2020–2021 Annual Report

The District Nurses

SINCE 1896

Contents

Acknowledgement of Country

The District Nurses pay respect to the traditional and original owners of this land the muwinina people, we pay respect to those that have passed before us and to acknowledge today's Tasmanian Aboriginal people who are the custodians of this land.

Chair Report

Our 2021 Annual Report highlights the key achievements of The District Nurses and the significant positive impact our nursing and care services have made to the lives of over 1700 Tasmanians.

COVID-19 once again shaped the environment for aged care providers making 2021 another eventful year for TDN. During this period, marked by uncertainty, we have continued to adapt and develop our services keeping our consumers needs and expectations at the heart of what we do.

We have remained focused on our COVID-19 readiness, refining and improving our response plans and ensuring we stay connected with our consumers and their families. We are very pleased to report that our whole staff is fully vaccinated against COVID-19. We thank every staff member who has made this commitment to the ongoing health and wellbeing of our consumers and each other.

Our vision is for Tasmanians to live their best life in the community, and this year we have continued the in-depth strategic development of our operations. This is shaped by our commitment to consumers at the centre, continual quality improvement and operational efficiency. Amongst our achievements in 2021, we are pleased announce the second update to our Clinical Governance Framework that ensures consumer experience, wellbeing and safety is at the forefront of our governance, management and services. We have progressed a major overhaul of our systems and invested in our Launceston business strategy as the basis for further growth across the state. We have strengthened our wellness approach and grown our Short-Term Restorative Care offering. One of our most difficult decisions in 2021 has been to withdraw from our Department of Veterans Affairs services after 22 years. The Board would particularly like to acknowledge and thank the DVA Program Leader, the nursing and CSW staff for their commitment to our DVA consumers, their carers and families and our partners to ensure a smooth transition and continuity of care. As we reach this half-way point in our Strategic Plan, the Board has commenced our strategic mid-term review and we expect this positive direction to continue as we invest further in the best solutions and internal systems to enable staff to deliver consumer-centred nursing and care.

While this year we again report a negative result, we have achieved a major turnaround on the previous year. This is a great achievement, and we thank all staff for their ongoing efforts to review, reflect and improve how we work. We are confident that we have come a long way in building an accessible, sustainable and thriving organisation.

The changes continued for us as we farewelled our CEO Sally Faulkner, to a well-earned retirement. Sally brought a fresh approach to The District Nurses and during her two years with us she led the organisation through accreditation, a comprehensive internal review, and then led us through the greatest public health crisis of our time, the COVID-19 pandemic. My sincere thanks to Sally for her immense contribution to The District Nurses and for guiding the staff through this extraordinary time. There have been further changes in the executive team at TDN and the new team bring a great depth of knowledge and experience in nursing, quality and in-home care. We have welcomed Paul Byrne as Interim CEO and the Board thanks Paul for his calm and intelligent leadership at this time.

We would like to thank each of our Board members for their commitment and leadership throughout 2021. This year we are sorry to farewell a number of Board members: Jacky Purves, Jo Jones, Tom Lewis and Miriam Coleman. In assessing their personal and professional commitments, both Jacky and Tom realised they must focus on other responsibilities. Jo Jones is retiring both from the Board and a long career in nursing, teaching and consulting in the nursing, community health and aged care sectors. We wish her very well for her well-earned retirement.

Chair Report Cont

We thank these Board members for their leadership and experience brought to The District Nurses during their tenure. We would like to particularly thank and acknowledge Miriam Coleman for her positive contribution to The District Nurses over so many years. In accordance with the Constitution, Miriam has reached the end of her term at the AGM on 24 November 2021. Miriam has been a member of the Finance, Audit & Risk Board subcommittee throughout her time, and chaired the committee in 2020. We know that her financial knowledge and commitment to TDN will be missed.

Lastly, we would like to thank and acknowledge each and every one of our staff, whose commitment to our consumers and to each other, and their ongoing effort during the changes and uncertainties of 2021 are highly valued. Your commitment is vital to enabling our consumers to live at home on their own terms. With this in mind, and with the ongoing positive feedback from our consumers, we are confident that The District Nurses will continue to go from strength to strength.

It has been an honour and privilege to serve our consumers and staff as Board Chair this year, and as I step down from the role at the 2021 AGM, I will continue my service to The District Nurses as a continuing Board member.

Maree-Elizabeth Fudge

Maree Fudge
Chair

Paul Byrne
CEO

Consumer Advisory Group Chair Report

The Consumer Advisory Group has once again provided invaluable insights, to the Executive of TDN, on the impacts of decisions made by the organization on those we care for.

The Consumer Advisory Group supports TDN in its aim of providing the best possible care and services to our consumers, allowing them to remain living in their homes safely and comfortably.

The Group reviews the communication between the organization and its consumers and carers to ensure it is understandable and in an appropriate style to provide the best quality information available. This has been particularly important during the COVID19 pandemic and I thank them for their contribution.

A particularly valuable context was provided by the group on the potential impact of the new badged cars to alert people to the fact that a vulnerable consumer may be living on their own. This has prompted the organization to, where practical, upon request, provide a vehicle that has less obvious branding. This is an example of an unintended consequence of decisions made by the organization that was evident to the consumer and carer, but not, at first blush, to the Executive.

This year the Group has helped suggest information sessions that would be valuable to all consumers and carers and, as a result TDN had an extremely instructive and well attended information session from the Guardianship and Administration Board of Tasmania. The Executive will continue to seek advice from the Group as to the content of further information sessions to be provided.

The Group has also commenced a review of its Terms of Reference to ensure that it allows the widest possible discussion of areas of service provision that impact on consumers and carers. At the same time the Group is looking at succession planning for future members and how we best involve the most diverse group of consumers and carers in the decision making of TDN.

During this difficult year the Consumer Advisory Group have continued to improve and refine the decisions made by the Board that impact our consumers and I am extremely appreciative of their efforts. I would like to thank them for giving up their time to help the organization respond sensitively to the needs of our clients and assist TDN to provide improved services and targeted communication.

Debra Burgess
Chair
Consumer Advisory Group

Board

Maree Fudge
Chair

Debra Burgess
Deputy Chair

Gayle Johnson (Resigned 25th November 2020)
Former Chair

David Knowles (Resigned 25th November 2020)
Board Member

Jacqueline Purves
Board Member

Jo-Ann Jones
Board Member, Chair Clinical Governance

Mary Anne Ryan
Board Member

Miriam Coleman
Board Member

Tom Lewis
Board Member, Chair Audit & Risk

Hobart District Nursing Service Inc.

Financial Report

For the Year Ended 30 June 2021

Financial Report

The financial report covers Hobart District Nursing Services Inc. as an individual entity. We are a not-for-profit Association, incorporated and domiciled in Tasmania, with operational bases in both Hobart and Launceston.

As a state-wide service our principal activities during the financial year were the provision of the following services:

- In-home and centred based nursing
- Community support services
- Care Coordination and Case Management for over 1500 consumers and
- End of life care

Operating Result:

Net Deficit: $258,022
(2020: $1,372,070)

Net Assets:

$5,466,367

(2020: $5,724,389)

Equity:

$5,466,367

(2020: $5,724,389)

Hobart District Nursing Service Inc.

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For the Year Ended 30 June 2021

Hobart District Nursing Service Inc.

Operating Report

30 June 2021

The Board submit the financial report of the Association for the financial year ended 30 June 2021.

1. General information

Board members

The names of the Board members throughout the year and at the date of this report are:

Maree Fudge	Chair
David Knowles	(Resigned 25th November 2020)
Debra Burgess	
Gayle Johnson	(Resigned 25th November 2020)
Jacqueline Purves	(Appointed 25th November 2020)
Jo-Ann Jones	(Appointed 25th November 2020)
Mary Anne Ryan	(Appointed 25th November 2020)
Miriam Coleman	
Tom Lewis	

Principal activities

The principal activities of the Association during the financial year were the provision of in-home and centre based nursing, allied health, and community support services.

Significant changes

No significant change in the nature of these activities occurred during the year.

2. Operating results and review of operations for the year

Operating result

The net deficit from operations of the Association for the financial year amounted to $258,022 (2020: $1,372,070).

Signed in accordance with a resolution of the Members of the Board:

Chair: .... Board Member: ....

Dated this 3rd day of November 2021.

Hobart District Nursing Service Inc.

Board Declaration – per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

The Board declare that in the Board's opinion:

(a) there are reasonable grounds to believe that the Hobart District Nursing Service Inc is able to pay all of its debts, as and when they become due and payable; and

(b) the financial statements and notes satisfy the requirements of *the Australian Charities and Not-for-profits Commission Act 2012 (Cth).*

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Signed in accordance with a resolution of the Board:

Chair ....Marie-Elizabeth Fyfe............

Board member............D Burgess............

Dated this ......3rd...... day of ......November...... 2021.

Hobart District Nursing Service Inc.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 $	2020 $
Fees		7,261,053	1,536,819
Grants		6,178,468	8,808,773
Interest		22,384	73,116
Other income		486,321	653,974
Employee benefits expense		(10,081,392)	(9,211,235)
Depreciation and amortisation expense	2	(340,788)	(322,947)
Communication and information technology		(245,083)	(229,672)
Medical services supplies and equipment		(1,462,266)	(736,967)
Travel and motor vehicle fleet		(132,504)	(136,486)
Other expenses	2	(1,934,971)	(1,799,102)
Finance costs	2	(9,244)	(8,343)
Net surplus/(deficit) from operations		(258,022)	(1,372,070)
Other comprehensive income			
Revaluation of land and building		-	2,357,692
Total comprehensive income for the year		(258,022)	985,622

Hobart District Nursing Service Inc.

Statement of Financial Position

As At 30 June 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	6,134,923	5,844,284
Trade and other receivables	4	145,594	127,198
Other assets	5	367,592	382,365
TOTAL CURRENT ASSETS		6,648,109	6,353,847
NON-CURRENT ASSETS			
Property, plant and equipment	6	3,562,057	3,713,756
Intangible assets	7	109,029	125,995
Right of use assets	8	489,076	167,075
TOTAL NON-CURRENT ASSETS		4,160,162	4,006,826
TOTAL ASSETS		10,808,271	10,360,673
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	500,508	489,473
Lease liability	10	174,551	4,378
Employee benefits	11	1,274,195	1,092,181
Unexpended grant funds		2,930,148	2,773,146
TOTAL CURRENT LIABILITIES		4,879,402	4,359,178
NON-CURRENT LIABILITIES			
Lease liability	10	142,087	164,547
Employee benefits	11	320,415	112,559
TOTAL NON-CURRENT LIABILITIES		462,502	277,106
TOTAL LIABILITIES		5,341,904	4,636,284
NET ASSETS		5,466,367	5,724,389
EQUITY			
Accumulated surpluses		3,108,675	3,334,066
Asset revaluation reserve		2,357,692	2,357,692
Reserves		-	32,631
TOTAL EQUITY		5,466,367	5,724,389

Hobart District Nursing Service Inc.

Statement of Changes in Equity

For the Year Ended 30 June 2021

2021	Accumulated Surpluses $	Asset Revaluation Reserve $	Reserves $	Total $
Balance at 1 July 2020	3,334,066	2,357,692	32,631	5,724,389
Net surplus/(deficit) for the year	(258,022)	-	-	(258,022)
Transfer to/(from) reserve	32,631	-	(32,631)	-
Balance at 30 June 2021	3,108,675	2,357,692	-	5,466,367

2020	Accumulated Surpluses $	Asset Revaluation Reserve $	Reserves $	Total $
Balance at 1 July 2019	4,706,136	-	32,631	4,738,767
Net surplus/(deficit) for the year	(1,372,070)	-	-	(1,372,070)
Transfer to/(from) reserve	-	2,357,692	-	2,357,692
Balance at 30 June 2020	3,334,066	2,357,692	32,631	5,724,389

Hobart District Nursing Service Inc.

Statement of Cash Flows

For the Year Ended 30 June 2021

	Note	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and funding providers		14,179,926	13,273,865
Payments to suppliers and employees		(13,584,533)	(13,173,523)
Interest received		22,384	73,116
Net cash provided by (used in) operating activities	13	617,777	173,458
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		19,273	39,654
Purchase of property, plant and equipment		(34,454)	(125,720)
Net cash provided by (used in) investing activities		(15,181)	(86,066)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liability		(311,957)	(134,138)
Net cash provided by (used in) financing activities		(311,957)	(134,138)
Net increase (decrease) in cash and cash equivalents held		290,639	(46,746)
Cash and cash equivalents at beginning of year		5,844,284	5,891,030
Cash and cash equivalents at end of financial year	3	6,134,923	5,844,284

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers Hobart District Nursing Service Inc. as an individual entity. Hobart District Nursing Service Inc. is a not-for-profit Association, incorporated and domiciled in Australia.

The functional and presentation currency of Hobart District Nursing Service Inc. is Australian dollars.

1 Summary of significant accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and interpretations issued by the Australian Accounting Standards Board (AASB). The Association is a not for profit entity for financial reporting purposes under Australian Accounting Standards. The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected fixed assets, financial assets and financial liabilities. The amounts presented within the financial statements have been rounded to the nearest dollar.

(a). Comparative amounts

Comparatives are consistent with prior years, unless otherwise stated.

(b). Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c). Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows in the Statement of Cash Flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d). Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, at call deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the Statement of Cash Flows and are presented within current liabilities on the Statement of Financial Position.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(e). Property, plant and equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are shown at independent valuation undertaken in April 2020 as valued by Saunders & Pitt. In the current environment with the uncertainty around the impact COVID-19 is having on the valuations, interest rates, travel restrictions and other factors surrounding property, valuations of property may change significantly and unexpectedly over a relatively short period of time. Given this uncertainty noted, in determining property values, the valuer has taken into account only factors and conditions that were present at the date of valuation and not factors that have occurred since that date.

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

Plant and equipment are measured using the cost model.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight line or diminishing value basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Fixed asset class	Depreciation rate
Buildings	2.5%-10%
Plant and equipment	20%-25%
Furniture, fixtures and fittings	10%-33.3%
Motor vehicles	12.5%-20%
Computer equipment	20%-33.3%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(f). Intangible assets

Patents and trademarks

Nursing Service Rights are recorded at cost. The Nursing Service Rights have a finite life and are carried at cost less any accumulated amortisation and impairment losses. The rights are amortised over their useful life of 10 years.

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation

Amortisation is based on the cost of an asset less its residual value.

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(g). Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is any evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(h). Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(h). Financial instruments

Financial assets

Financial assets through other comprehensive income

There are no financial assets classified as fair value through other comprehensive income.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade and other receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(h). Financial instruments

Financial assets

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flow are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade and other payables and lease liabilities.

(i). Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in the statement of comprehensive income.

Contributions made by the Association to an employee superannuation fund are charged as expenses when incurred.

(j). Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(k). Leases

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- Lease payments under extension options if lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(l). Critical accounting estimates and judgments

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

Key Judgements Employee Benefits

For the purpose of the measurement, the Association expects that most employees will take their annual leave entitlements within a 12-month period in which they are earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Key Estimates Impairment of receivables

The Board assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of intangible assets are reassessed incorporating various key assumptions and impairment recognised, if any.

Key judgement revenue recognition

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving review of the grant documents and consideration of the terms and conditions. Grants received by the Association have been accounted for under AASB 15 and/or AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

Key judgement fair value property

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 principal market; or in the absence of a principal market, in the most advantageous market.

In the current environment with the uncertainty around the impact COVID 19 is having on the valuations, interest rates, travel restrictions and other factors surrounding property, valuations of property may change significantly and unexpectedly over a relatively short period of time. Given this uncertainty noted, in determining the property values, the valuer has taken into account only factors and conditions that were present at the date of valuation and not factors that have occurred since this date. The estimates and judgements are based on the best available information at the time of preparing the valuers report, however, as additional information is known then the actual result may differ from the estimates.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(m). Revenue and other income

Operating Grants/Subsidies - Under AASB 1058

Assets arising from grants in the scope of AASB 1058 (i.e. agreements that are not enforceable or do not have sufficiently specific performance obligations) are recognised at their fair value when the asset is received. These assets are generally cash, but may be property which has been donated or sold to the Association significantly below its fair value.

The Association then considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised, then income is recognised for any difference between the recorded asset and liability.

Fees - Under AASB15

Where service fee arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied.

Interest revenue

Interest is recognised using the effective interest method.

(n). Economic dependence

Hobart District Nursing Service Inc. is dependent on both State and Commonwealth Government departments for the majority of its revenue used to operate the business. At the date of this report the Board has no reason to believe the State and Commonwealth Government departments will not continue to support Hobart District Nursing Service Inc.

(o). Adoption of new and revised accounting standards

There are no standards that are not yet effective and would be expected to have a material impact on the entity in the current or future upcoming periods.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Result for the year

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance costs line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	2021	2020
	$	$
Finance cost:		
- Interest expense - leased asset	9,244	8,343
Total finance cost	9,244	8,343

The result for the year includes the following specific expenses:

	2021	2020
Other expenses:		
- Accounting and audit	21,915	26,752
- Advertising	97,074	72,552
- Bad debt	8,463	-
- Brokerage	745,953	496,904
- Consumables	45,844	55,340
- Cleaning	49,160	43,979
- Consulting and professional fees	306,295	138,904
- Insurance	74,991	55,632
- Equipment < $500	3,941	5,965
- Other operating expenses	70,292	286,786
- Printing and postage	82,161	122,336
- Rent and rates	324,558	309,041
- Repairs and maintenance	51,546	49,282
- Subscriptions	52,778	48,573
- Selling expenses	-	87,056
Total other expenses	1,934,971	1,799,102
Depreciation and amortisation:		
- Depreciation of property, plant and equipment	323,822	297,537
- Amortisation	16,966	25,410
Total depreciation and amortisation	340,788	322,947

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

	2021	2020
	$	$

3 Cash and cash equivalents

	2021 $	2020 $
Cash on hand	600	1,056
Cash at bank	941,644	675,184
Cash investment	5,192,679	5,168,044
	6,134,923	5,844,284

Reconciliation of cash

Cash and Cash equivalents reported in the Statement of Cash Flows are reconciled to the equivalent items in the Statement of Financial Position as follows:

	2021 $	2020 $
Cash and cash equivalents	6,134,923	5,844,284
	6,134,923	5,844,284

4 Trade and other receivables

	2021 $	2020 $
CURRENT		
Trade receivables	124,662	113,360
GST receivable	20,932	13,838
	145,594	127,198

5 Other assets

	2021 $	2020 $
CURRENT		
Prepayments	171,830	181,120
Accrued income	195,762	201,245
	367,592	382,365

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

6 Property, plant and equipment

	2021 $	2020 $
LAND AND BUILDINGS		
Land		
At independent valuation (2020)	968,400	968,400
Total land	968,400	968,400
Buildings		
At independent valuation (2020)	2,648,542	2,648,542
Accumulated depreciation	(260,457)	(182,343)
Total buildings	2,388,085	2,466,199
Total land and buildings	3,356,485	3,434,599
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	470,553	469,645
Accumulated depreciation	(464,974)	(455,986)
Total plant and equipment	5,579	13,659
Furniture, fixtures and fittings		
At cost	143,881	143,881
Accumulated depreciation	(127,697)	(123,992)
Total furniture, fixtures and fittings	16,184	19,889
Motor vehicles		
At cost	388,714	432,495
Accumulated depreciation	(264,671)	(231,963)
Total motor vehicles	124,043	200,532
Computer equipment		
At cost	279,694	246,602
Accumulated depreciation	(219,928)	(201,525)
Total computer equipment	59,766	45,077
Total Plant and Equipment	205,572	279,157
Total property, plant and equipment	3,562,057	3,713,756

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

6 Property, plant and equipment

Movements in carrying amounts of property, plant and equipment

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

	Land	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Equipment	Total
	$	$	$	$	$	$	$
Year ended 30 June 2021							
Balance at the beginning of the year	968,400	2,466,199	13,659	19,889	200,532	45,077	3,713,756
Additions	-	-	1,362	-	-	33,092	34,454
Disposals - written down value	-	-	-	-	-	-	-
Depreciation expense	-	(78,114)	(9,442)	(3,705)	(76,489)	(18,403)	(186,153)
Balance at the end of the year	968,400	2,388,085	5,579	16,184	124,043	59,766	3,562,057
Year ended 30 June 2020							
Balance at the beginning of the year	235,000	863,029	56,778	23,986	197,932	21,735	1,398,460
Additions	-	-	-	-	80,560	38,594	119,154
Revaluation	733,400	1,624,292	-	-	-	-	2,357,692
Depreciation expense	-	(21,122)	(43,119)	(4,097)	(77,960)	(15,252)	(161,550)
Balance at the end of the year	968,400	2,466,199	13,659	19,889	200,532	45,077	3,713,756

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

	2021 $	2020 $
7 Intangible assets		
Computer software		
At cost	411,468	411,468
Accumulated amortisation and impairment	(302,439)	(285,473)
Net carrying value	109,029	125,995
Nursing service rights		
At cost	138,475	138,475
Accumulated amortisation and impairment	(138,475)	(138,475)
Net carrying value	-	-
Total Intangible assets	109,029	125,995

(a). Reconciliation detailed table

Year ended 30 June 2021		
Balance at the beginning of the year	125,995	144,838
Additions	-	6,567
Amortisation	(16,966)	(25,410)
Closing value at 30 June 2021	109,029	125,995

8 Right of use assets

At cost	605,239	303,062
Accumulated depreciation	(116,163)	(135,987)
Balance at end of year	489,076	167,075

9 Trade and other payables

CURRENT		
Trade payables	298,406	163,982
Accrued employee expenses	61,389	102,312
Sundry payables and accrued expenses	140,713	223,179
	500,508	489,473

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

10 Lease liability

CURRENT		
Lease liability	174,551	4,378
	174,551	4,378
NON-CURRENT		
Lease liability	320,415	164,547
	320,415	164,547

11 Employee benefits

	2021 $	2020 $
CURRENT		
Annual leave	711,959	600,918
Long service leave	562,236	491,263
	1,274,195	1,092,181
NON-CURRENT		
Long service leave	142,087	112,559
	142,087	112,559

12 Capital commitments

There are no capital commitments as at reporting date to be disclosed.

13 Cash flow information

Reconciliation of net surplus/(deficit) to net cash provided by operating activities

	2021 $	2020 $
Net surplus/(deficit) from operations for the year	(258,022)	(1,372,070)
Adjustments:		
- Depreciation and amortisation expenses	340,788	322,947
- net gain on disposal of property, plant and equipment	(19,273)	(39,654)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(18,396)	779
- (increase)/decrease in other assets	14,773	113,779
- increase/(decrease) in trade and other payables	11,035	187,850
- increase/(decrease) in unexpended grant funds	157,002	1,396,716
- increase/(decrease) in employee benefits	389,870	(436,889)
Cashflow from operations	617,777	173,458

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial risk management

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

The totals for each category of financial instruments, measured in accordance with IFRS 9 as detailed in the accounting policies to these financial statements, are as follows:

		2021	2020
		$	$
Financial Assets			
Cash and cash equivalents	3	6,134,923	5,844,284
Trade and other receivables	4	145,594	127,198
Total financial assets		6,280,517	5,971,482
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	9	500,508	489,473
Total financial liabilities		500,508	489,473

15 Key management personnel disclosures

The total remuneration paid to key management personnel of the Association is $ 852,959 (2020: $1,053,775).

16 Contingencies

In the opinion of the Board, the Association did not have any contingencies at 30 June 2021 (30 June 2020: None).

17 Going concern

The financial report has been prepared on the going concern basis, which contemplates the ultimate continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

In determining the appropriateness of the going concern principle the Board has considered the level of cash held by the Association as at the date of this report and is satisfied that the Association has sufficient resources available to meet the forward outgoings for a period of at least twelve months from the date of this report.

18 Related parties

There have been no other related party transactions during the year outside of those disclosed within Note 15.

19 Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Hobart District Nursing Service Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2021

20 Association details

The registered office of the Association is:
Hobart District Nursing Service Inc.
2 Birdwood Avenue
MOONAH TAS 7009

Auditor's Independence Declaration to the Members of Hobart District Nursing Service Inc.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of the auditor independence requirements of the *Corporation Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* or any applicable code of professional conduct in relation to the audit of the abovementioned entity.

JOANNE DOYLE
Partner
WLF Accounting & Advisory

3 November 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Hobart District Nursing Service Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hobart District Nursing Service Inc, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Boards' declaration.

In our opinion the financial report of Hobart District Nursing Service Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Board for the Financial Report

The Board of the registered entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

J Doyle

JOANNE DOYLE
Partner
Wise Lord & Ferguson

Date: 3 November 2021

The District Nurses

For more information on the State wide services provided by The District Nurses contact:

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