Kellie Hall

**Administration Staff** Kym McLeod Sarah Nation

**Environmental Officers** Maria Taylor

**Home Based Services** Kellie Hall Cheryl Checkley Jennet Young  
Linda Laffy

**Client Property Maintenance** Jason Gardner Adrian Nation



*The following staff left Cann Valley Bush Nursing Centre part-way through 2013 - 2014:*

Jennifer McShane, Sherri Walker, Virginia Armstrong, Linda Main, George Bennett, Clay McKerlie, Jane Colbert, Kaye Henderson, Andy McLeod

## HEALTH PROFESSIONALS

The following services are accessible to the Cann River and district community through the centre:

|                       |                               |
|-----------------------|-------------------------------|
| General Practitioners | Community Mental Health       |
| Dental Services       | Maternal & Child Health Nurse |
| Physiotherapist       | Occupational Therapist        |
| Podiatrist            | Massage Therapist             |
| Diabetes Educator     | Drug & Alcohol Counsellor     |

# Our Partnerships & Alliances

The Cann Valley Bush Nursing Centre continues to formalize and integrate planning with key partners.

Ambulance Victoria (AV)

Bairnsdale Regional Health Service (BRHS)

Department of Health (DH)

Department of Health & Ageing (DoHA)

Eastern Victorian Bush Nursing Network (EVBNN)

Gippsland Health Alliance (GHA)

Gippsland Lakes Community Health (GLCH)

Gippsland Medicare Local (GML)

Leading Age Service Australia - Victoria (LASA)

Mallacoota District Health and Support Service Inc (MDHSS)

Orbost Medical Group (OMG)

Orbost Regional Health (ORH)

Service Industry Advisory Group (SIAG)



# Service Level & Activity

Nursing Contacts  
**4910**

Pathology Contacts  
**385**

GP Contacts  
**635**

Podiatry Contacts  
**102**

Client Transport  
**148**

Hours of HACC  
Domestic Assistance  
**263**

RANEG  
**72**

Hours of HACC  
Property  
Maintenance  
**479**

# Strategic Performance

## A well respected & viable organisation

- ☑ Attendance at regional Bush Nursing Centre network meetings
- ☑ Effective budget planning in a challenging financial climate
- ☑ RPHS funding secured for 2014/2015 via Gippsland Medicare Local
- ☑ Monthly health promotions in centre
- ☑ Attendance at Statewide Bush Nursing Centre network meeting

## Ensure the community has access to quality care

- ☑ ASM Development and implementation
- ☑ Focus on person-centred care programs
- ☑ Diversity Plan
- ☑ Increase of the use of tele-medicine
- ☑ Well qualified and appropriately allocated workforce

## Value and support our people

- ☑ Annual RAN training for nurses
- ☑ Supported education opportunities for all staff
- ☑ Regular staff meetings to embed the “Behavioural Values” to maintain a good workplace

# Treasurer's Report

The following pages of financial statement are for the period ending 30th June, 2014.

The last financial year has seen finances up and down with building works, staff payouts, extra staff employed etc. We have battled to keep our heads above water, but thanks to Kym with her fine budgeting we have won out and got back on track.

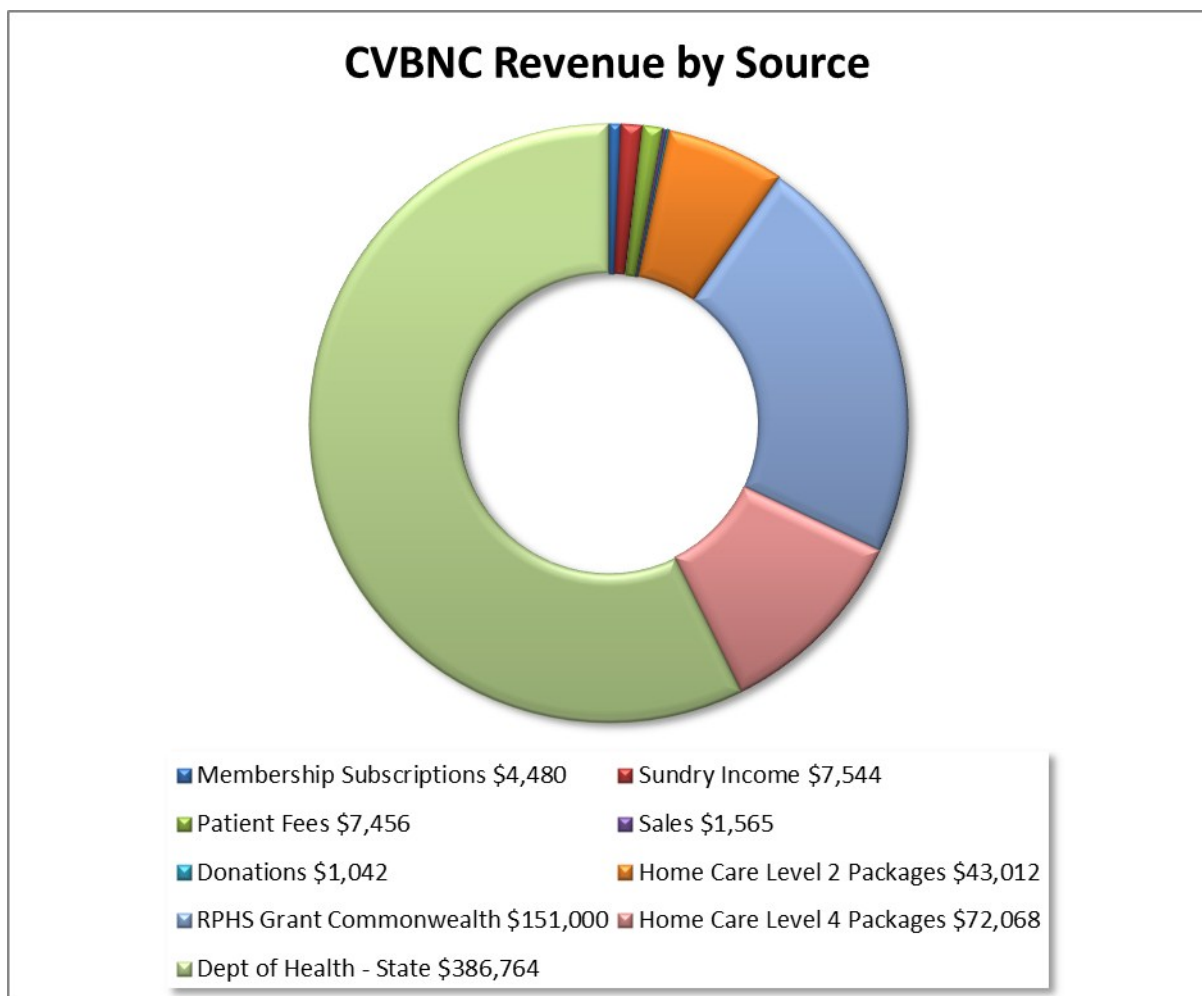
A detailed Centre budget has been prepared by the Business Administrator and is easily understandable for the Committee to read and understand.

The CVBNC is now in a good financial position.

The financial statements were audited by Crowe Horwath. The auditors expressed that Statements represent a true and fair view of the financial position of the organisation as at 30th June, 2014.

I would like to thank Kym for her great work and I think we have worked well together.

*Myrna Richter*  
Treasurer



**CANN VALLEY BUSH NURSING CENTRE INC.**

**ABN: 69 461 662 367**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2014**



**CANN VALLEY BUSH NURSING CENTRE INC.**

ABN: 69 461 662 367

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2014**

|   | Note | <u>2014</u><br>\$ | <u>2013</u><br>\$ |
|---|------|-------------------|-------------------|
| Revenue from Operating Activities                     | 3    | 671,487           | 603,749           |
| Revenue from Non-Operating Activities                 | 3    | 15,328            | 26,269            |
| Employee Benefits                                     | 4    | (488,538)         | (468,188)         |
| Non-Salary Labour Costs                               | 4    | (15,780)          | (8,550)           |
| Supplies & Consumables                                | 4    | (27,310)          | (23,834)          |
| Other Expenses  | 4    | <u>(178,305)</u>  | <u>(114,574)</u>  |
| <b>Net Result before Capital &amp; Specific Items</b> |      | <u>(23,119)</u>   | <u>14,872</u>     |
| Capital Purpose Income                                | 3    | -                 | 180,681           |
| Net Loss from Sale of Non-Current Assets              | 7(c) | -                 | (17)              |
| Depreciation  | 7(b) | <u>(74,542)</u>   | <u>(53,863)</u>   |
| <b>NET RESULT FOR THE YEAR</b>                        |      | (97,661)          | 141,673           |
| <b>OTHER COMPREHENSIVE INCOME</b>                     |      |                   |                   |
| Changes in Property Revaluation Surplus               | 7, 8 | <u>-</u>          | <u>(172,658)</u>  |
| <b>TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR</b>       |      | <u>(97,661)</u>   | <u>(30,985)</u>   |

The accompanying notes form part of the financial report

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2014**

|                                      | Note | 2014<br>\$       | 2013<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>CURRENT ASSETS</b>                |      |                  |                  |
| Cash Assets                          | 5(b) | 144,916          | 223,305          |
| Receivables                          |      | -                | 10,170           |
| Stock on Hand                        |      | 1,230            | 2,600            |
| GST Refundable                       |      | -                | 13,337           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <u>146,146</u>   | <u>249,412</u>   |
| <b>NON-CURRENT ASSETS</b>            |      |                  |                  |
| Property, Plant & Equipment          | 7    | 1,336,647        | 1,313,596        |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <u>1,336,647</u> | <u>1,313,596</u> |
| <b>TOTAL ASSETS</b>                  |      | <u>1,482,793</u> | <u>1,563,008</u> |
| <b>CURRENT LIABILITIES</b>           |      |                  |                  |
| Provision for Annual leave           |      | 10,176           | 18,054           |
| Provision for Long Service Leave     |      | 16,874           | 5,806            |
| Accrued Expenses                     |      | 2,551            | 4,912            |
| GST Payable                          |      | 9,045            | -                |
| PAYG Payable                         |      | 8,804            | -                |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <u>47,450</u>    | <u>28,772</u>    |
| <b>NON-CURRENT LIABILITIES</b>       |      |                  |                  |
| Provision for Long Service Leave     |      | 20,424           | 21,656           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <u>20,424</u>    | <u>21,656</u>    |
| <b>TOTAL LIABILITIES</b>             |      | <u>67,874</u>    | <u>50,428</u>    |
| <b>NET ASSETS</b>                    |      | <u>1,414,919</u> | <u>1,512,580</u> |
| <b>EQUITY</b>                        |      |                  |                  |
| Accumulated Surplus                  |      | 1,311,427        | 1,409,088        |
| Property Revaluation Surplus         | 8    | 103,492          | 103,492          |
| <b>TOTAL EQUITY</b>                  |      | <u>1,414,919</u> | <u>1,512,580</u> |

The accompanying notes form part of this financial report

**CANN VALLEY BUSH NURSING CENTRE INC.**

ABN: 69 461 662 367

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2014**

|   | Note | 2014<br>\$       | 2013<br>\$       |
|---|------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>       |      |                  |                  |
| Government Grants - Operating                     |      | 652,844          | 590,935          |
| Interest  |      | 19               | 14,237           |
| Other Receipts                                    |      | 54,880           | 45,805           |
| Suppliers and Employees                           |      | <u>(688,539)</u> | <u>(612,603)</u> |
| <b>Cash Provided by Operations</b>                |      | 19,204           | 38,374           |
| Capital Grants                                    |      | -                | 180,681          |
| <b>Net Cash Inflow from Operating Activities</b>  | 5(a) | <u>19,204</u>    | <u>219,055</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |      |                  |                  |
| Proceeds from Sale of Non-Current Assets          |      | -                | 16,364           |
| Payments for Buildings, Plant & Equipment         |      | (97,593)         | (652,603)        |
| Investment Funds redeemed                         |      | -                | 473,001          |
| <b>Net Cash Outflow from Investing Activities</b> |      | <u>(97,593)</u>  | <u>(163,238)</u> |
| <b>Net Increase/(Decrease) in Cash Held</b>       |      | (78,389)         | 55,817           |
| Cash at the beginning of the year                 | 5(b) | <u>223,306</u>   | <u>167,489</u>   |
| <b>CASH AT THE END OF THE YEAR</b>                | 5(b) | <u>144,916</u>   | <u>223,306</u>   |

The accompanying notes form part of this financial report

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2014**

|                                   | Note | Accum.<br>Surplus<br>\$ | Property<br>Reval'n<br>Surplus<br>\$ | TOTAL<br>\$ |
|-----------------------------------|------|-------------------------|--------------------------------------|-------------|
| <b>Balance 1 July 2012</b>        |      | 1,267,415               | 276,150                              | 1,543,565   |
| Net Result for the year           |      | 141,673                 | -                                    | 141,673     |
| Other comprehensive loss          | 8    | -                       | (172,658)                            | (172,658)   |
| <b>Balance 30 June 2013</b>       |      | 1,409,088               | 103,492                              | 1,512,580   |
| Net Result for the year           |      | (97,661)                | -                                    | (97,661)    |
| Other comprehensive income/(loss) | 8    | -                       | -                                    | -           |
| <b>Balance 30 June 2014</b>       |      | 1,311,427               | 103,492                              | 1,414,919   |

The accompanying notes form part of this financial report

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**New, revised or amending Accounting Standards and Interpretations adopted**

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

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

In the officers' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Associations Incorporation Reform Act 2012. The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Cann Valley Bush Nursing Centre Inc.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Sales revenue*

Events, fundraising and raffles are recognised when received or receivable.

*Donations*

Donations are recognised at the time the pledge is made.

*Grants*

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Significant accounting policies (continued)**

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**Income tax**

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any provision for impairment.

**Property, plant and equipment**

Land and buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation. Fair value is based upon valuations issued by the East Gippsland Shire Council.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against asset revaluation reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Significant accounting policies (continued)**

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

|                     |             |
|---------------------|-------------|
| Buildings           | 40 years    |
| Plant and equipment | 2.5-5 years |
| Motor vehicles      | 4-10 years  |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured at nominal value.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**ABN: 69 461 662 367**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Significant accounting policies (continued)**

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other payables in the statement of financial position.

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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2014. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.



**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**Note 1. Significant accounting policies (continued)**

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Estimation of useful lives of assets*

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The incorporated association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the incorporated association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at nominal value.

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 3: REVENUE**

|  | OPERATING      |                | CACPS         |               | RPHS           |                | EACH          |               | TOTAL          |                |
|--|----------------|----------------|---------------|---------------|----------------|----------------|---------------|---------------|----------------|----------------|
|  | 2014           | 2013           | 2014          | 2013          | 2014           | 2013           | 2014          | 2013          | 2014           | 2013           |
| Revenue from Operating Activities              | \$             | \$             | \$            | \$            | \$             | \$             | \$            | \$            | \$             | \$             |
| <i>Government Grants</i>                       |                |                |               |               |                |                |               |               |                |                |
| - Dep't Human Services                         | 386,764        | 370,682        | -             | -             | -              | -              | -             | -             | 386,764        | 370,682        |
| - Dep't Health & Ageing                        | -              | -              | 43,012        | 44,631        | 151,000        | 122,814        | 72,068        | 52,072        | 266,079        | 219,517        |
|  | <b>386,764</b> | <b>370,682</b> | <b>43,012</b> | <b>44,631</b> | <b>151,000</b> | <b>122,814</b> | <b>72,068</b> | <b>52,072</b> | <b>652,844</b> | <b>590,199</b> |
| Indirect Contributions by DHS - Insurance Fees | 2,578          | 736            | -             | -             | -              | -              | -             | -             | 2,578          | 736            |
| Patient Fees                                   | 7,456          | 5,150          | 913           | 730           | 610            | 798            | -             | -             | 8,978          | 6,678          |
| Sales  | 1,565          | 1,148          | -             | -             | -              | -              | -             | -             | 1,565          | 1,148          |
|  | <b>9,020</b>   | <b>6,298</b>   | <b>913</b>    | <b>730</b>    | <b>610</b>     | <b>798</b>     | <b>-</b>      | <b>-</b>      | <b>10,543</b>  | <b>7,826</b>   |
| <i>Specific Purpose</i>                        |                |                |               |               |                |                |               |               |                |                |
| Subscriptions                                  | 4,480          | 1,473          | -             | -             | -              | -              | -             | -             | 4,480          | 1,473          |
| Donations                                      | 1,042          | 3,515          | -             | -             | -              | -              | -             | -             | 1,042          | 3,515          |
|  | <b>5,522</b>   | <b>4,988</b>   | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>5,522</b>   | <b>4,988</b>   |
|  | <b>403,885</b> | <b>382,704</b> | <b>43,924</b> | <b>45,361</b> | <b>151,610</b> | <b>123,612</b> | <b>72,068</b> | <b>52,072</b> | <b>671,487</b> | <b>603,749</b> |
| <b>Revenue from Non-Operating Activities</b>   |                |                |               |               |                |                |               |               |                |                |
| Interest                                       | 14             | 14,237         | 3             | -             | -              | -              | 2             | -             | 19             | 14,237         |
| Sundry Income                                  | 7,544          | 9,895          | -             | -             | 7,344          | 1,967          | 420           | 170           | 15,309         | 12,032         |
|  | <b>7,558</b>   | <b>24,132</b>  | <b>3</b>      | <b>-</b>      | <b>7,344</b>   | <b>1,967</b>   | <b>422</b>    | <b>170</b>    | <b>15,328</b>  | <b>26,269</b>  |
| <b>Revenue from Capital Purpose Income</b>     |                |                |               |               |                |                |               |               |                |                |
| DHS - Specific Purpose Grants                  | -              | 180,681        | -             | -             | -              | -              | -             | -             | -              | 180,681        |
|  | <b>-</b>       | <b>180,681</b> | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>       | <b>180,681</b> |
| <b>Total Revenue</b>                           | <b>411,443</b> | <b>587,517</b> | <b>43,927</b> | <b>45,361</b> | <b>158,954</b> | <b>125,579</b> | <b>72,490</b> | <b>52,242</b> | <b>686,814</b> | <b>810,699</b> |

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 4: EXPENSES**

|                                     | OPERATING |         | CACPS  |        | RPHS    |         | EACH   |        | TOTAL   |         |
|-------------------------------------|-----------|---------|--------|--------|---------|---------|--------|--------|---------|---------|
|                                     | 2014      | 2013    | 2014   | 2013   | 2014    | 2013    | 2014   | 2013   | 2014    | 2013    |
|                                     | \$        | \$      | \$     | \$     | \$      | \$      | \$     | \$     | \$      | \$      |
| <i>Employee Benefits</i>            |           |         |        |        |         |         |        |        |         |         |
| Salaries & Wages                    | 283,673   | 264,041 | 15,815 | 25,334 | 103,353 | 100,525 | 36,577 | 39,132 | 449,417 | 429,032 |
| Superannuation                      | 24,153    | 21,398  | 1,180  | 842    | 8,500   | 10,824  | -      | -      | 33,833  | 33,064  |
| WorkCover                           | 1,763     | 6,092   | 1,763  | -      | 1,763   | -       | -      | -      | 5,288   | 6,092   |
|                                     | 319,588   | 291,531 | 18,758 | 26,176 | 113,615 | 111,349 | 36,577 | 39,132 | 488,538 | 468,188 |
| <i>Non-Salary Labour Costs</i>      |           |         |        |        |         |         |        |        |         |         |
|                                     | 15,000    | -       | -      | -      | 780     | 8,550   | -      | -      | 15,780  | 8,550   |
| <i>Supplies &amp; Consumables</i>   |           |         |        |        |         |         |        |        |         |         |
| Medical Supplies                    | 23,989    | 23,352  | -      | -      | 3,321   | 482     | -      | -      | 27,310  | 23,834  |
| <i>Other Expenses</i>               |           |         |        |        |         |         |        |        |         |         |
| Accounting & Audit Fee              | 7,770     | 7,369   | -      | -      | -       | -       | -      | -      | 7,770   | 7,369   |
| Advertising                         | 1,292     | 3,837   | -      | -      | -       | -       | -      | -      | 1,292   | 3,837   |
| Bank Charges                        | 946       | 30      | -      | -      | 5       | -       | -      | -      | 951     | 30      |
| Cleaning                            | 781       | 346     | -      | -      | -       | -       | -      | -      | 781     | 346     |
| Client Repairs & Maintenance        | 13,068    | -       | 5,900  | 654    | -       | -       | 8,003  | 3,648  | 26,971  | 4,302   |
| Computer Expenses                   | 514       | -       | -      | -      | -       | -       | -      | -      | 514     | -       |
| Electricity & Gas                   | 7,153     | 5,836   | -      | 1,391  | -       | -       | -      | -      | 7,153   | 7,227   |
| Freight & Cartage                   | 2,782     | 1,540   | -      | -      | -       | -       | -      | -      | 2,782   | 1,540   |
| Health Providers                    | 272       | -       | -      | -      | 8,929   | -       | -      | -      | 9,200   | -       |
| Industrial Advisor                  | 18,320    | -       | -      | -      | -       | -       | -      | -      | 18,320  | -       |
| Insurance Costs funded by DHS       | 2,578     | 736     | -      | -      | -       | -       | -      | -      | 2,578   | 736     |
| Lease Payments - Bus                | -         | -       | -      | -      | -       | 13,771  | -      | -      | -       | 13,771  |
| Licences, Registrations and Permits | 9,443     | 10,536  | -      | -      | -       | -       | -      | -      | 9,443   | 10,536  |
| Meals on Wheels                     | 167       | -       | -      | -      | -       | -       | 265    | -      | 433     | -       |
| Motor Vehicle Expenses              | 4,440     | 2,736   | 5,039  | 3,182  | 17,747  | 6,494   | 447    | 1,001  | 27,674  | 13,413  |

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 4: EXPENSES (CONTD)**

|                                    | Note | OPERATING        |                | CACPS          |               | RPHS           |                 | EACH          |               | TOTAL           |                |
|------------------------------------|------|------------------|----------------|----------------|---------------|----------------|-----------------|---------------|---------------|-----------------|----------------|
|                                    |      | 2014             | 2013           | 2014           | 2013          | 2014           | 2013            | 2014          | 2013          | 2014            | 2013           |
|                                    |      | \$               | \$             | \$             | \$            | \$             | \$              | \$            | \$            | \$              | \$             |
| Payroll Levy                       |      | 2,020            | 2,309          | 168            | 96            | 108            | 90              | -             | -             | 2,296           | 2,495          |
| Planned Activities                 |      | 3,154            | 2,815          | -              | -             | 2,000          | -               | -             | -             | 5,154           | 2,815          |
| Police Checks                      |      | 256              | 604            | -              | -             | 170            | -               | -             | -             | 426             | 604            |
| Postage & Stationery               |      | 4,634            | 3,500          | 486            | 512           | 1,809          | 2,560           | -             | -             | 6,929           | 6,572          |
| Rates                              |      | 1,610            | 1,575          | -              | -             | -              | -               | -             | -             | 1,610           | 1,575          |
| Repairs & Replacements             |      | 11,533           | 4,198          | -              | 419           | -              | -               | -             | -             | 11,533          | 4,617          |
| Staff Amenities                    |      | 1,423            | 2,011          | -              | -             | 48             | -               | -             | -             | 1,471           | 2,011          |
| Staff Training                     |      | 3,477            | 705            | 146            | -             | 178            | 2,220           | -             | -             | 3,802           | 2,925          |
| Subscriptions & Memberships        |      | 11,773           | 10,575         | -              | -             | -              | -               | -             | -             | 11,773          | 10,575         |
| Sundry Expenses                    |      | 414              | 588            | -              | -             | -              | -               | -             | -             | 414             | 588            |
| Telephone                          |      | 5,049            | 8,964          | 600            | 679           | 2,951          | 2,061           | -             | -             | 8,600           | 11,704         |
| Travelling Expenses                |      | 2,507            | 242            | -              | -             | 5,928          | 4,744           | -             | -             | 8,435           | 4,986          |
|                                    |      | <b>117,376</b>   | <b>71,052</b>  | <b>12,340</b>  | <b>6,933</b>  | <b>39,873</b>  | <b>31,940</b>   | <b>8,716</b>  | <b>4,649</b>  | <b>178,305</b>  | <b>114,574</b> |
| Depreciation                       | 7(b) | 55,542           | 47,868         | 18,759         | 5,754         | 241            | 241             | -             | -             | 74,542          | 53,863         |
|                                    |      | <b>55,542</b>    | <b>47,868</b>  | <b>18,759</b>  | <b>5,754</b>  | <b>241</b>     | <b>241</b>      | <b>-</b>      | <b>-</b>      | <b>74,542</b>   | <b>53,863</b>  |
| Loss on Sale of Non Current Asset: | 7(c) | -                | 17             | -              | -             | -              | -               | -             | -             | -               | 17             |
| <b>Total Expenses</b>              |      | <b>531,496</b>   | <b>433,820</b> | <b>49,857</b>  | <b>38,863</b> | <b>157,830</b> | <b>152,562</b>  | <b>45,292</b> | <b>43,781</b> | <b>784,475</b>  | <b>669,026</b> |
| <b>Net Result for the Year</b>     |      | <b>(120,053)</b> | <b>153,697</b> | <b>(5,930)</b> | <b>6,498</b>  | <b>1,125</b>   | <b>(26,963)</b> | <b>27,198</b> | <b>8,461</b>  | <b>(97,661)</b> | <b>141,673</b> |

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

|   | 2014           | 2013           |
|---|----------------|----------------|
|   | \$             | \$             |
| <b>NOTE 5: CASH FLOW INFORMATION</b>  |                |                |
| <b>(a) Reconciliation of Net Cash Inflow from Operating Activities to Net Result for the Year</b> |                |                |
| <b>Net Result for the year</b>  | (97,661)       | 141,673        |
| <i>Non-cash items:</i>  |                |                |
| Depreciation  | 74,542         | 53,863         |
| Net Loss on Sale of Non-Current Assets  | -              | 17             |
| <i>Changes in assets and liabilities:</i>   |                |                |
| Decrease in Stock on Hand   | 1,370          | 295            |
| Decrease in Receivables   | 10,170         | 34,295         |
| Decrease/(Increase)in GST Receivable  | 13,337         | (13,337)       |
| Increase in Employee Entitlements   | 1,958          | 17,206         |
| (Decrease)/Increase in Payables and Accruals  | (2,361)        | 2,282          |
| Increase/(Decrease) in GST Payable  | 9,045          | (17,239)       |
| Increase in PAYG Payable  | 8,804          | -              |
| <b>Net cash inflow from Operating Activities</b>  | <u>19,204</u>  | <u>219,055</u> |
| <b>(b) Cash at the end of the year is made up as follows:</b>                                     |                |                |
| High Care Level 2   | 20,080         | -              |
| Investment Account  | 24,624         | -              |
| RPHS Account  | 27,172         | -              |
| High Care Level 4   | 31,676         | -              |
| CACPS Account   | -              | 7,352          |
| Drummer Account   | -              | 10,040         |
| EACH Account  | -              | 4,836          |
| Investment Account  | -              | 97,658         |
| Operating Bank Account  | 21,364         | 85,481         |
| Provisions Account  | 20,000         | 17,938         |
| <b>TOTAL</b>  | <u>144,916</u> | <u>223,305</u> |
| <b>NOTE 6: COMMITMENTS</b>  |                |                |
| <b>Operating Lease Commitments - Bus</b>  |                |                |
| Payable - minimum lease payments:   |                |                |
| - not later than 1 year   | 2,295          | 13,771         |
| - later than 1 but not later than 5 years   | -              | 2,295          |
|   | <u>2,295</u>   | <u>16,066</u>  |

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

|  | 2014<br>\$              | 2013<br>\$              |
|--|-------------------------|-------------------------|
| <b>NOTE 7: PROPERTY, PLANT &amp; EQUIPMENT</b> |                         |                         |
| <b>(a)</b>                                     |                         |                         |
| Land at Valuation                              | <u>35,000</u>           | <u>35,000</u>           |
| Buildings at Valuation                         | 495,217                 | 495,216                 |
| Less Accumulated Depreciation                  | <u>(66,622)</u>         | <u>(49,521)</u>         |
|  | <u>428,595</u>          | <u>445,695</u>          |
| Buildings at Cost                              | 740,014                 | 670,511                 |
| Less Accumulated Depreciation                  | <u>(20,887)</u>         | <u>(3,280)</u>          |
|  | <u>719,127</u>          | <u>667,231</u>          |
| <b>Total Buildings</b>                         | <b><u>1,147,722</u></b> | <b><u>1,112,926</u></b> |
| Plant & Equipment - at Cost                    | 259,705                 | 231,616                 |
| less Accumulated Depreciation                  | <u>(156,132)</u>        | <u>(129,172)</u>        |
|  | <u>103,573</u>          | <u>102,444</u>          |
| Motor Vehicles - at Cost                       | 61,003                  | 61,006                  |
| less Accumulated Depreciation                  | <u>(27,607)</u>         | <u>(18,415)</u>         |
|  | <u>33,396</u>           | <u>42,591</u>           |
| Furniture & Fittings - at Cost                 | 48,689                  | 48,689                  |
| less Accumulated Depreciation                  | <u>(31,733)</u>         | <u>(28,054)</u>         |
|  | <u>16,956</u>           | <u>20,635</u>           |
| <b>Total Property, Plant &amp; Equipment</b>   | <b><u>1,336,647</u></b> | <b><u>1,313,596</u></b> |

**CANN VALLEY BUSH NURSING CENTRE INC.**  
**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 7: PROPERTY, PLANT & EQUIPMENT (CONTD)**

(b) Reconciliation of carrying amount for the current and previous year.

| 2014                 | Note | Land at   |          | Bldgs at |          | Works In |       | Plant &        |         | Furniture & |           | TOTAL |
|----------------------|------|-----------|----------|----------|----------|----------|-------|----------------|---------|-------------|-----------|-------|
|                      |      | Valuation | Val'n    | Cost     | Progress | Equip    | Equip | Motor Vehicles |         |             |           |       |
|                      |      | \$        | \$       | \$       | \$       | \$       | \$    | \$             | \$      | \$          | \$        | \$    |
| Balance 1 July 2013  |      | 35,000    | 445,695  | 667,231  | -        | 102,444  | -     | 20,635         | 42,592  | -           | 1,313,597 |       |
| Additions            |      | -         | -        | 68,843   | -        | 28,750   | -     | -              | -       | -           | 97,593    |       |
| Depreciation         |      | -         | (17,100) | (17,607) | -        | (26,961) | -     | (3,679)        | (9,195) | -           | (74,542)  |       |
| Balance 30 June 2014 |      | 35,000    | 428,595  | 718,467  | -        | 104,233  | -     | 16,956         | 33,397  | -           | 1,336,647 |       |

| 2013                 | Land   | Bldgs at  |         | Works In  |          | Plant & |                | Furniture & |           | TOTAL |
|----------------------|--------|-----------|---------|-----------|----------|---------|----------------|-------------|-----------|-------|
|                      |        | Val'n     | Cost    | Progress  | Equip    | Equip   | Motor Vehicles |             |           |       |
|                      | \$     | \$        | \$      | \$        | \$       | \$      | \$             | \$          | \$        | \$    |
| Balance 1 July 2012  | 35,000 | 632,700   | 24,084  | 34,182    | 114,452  | -       | 21,434         | 42,041      | 903,893   |       |
| Additions            | -      | -         | 8,920   | 602,022   | 10,714   | -       | 2,636          | 28,315      | 652,607   |       |
| Transfers            | -      | -         | 636,204 | (636,204) | -        | -       | -              | -           | -         |       |
| Disposals            | -      | -         | -       | -         | -        | -       | -              | (16,381)    | (16,381)  |       |
| Depreciation         | -      | (14,347)  | (1,977) | -         | (22,722) | -       | (3,435)        | (11,383)    | (53,864)  |       |
| Impairment Loss      | 8      | (172,658) | -       | -         | -        | -       | -              | -           | (172,658) |       |
| Balance 30 June 2013 | 35,000 | 445,695   | 667,231 | -         | 102,444  | -       | 20,635         | 42,592      | 1,313,596 |       |

**Land and Buildings carried at Valuation**  
Land and buildings were revalued at 1 July 2009 based upon East Gippsland Shire Council's valuation.

|   | 2014        | 2013        |
|---|-------------|-------------|
| (c) Net Gain on Disposal of Non-Current Assets                  | \$          | \$          |
| Proceeds from Disposal of Property, Plant & Equipment           | -           | 16,364      |
| Less Written Down Value of Property, Plant & Equipment Disposed | -           | (16,381)    |
| <b>Net Loss on Disposal of Property, Plant &amp; Equipment</b>  | <b>(17)</b> | <b>(17)</b> |

**CANN VALLEY BUSH NURSING CENTRE INC.**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014**

|  | 2014<br>\$     | 2013<br>\$     |
|--|----------------|----------------|
| <b>NOTE 8 - PROPERTY REVALUATION SURPLUS</b> |                |                |
| Opening Balance                              | 103,492        | 276,150        |
| Impairment Losses                            |                |                |
| - Buildings*                                 | -              | (172,658)      |
| Closing Balance                              | <u>103,492</u> | <u>103,492</u> |
| Represented by:                              |                |                |
| - Land                                       | 13,442         | 13,442         |
| - Buildings                                  | <u>90,050</u>  | <u>90,050</u>  |
|  | <u>103,492</u> | <u>103,492</u> |

\* As a result of the major building renovation that took place during the prior year, approximately 60% of the renovated portion of the Centre's internal structures were required to be demolished. A calculation based on this figure has been used to arrive at the impairment loss.

**NOTE 9: EVENTS OCCURRING AFTER REPORTING PERIOD**

The Committee of Management is unaware of any subsequent events requiring disclosure.  
(2013: Nil)

**NOTE 10: CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

|                        |          |          |
|------------------------|----------|----------|
| Contingent Assets      | <u>-</u> | <u>-</u> |
| Contingent Liabilities | <u>-</u> | <u>-</u> |

**NOTE 11: RELATED PARTY DISCLOSURES**

Committee members Judy Howell and Adrian Nation provided services to the Centre on normal terms and conditions. These individuals resigned from the committee during the year.



# Statement by Members

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## CANN VALLEY BUSH NURSING CENTRE INC.

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### STATEMENT BY MEMBERS OF THE COMMITTEE OF MANAGEMENT

The Committee of Management has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee of Management the financial report:

1. Presents a true and fair view of the financial position of Cann Valley Bush nursing Centre inc. as at 30 June 2014, its performance and cash flows for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Cann Valley Bush Nursing Centre 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 Committee and is signed for and on behalf of the Committee of Management by:

  
President.....

  
Treasurer.....

Dated this 7 day of Aug 2014

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CANN VALLEY BUSH NURSING CENTRE INC.

We have audited the accompanying financial report, being a special purpose financial report, of Cann Valley Bush Nursing Centre Inc. which comprises the statement of financial position as at 30 June 2014, statement of comprehensive income, statement of changes in equity statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

### COMMITTEE'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Victoria) and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the 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

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Reform Act 2012 (Victoria). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any other purpose other than that for which it was prepared.

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

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#### INDEPENDENCE

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

#### AUDIT OPINION


In our opinion, the financial report of Cann Valley Bush Nursing Centre Inc. presents a true and fair view of the Association's financial position as at 30 June 2014 and of its performance and cash flows for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

#### BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committees' financial reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)*. As a result, the financial report may not be suitable for another purpose.

Crowe Horwath Vic

**CROWE HORWATH VIC**



**GORDON ROBERTSON**

**PARTNER**

Date: 13th August 2014

Place: Sale