



Euroa Health

Annual Report 2017/18

Euroa Health
Granite Hill

CONTENTS

INTRODUCTION 4

ORGANISATIONAL STRUCTURE 5

COMMITTEE STRUCTURE..... 6

EUROA HEALTH MANAGEMENT PERSONNEL..... 7

CREDENTIALLED VISITING MEDICAL PRACTITIONERS 7

EXTERNAL CORPORATE SUPPORT SERVICES 7

EMPLOYEE SERVICE RECOGNITION 2017-2018 FINANCIAL YEAR..... 8

MESSAGE FROM OUR CHAIR..... 9

MESSAGE FROM OUR CEO 10

QUALITY OUTCOMES REPORT 11-12

AGED CARE IN REVIEW 13

COMMUNITY & ALLIED HEALTH SERVICES REPORT – (GILBURN)..... 14

FRIENDS OF EUROA HOSPITAL 14

BOWERBIRD OP SHOP..... 15

WOMEN OF EUROA 15

DONORS TO EUROA HEALTH 2017-2018 FINANCIAL YEAR 16

IMAGES 17-18

AGENDA 19

AGM MINUTES 2017 20-22

FINANCIAL STATEMENTS 23-51

INTRODUCTION

The Board of Directors is committed to a program which involves ongoing improvement of patient/resident/client care via the provision of adequate resources to achieve quality objectives as set out in our statement of purpose.

STATEMENT OF PURPOSE

To provide the local community with a health service committed to excellence in the provision of care, through a wide range of health and aged care services.

VALUES

The corporate values governing Euroa Health’s development will include the following:

- Excellence in high-quality care
- Leadership
- Transparency, accountability and integrity
- Engagement and commitment to clients, their families and staff

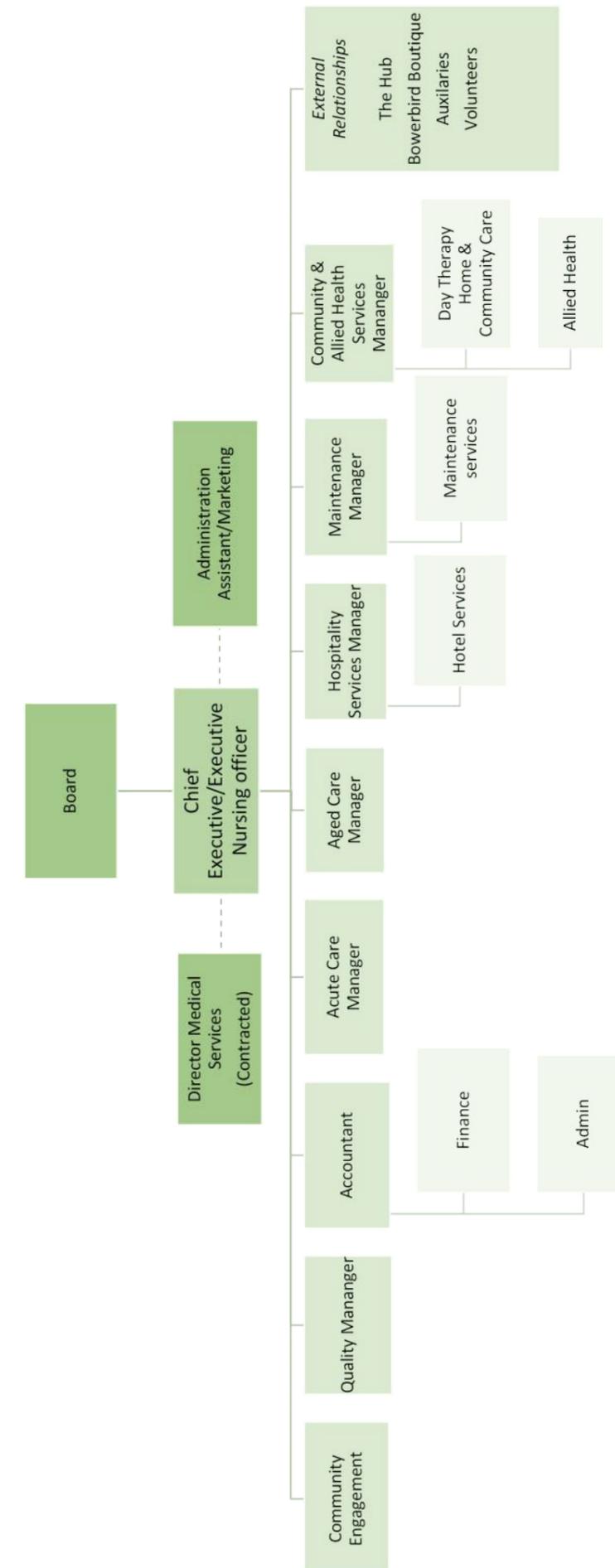
BOARD OF DIRECTORS

	Date Appointed	Term Expiry	Board Meetings	
			A	B
M Bell	2014	2017	8	11
C Brydon	2014	2017	4	4
N Dudley	2015	2018	8	11
C Keenan	2017	2020	9	11
R McGeehan	2015	2018	10	11
K Newnham	2014	2017	3	4
J Perry (Chair)	2015	2018	9	11
D Rutledge	2016	2019	8	11
J Shovelton	2016	2019	11	11
J Simpson	2014	2017	5	9
G Ward	2016	2019	6	11

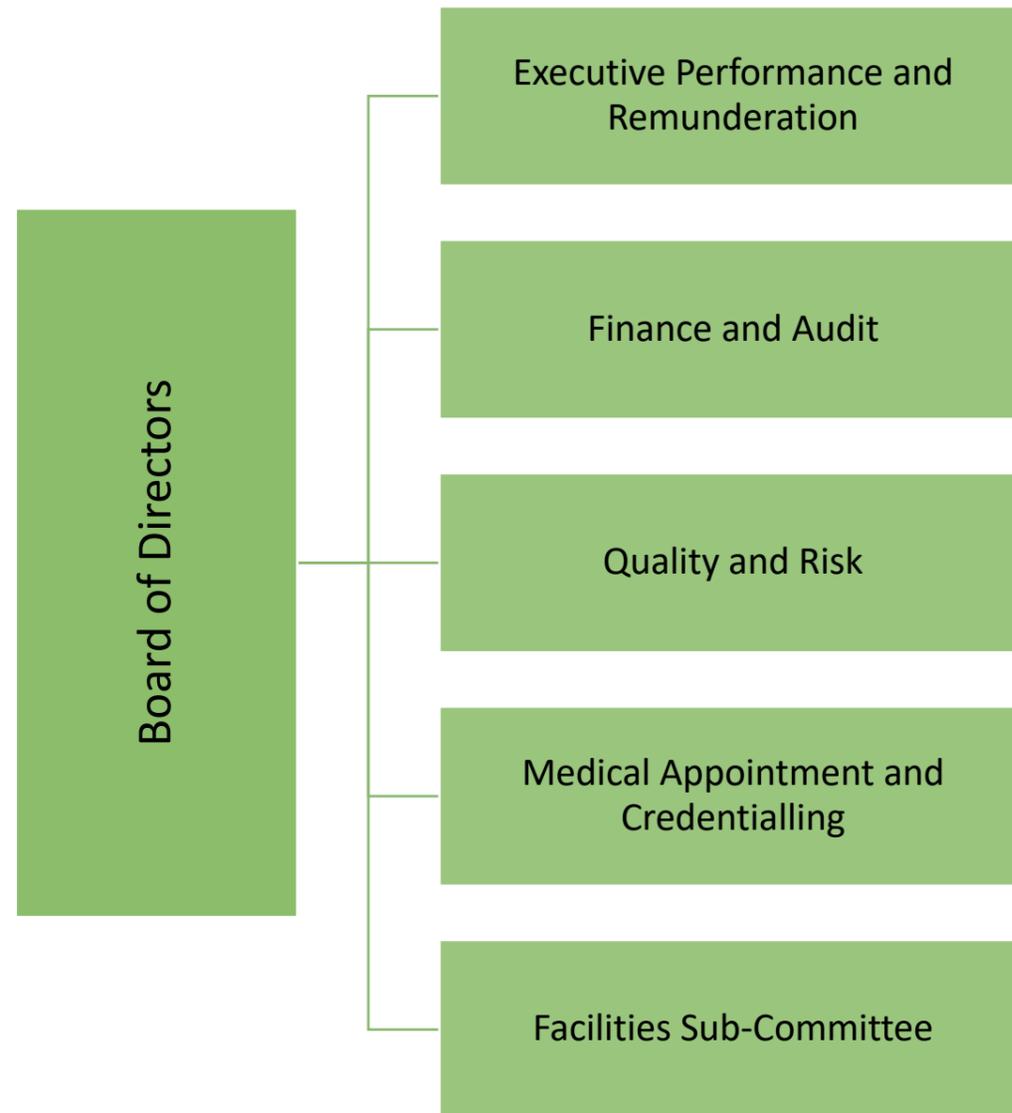
A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

ORGANISATIONAL STRUCTURE



COMMITTEE STRUCTURE



EUROA HEALTH MANAGEMENT PERSONNEL

Chief Executive Officer:	Wayne Sullivan
Director of Clinical Care:	Fiona Mackey/Diane Frankel
Accountant:	Stan Gibney
Aged Care Manager:	Janet Shankland
Gilburn Day Therapy Co-ordinator:	Heather Houston
Hospitality Manager:	Pam O'Connor
Maintenance Manager:	David McKay
Acting Acute Nurse Manager:	Kay Field
Quality Manager:	Hannah Capstick

CREDENTIALLED VISITING MEDICAL PRACTITIONERS

Dr Malcolm Altson
Dr David Kelly
Dr Ching-Chih Jimmy Huang
Dr Zhi Su
Dr Roshini Gannoruwa

EXTERNAL CORPORATE SUPPORT SERVICES

Auditors:	Crowe Horwath
Solicitors:	Tehan George & Co

EMPLOYEE SERVICE RECOGNITION 2017-2018 FINANCIAL YEAR

40 years

Coral Williams

20 years

Elvira Guggemos

Frances Ireland

15 years

Denise Anderson

10 years

Christine Charracher

Margaret Watters

MESSAGE FROM OUR CHAIR

Welcome members, guests and staff to the 2018 Annual General Meeting of Euroa Health Inc.

The last 12 months has been one of consolidation of our new residential building and I am very proud when visiting GraniteHill to see the activity and care happening within this building. Wayne and his staff are to be congratulated on making GraniteHill such a warm and safe place to live.

Old Buildings:

The building previously known as Shovelton has had extensive renovations and is now the comfortable home of Gilburn. Gilburn provides an important community role, offering local residents a friendly venue to come to share each others company and undertake various activities.

During the next 12 months, the board will be working toward developing a master plan for the future of Euroaville, Amaroo and the unused land belonging to the organisation. Euroa Health is having continuing discussions with the Shire of Strathbogie regarding the housing of a Post-Traumatic Stress Wellness Centre for rehabilitating ex-servicemen or those who have served in emergency services.

Public Beds:

This time last year we reported that the Minister for Health had allocated a limited trial allocation of public beds. This first trial period was very successful, from the point of view of Euroa Health. I am pleased to say that at the time of writing this report we have a commitment from the Labour Government that limited funding will be made available on an ongoing basis. This funding will come to us through our arrangement with Goulburn Valley Health.

Behind the scenes:

You would be aware that Euroa Health maintains a Strategic Plan. This has been revised during the year, along with EHI governance policies and the standing committees' terms of reference.

The organisation has held a workshop to address Euroa Health Inc.'s mission, its values and to address what is acceptable behaviour within and across the organisation. This workshop was attended by board members, staff and community members. After further input from senior staff, the results developed from this workshop have been completed and ratified by the board.

Volunteers:

On behalf of the board, I would like to express our deep gratitude to our many, many volunteers who work in so many areas of the organisation. Activities range from assisting with care and activities in GraniteHill and Gilburn to assisting with garden maintenance (Euroa Garden Club), fundraising committees (for the organisation in general and "Friends of the Hospital" for Acute), members of the board and those that assist on board committees, working at the Bower Bird, and manning the information centre at the Hub. Without all of your generous support, the organisation could not exist.

Board of Management:

This year there was a few changes to Euroa Health's Board of Management. We were sorry to see the departure of John Simpson who resigned from his position in June after four years of service. John's resignation was prompted by an increasing workload as President of Blind Citizens of Australia. Thanks John for your contribution.

At this meeting, we have two members who retire under the rules of the association introduced at the last AGM permitting no more than 3 consecutive terms on the board. We say farewell to Nola Dudley and Richard McGeehan. Nola first joined the board in 1988 and has now served thirty years of voluntary service to the organisation, an enormous achievement. Richard joined the board in 2009 for a total of nine years of service. On behalf of the board, I thank both of these members for volunteering enormous amounts of time in contributing to the well being of Euroa Health Inc. Board members retiring under this rule are eligible to seek re-election after twelve months absence from the board.

I would like to introduce to you a new board member who has filled a vacant position; Sarah Treloar. Sarah holds a Batchelor of Business Accounting and Batchelor of Business Management, and in her studies majored in Accounting, Management and Business Law. Sarah also comes with experience as a board member. The board of management and the organisation looks forward to a warm and fruitful relationship with Sarah.

Staff:

Finally, I would like to express the board's appreciation to the team of staff that toil so hard to provide a caring, safe and a happy environment for all our patients and residents. These ladies and men under the excellent leadership of Wayne and his managers are wonderful ambassadors for Euroa Health Inc.

Many thanks to Wayne and all the members of the board for your support and hard work throughout the year.



Jim Perry
Board Chair

MESSAGE FROM OUR CEO

This report should be read in conjunction with the Board Chair's report and for succinctness, I will not be over-viewing the events and performances raised within his report. I would, however, like to reiterate our ongoing thanks to our Staff, Volunteers and Board Members whose commitment and expertise underpins our work.

Within the body of this report, you will find a Quality Outcomes report as prepared by our Quality Manager, Hannah Capstick. Of note within the report is that GraniteHill successfully undertook their Aged Care Accreditation survey in April 2018 and was assessed as successfully meeting all 44 of the required outcomes.

As part of our Quality program, we also had an external consultant undertake resident and staff surveys in 2017-2018. The resident survey was undertaken by Press Ganey, an international research company who specialize in resident and staff surveys. GraniteHill's patient satisfaction survey results were benchmarked against some 338 aged care families throughout Australia and was found to be in the top 25%. This is a great outcome which reflects the satisfaction in the main of our residents with the care provided and the high level of care delivered by our staff. It does not mean that Euroa Health and GraniteHill are satisfied with the outcome and we have already initiated improvement plans for further improvement.

In regards to the staff survey, a number of areas have been identified where we can improve our staff's experience and we are working with Press Ganey to develop a plan in regards to the same. This will evolve in the early part of 2018.

Through a grant received from the Department of Health and Human Services, we have been able to install a new nurse call system in the hospital, which replaces a system which was coming to the end of its commercial life. In addition to the funds for the nurse call system, we also received funds for the installation of solar panels which will enhance our current ability to produce electricity and decrease our carbon footprint and recurrent electricity costs.

The Bowerbird Auxiliary has once again made a significant contribution to the organization by way of financing the walkway which connects the reception of GraniteHill to the hospital. It is expected in the first half of 2018/19 that the link way will become fully functioning, following remedial works in the hospital.

Over the last 12 months we have been actively developing relationships so that we can expand in the community services area. It is the intent of Euroa Health to become a deliverer of community services to those in receipt of Aged Care Packages, packages under the National Disability Insurance Scheme and anyone within our community that requires community services on a fee for service basis. We believe this will further add to the integration of Euroa Health as an integrated service provider.

Euroa Health is also trying to extend its connection with the community at large and to this end, we welcome the University of the Third Age (U3A) who have decided to establish their base at our Kennedy Street campus. We have also made applications to the Department of Health and Human Services for Community House funding and are optimistic about receiving the same. We believe that this will further strengthen our relationship with the community and provide a much-needed service.

Wayne Sullivan
Chief Executive Officer

QUALITY OUTCOMES REPORT

Euroa Health's mission is to achieve excellence in the provision of health services to the community within the Shire of Strathbogie and its surrounds.

A lot of work has gone into strengthening the organisation's governance reporting framework. This includes a monthly Accountability Framework Scorecard covering; Efficiency & Productivity, Access & Equity and Quality Outcomes. The scorecard report is benchmarked against the best available industry benchmark indicators and offers a transparent reflection of the health services operations and outcomes for patients and residents.

The accountability report also provides evidence for staff and quality driven initiatives aimed at improving outcomes for residents and patients. This is all part of how Euroa Health supports ongoing quality improvement.

HOSPITAL

Advanced Care Planning

In conjunction with Euroa Medical Clinic, we explored the systems and processes to recognise and support the person-centred end of life care. Including a completed Advance Care Directive for all patients at Euroa Health. We looked at how we could work with patients and the community to best achieve this result and implemented a universal document that will be used by both the Nursing staff and Doctors.

Bedside Handover

Euroa Hospital has begun completing patient handover at the bedside as part of the National Safety and Quality Health Service's (NSQHS) Standard 6 – Clinical Handover. We have had very positive feedback from patients/ families and staff. We are continuing to look at ways to improve our communication with our consumers.

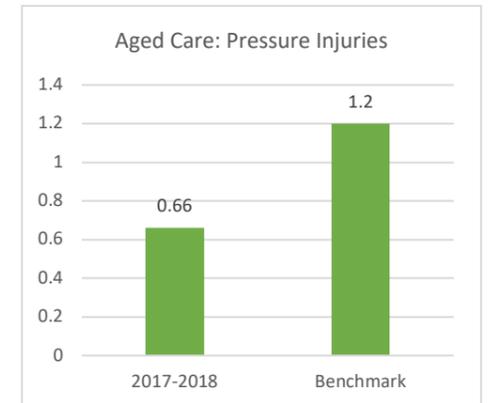
Patient Satisfaction Survey

Very positive feedback was received from patients about the care and services provided. It was noted that staff were great at communicating and the facilities were clean and tidy. 93% of patients surveyed said they would be extremely likely to choose Euroa Health for their care again in the future. Some awesome recognition for staff!

AGED CARE

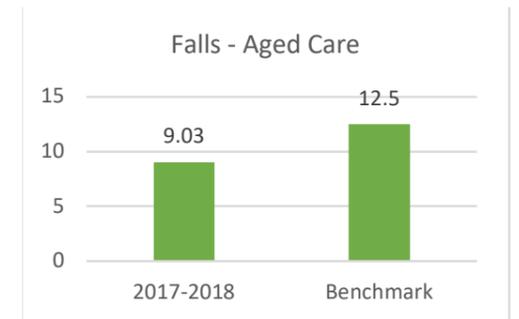
Pressure Injury

Immobility, such as extended bed rest in hospital or residents who are unable to move freely, can cause pressure injuries. Euroa Health's residents experience very low numbers of pressure injuries. This has been achieved through high standards of care and the implementation of evidence-based strategies. Results from regular audits of Pressure Injury Prevention Strategies are reported to the Quality and Risk Committee with resulting initiatives such as purchasing new equipment and engagement with patients, residents and families to develop individualised strategies to reduce risks.



Falls Monitoring

Falls related injury is one of the leading causes of morbidity and mortality in older Australians. Falls Risk assessment tools and falls minimisation plans are developed with the help of the patient/resident and family to minimise falls or harm from falls.



Medication Management

Delivering medication safely depends on providing the right medication to the right patient in the right dose at the right time. Euroa Health has an active approach to monitoring incidents in relation to drug administration and recognises contributing factors for errors that have occurred. Whilst there have been no identified adverse outcomes for residents or patients in relation to medication errors the potential risk of harm is still a focus.

Unplanned Weight Loss

When people become inactive as they age, there is usually a degree of weight and muscle loss. When someone has a rapid weight loss it is described as 'unintentional' and is due to causes other than inactive ageing. It is important to manage unintentional weight loss as the resident or patient is at a greater risk of infections or pressure injuries.

A routine risk assessment is completed for all patients and residents. Staff closely monitor food intake and monthly weights and have support from a dietician to tailor the individual's nutritional needs.

Accreditation

To ensure compliance with best practice standards of care for our patients and residents Euroa Health participates in accreditation against the Aged Care, the Australian Council on Healthcare Standards (ACHS) and National Safety and Quality Health Service (NSQHS). This year was a busy year with both the Aged Care undertaking their full Accreditation Audit and the Hospital preparing for theirs in August.

Granite Hill underwent their Accreditation in April. There are 44 Outcomes across the Four expected standards of care and Euroa Health complied with all 44 expected outcomes. This was a significant achievement and reflects a marvellous team effort by all.

Education

Training and education are critical to the success of a safe and educated workforce. Mandatory competencies are completed through an online E-Learning Portal ReHSeN and chosen to help and educate staff to provide clinically safe care. They also inform staff of their obligations and expectations.

Staff also complete practical competencies on-site and are invited to attend any sessions run by external providers. We are currently exploring new avenues to provide staff with more opportunities to further their education.

Hannah Capstick

Quality Manager

AGED CARE IN REVIEW

Over the past 12 months, residents and staff have settled into the new aged care facility 'GraniteHill'. Occupancy rates have continued to remain steady at over 95%, with the waiting list continually updated.

At the end of 2017, Residents and their family members took part in a satisfaction survey conducted by Press Ganey Associates, with the results showing an overall satisfaction with the care being provided at GraniteHill.

In October 2017, we welcomed Sandra Lloyd to the position of Activities Co-Ordinator. Sandra was previously employed within our Hotel Services department, whilst she studied her Certificate IV in Leisure and Lifestyle. Since taking on the role, Sandra has significantly revamped the activities program, which now includes bowls, bingo, cooking, craft, gardening, poetry readings, church services and outing in the monthly calendar. A healthy rivalry has even developed between everyone at the weekly bowls program, with the overall winner for the year to be presented with a small trophy. Friday afternoons often include a fantastic musical concert facilitated by various groups from within our local Shire, who generously give their time to entertain the residents. There is always a great variety of music to be heard, with everything from country to rock music, and even the classical harp.

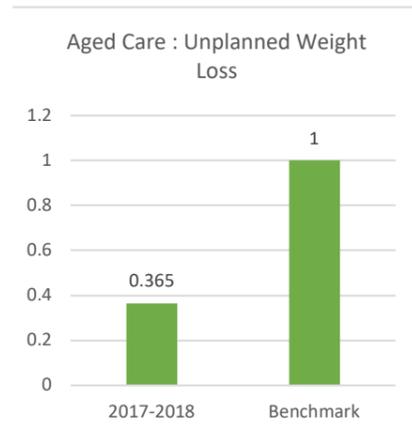
In January 2018, the Aged Care Quality Standards Agency conducted an unannounced visit when they reviewed systems and processes for two outcomes; Behaviour management and Living Environment. At this visit, continuous improvement activities were presented and the assessors spoke with residents and staff.

The official Aged Care Quality Standards Agency visit then took place in April, and all staff were involved in preparation for the same. During the two-day visit, residents and family members were interviewed about their life at GraniteHill; the overwhelming reply was that they enjoyed living at GraniteHill, and that staff catered for their every need. Staff were also interviewed about their work here and again the result was positive. The overarching systems and processes were also reviewed by the assessors during their visit, and I am happy to report that Euroa Health Inc. met 44/44 outcomes and Accreditation for 3 years was granted.

GraniteHill is committed to continually providing quality of life to all our residents, and we thank the staff for their hard work and commitment to this goal.

Janet Shankland

Aged Care Manager



COMMUNITY & ALLIED HEALTH SERVICES REPORT – (GILBURN)

Gilburn Centre provides community programs supporting frail elderly people who reside in the Strathbogie Shire. The aim of Gilburn's programs is to facilitate: socialisation; integration into the community; maintenance and regaining of strength and improved quality of life.

The relocation back on site has had a positive flow-on effect; clients, volunteers and staff have now settled into our building. Gilburn's Open day was well attended by the community and raised over \$1000, a great team effort from all those involved.

Gilburn Centre is open Monday to Friday with a wide range of services offered to clients. Our service is funded entirely by the Commonwealth Home Support Program for residents of the Strathbogie Shire. Through this funding, we can provide Allied health services including Occupational Therapy, Physiotherapy, and Exercise Physiologist and Diversional therapy. A referral is needed from My Aged Care to access these programs. We have provided therapy or social support for 252 clients, which is an increase from last year.

Occupational Therapy provides home assessments, home modifications, splints, individual assessments for mobility including support aids with individual care plans.

Physiotherapy includes balance assessments, falls risk assessments and prevention, general health maintenance.

Exercise programs developed by the Exercise Physiologist can help manage, treat and prevent chronic disease and conditions, pain and injuries through prescribing exercises that are suitable and safe. Programs can also be provided for improving balance, preventing falls and improving overall health and wellbeing.

The Diversional Therapist develops individual and group activity programs designed to reduce social isolation, improve well-being and mental health.

Heather Houston
Community and Allied Health Services Manager

FRIENDS OF EUROA HOSPITAL

The Friends of the Hospital, which consists of 21 members, has had another productive and successful year.

We have enjoyed wonderful film and luncheon events, including the Bridge day held at the Flour Mill, which is always popular. There were also various raffles that produced great results, and our members have even helped out with the Rotary BBQ at the Farmers Market.

At the Hospital, great fundraising efforts enabled Steph Griffiths to revamp the garden area outside the Nurse's station and it is now a lovely area for staff and patients to enjoy. We also donated \$8,000 to the hospital to facilitate the installation of new flooring in four bathrooms. The trolley continues to be well received by patients, and thanks go to all those who help out.

I have enjoyed my time as President of this group with wonderful support from our secretary Sally Perry, and have now passed the baton to Joan Sargood. I wish her well.

Marg Davidson.
Former president.

BOWERBIRD OP SHOP

We have had another successful year and are pleased that the walkway between GraniteHill and the Hospital will be officially opened soon, the walkway is possible from the money raised by the Op Shop for the previous year.

Negotiations are ongoing as to what this year's money will go towards.

We raised \$168,662.00 for the year with \$40,396.00 taken out for expenses. Total profit of \$128,266.00 which is a great result.

We are extremely fortunate to have so many dedicated volunteers, 45 in total, who give of their time to work for the aged in our community.

Community members are so important in keeping the shop viable through donations of goods and the buying of goods.

After much consultation and then positive response from the CEO and Board of Management of Euroa Health Inc we were able to do big renovations in the shop and middle room. Many thanks to the Committee and Volunteers who helped make this possible and the public for their positive response.

I have said so many times before that without the volunteers giving of their valuable time we could not operate as we do. These efforts are very much appreciated by Wayne Sullivan, Board of Management and residents to which our money goes to make GraniteHill a very special place. So much happens behind the scenes in sorting, washing, ironing, pricing, repairs and lots more before goods are placed in the shop, it is a huge task.

Many thanks go to Wayne Sullivan for the time and support he has given me throughout the year and also to Corrie Dingemans for his assistance especially when I took some time out for personal reasons.

I wish everyone much success in the coming year for our Bower Bird Op Shop and for the support that is given for the enhancement of GraniteHill and Euroa Health Inc.

Thank you

Lorraine Kubiel
Bower Bird Op Shop Coordinator

WOMEN OF EUROA

"Women of Euroa" is auspiced under Euroa Health Inc. and is a positive contribution to the health of the community. The group began in 1993 and have been operating for 25 years.

It is a wonderful platform for newcomers to the community to meet new friends and network socially. Dinner meetings are held quarterly with an interesting speaker. All women are welcome.

The most recent speaker was Alana Johnson who talked about what it is like to be a woman in the 21st century. Alana was recognized for her work in gender equality and leadership and rural development. She is a fifth-generation farmer who talked of prominent female figures in history and of her mother's struggle with being taken seriously in the farming industry back when she was growing up.

Over the last 10 years, dinner meetings have been held at "The Old Flour Mill" catered by Janet Fogarty. Janet is now retiring and we thank her for all her co-operation over the years. We wish her a long and happy time ahead where she can follow some of her other pursuits.

Nola Dudley
Convenor

OUR DONORS TO THE EUROA HEALTH 2017-2018 FINANCIAL YEAR

Greg Marcon	John & Christine Simpson	John Nielson
Heather & Gordon Grant	Yvonne Fisher	Max & Coral Cox
Euroa Citizens Band Inc	Maureen Carter-	Louis Havelberg
Oxalis Wind Quintet	A. Tubb -	Patricia Benedict
Edmund Baghel	In Memory of L. Dudley	Hince Family
Ron Williams	William Angliss Charitable Fund	Jeanette & Geoff Newson
Julia O'Brien	WJ & W Heal	Lauraine Deans
Mary Dean	C & H Joyce	Mark Blackwell
Bev & John Keats	Matthews & Hart	Friends of the Hospital
Lola Cridge	Jennifer Strong	Edith Halsall
Marg Berry	Doreen & Collin Walker	Bowerbird Op Shop
Brian & Brenda Law	John & Nan Sullivan	Bruce Hargrave
Edith Halsall	Yvonne Devanny	Phyllis Dean
Margaret Haines	Thelma Simpson	Plenty Oil Supply
Kathy & Terry Grigg	Bill Daffy	Alistair Thomson
Colin & Doreen Walker	Alex Gormly	John Simpson
Gwen Croxford	Anne & Barrie Noye	J. R Williams
Arthur Frost	Marjorie Esson	Sale of Caps - Op Shop
Anne & Barrie Nye	David Llewellyn	DPR Insurance Brokers
Ian, Deidre & Christine Chittick	Nola Dudley	Dennis Rebbeck
I & J Ball, S Mills	Ivor & Edna Brook	RW & KA Newnham
Don & Fay Hall	Sue & Lindsay Walker	Ross Carrington & Terry Grigg
Estate – Letitia Mayer	Patti Matthews & Norm Hart	

In conjunction with these donations, funds have also been raised via various raffles, auctions and book sales. . Many thanks to all contributors.



Pictured above: Kitchen Staff preparing food for residents

Pictured Below: Our resident hairdresser onsite





Pictured above: Room setup within GraniteHill

Pictured Below: GraniteHill Café



AGENDA

Euroa Health Inc – Annual General Meeting

Held at 1:30pm, Friday 9th November 2018

GraniteHill, 36 Kennedy Street

Euroa, 3666

1. Welcome
2. Guest Speaker: Clare Keenan
“Empower survivors of violence and trauma by challenging the current domination of the "victim"”
3. Apologies
4. Minutes of AGM held 23rd October 2017
5. Presentation of the Annual Report
 - Report by Chairman and Chief Executive Officer
 - Financial Report and Statements
6. Appointment of Auditors
7. Elections
 - Nominations Received for Board Positions
 - Paul Halliday
 - Dianne McKinlay
 - Jim Perry
8. Presentation of Staff Service Certificates
9. Refreshments
10. Meeting Close

EUROA HEALTH INC

MINUTES OF THE ANNUAL GENERAL MEETING OF MEMBERS HELD AT GRANITEHILL, KENNEDY STREET EUROA MONDAY 23 OCTOBER 2017

The meeting was declared open at 7.00pm

Meeting Chairman: Jim Perry

Present: B Wilson, N Dudley, B Hobbs, J Hawkes, D Swan, L Davidson-Saxon, G Saxon, H Donaldson, L Havelberg, P Dean, S Cumming, E Adcock, R Bonnitcho, V Weinberg, J Sullivan, K Wittick, K Stothers, B Beadle, M Altson, J Altson, J Elston, L Deans, J Tweddle, F Mackey, N Shankland, M & J Brook, B Kelly, P O'Connor, S Ryan, J Stringer, E Stringer, K Newnham, J Simpson, S Crawcour, J & S Perry, M Bell, G Mulley, B O'Connor, M Cavanagh, J Lomer, D Warren, R McGeehan, L Macwhirter, G Claguhton, H Houston, J Mason, D Rutledge L Kubeil, M Kubeil W Sullivan, H Houston, C Brydon, J Shovelton, B Holloway, J Holloway, J Lewin, G Webster, M Clark, S Casey (minutes).

Apologies:

R Newnham, C Simpson, G Mawson, S Elston, Cheryl Smith, A McClaren, M Cavanagh, G Grant, J Bartlett, G Wheaton, J Symes, K Grigg, A Borden, D Drum, A Thomson, M Little, G Ward, B & B Smith, W Piper, J Osborne, E Edwards, I Brooks, R White, J Davidson, M Tehan, J Tehan, M Haynes, M Dean, S Wright, M Bell, G Webster, M McCracken, K Ladgrove, W Leatham

Business

Jim Perry welcomed everyone to the Euroa Health AGM; members of the public, Euroa Health staff and residents and fellow dignitaries - including the CEO and Councillors of Strathbogie Shire.

MOTION: To approve the Minutes of the Annual Meeting held on 24 October 2016:

Moved: J Simpson Seconded: L Havelberg Carried

Annual Report Presentation

Message from the Chairman

Jim Perry presented the 2016/17 Annual Report and addressed the highlights and challenges that Euroa Health has faced over the last year, as well as our plans for the future.

The Chair spoke of the significant opening of GraniteHill and stated that the facility is a great asset to the community and worth the money. Gilburn is also set to return to home grounds; setting up in the old Shovelton buildings.

On behalf of the board, the Chair extended thanks to all Euroa Health staff and volunteers, and in particular the CEO – Wayne Sullivan.

The chair also thanked Board Members Charlie Brydon and Kerry Newnham for their contribution over the years, as they both set to retire from the board.

Message from the Chief Executive Officer

Wayne Sullivan spoke about Euroa Health's future and addressed the issues faced by health providers and populations within more rural communities, such as Euroa. The CEO noted that individuals are now living longer, however the cost for aged care is significantly more in rural areas, than its metropolitan counterparts.

MOTION: That the reports by the Chairman and Chief Executive Officer be accepted:

Moved: R McGeehan Seconded: N Dudley Carried

Presentation of Financial Statements

David Rutledge presented the financial statements for Euroa Health for the year 2016/17

MOTION: That the Financial Statements be accepted.

Moved: D Rutledge Seconded: N Dudley Carried

Appointment of Auditors

It was the recommendation of the Board to this meeting that the current auditors, Crowe Horwarth, be re-appointed.

MOTION: That Crowe Horwarth be re-appointed as the external auditors for Euroa Health for the 2017/2018 year.

Moved: D Rutledge Seconded: C Brydon Carried

Election of Office Bearers

- Two positions were declared vacant – Michael Bell and John Simpson
- Due to an oversight, the advertisement to notify members of Board vacancies was not undertaken. An Advertisement will be placed in the Euroa Gazette on 25/10/17 and applications will close on the 1/11/17. Depending on the number of nominations, elections may or may not be required. If an election is required, a postal vote will be undertaken and members advised accordingly of the outcome.

Amendments to Rules

The Board of Management recommend the following amendment to the Euroa Health rules:

ADD AN ADDITIONAL CLAUSE

- 1.5.1 A Board member may only be elected for three consecutive terms and shall then resign. Such board member may again seek election one year after that resignation.

AMEND CLAUSE

- 6.7 Delete Chairman and substitute Chair
Delete Deputy Chairman and Substitute Deputy Chair
Delete Chairmen and substitute Chairs

MOTION: That the amendments to the rules be accepted

Moved: R McGeehan Seconded: B Kelly Carried

Presentation of Staff Service Certificates

Wayne Sullivan presented service certificates to Lorraine Davidson-Saxon in recognition of her 30 years of loyal service to Euroa Health.

Other staff remembers that were recognised for their 10 years of service, but unable to attend the evening were; Christine Mackrell, Wendy Leatham and Geraldine Mawson.

Guest Speaker

Nola Dudley introduced the guest speaker for the evening; Beth Wilson.

Beth's address for the evening was; **"Same-Sex Marriage, Abortion and Euthanasia - Respecting Each Other's Opinions"**

The presentation addressed these topics in a very humorous, yet serious and respectful way. Beth's stories and experiences around these issues were very insightful. Beth ended her presentation with one message; to make sure throughout your life that you laugh with others and at yourself; not at other people.

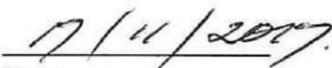
Meeting Close

Jim Perry thanked everyone for their attendance, and also drew attention to the Lunch at the Falls in November; a fundraising event for the Hospital – encouraging everyone to attend.

Close - Meeting declared closed at 7.55 pm.



Chairman



Date

Euroa Health Inc.

ABN: 92 619 716 188

Financial statements

for the year ended
30 June 2018

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue	2	9,053,564	9,071,538
Total revenue		9,053,564	9,071,538
Employee benefits		(5,924,329)	(5,965,591)
Depreciation & amortisation expenses		(669,369)	(338,653)
Impairment expense – buildings	7	(251,822)	-
Other expenses	3	(1,555,276)	(1,434,533)
Total expenses		(8,400,796)	(7,738,777)
Net result before capital funding		652,768	1,332,761
Capital funding –Aged Care Approval Rounds ('ACAR')		-	7,725,466
Net result for the period		652,768	9,058,227
<i>Other comprehensive income</i>			
Loss on impairment of buildings		-	(1,454,736)
Gain on land and buildings revaluation	7	183,174	-
Other comprehensive income for the period		183,174	(1,454,736)
Total comprehensive income attributable to members of the entity		835,942	7,603,491

Contents

	Page
Statement of Profit or Loss and Other Comprehensive Income.....	2
Statement of Changes in Equity.....	3
Statement of Financial Position.....	4
Statement of Cash Flows.....	5
Notes to the Financial Statements.....	6
Statement by Board of Directors.....	24
Independence Declaration.....	25
Independent Audit Report.....	26

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Retained earnings \$	Asset revaluation reserve \$	Government Funding Reserve \$	Op Shop Surplus Reserve \$	Accommodation Bond Reserve \$	Total \$
Balance as at 30 June 2016	7,222,569	1,845,565	280,700	281,312	3,088,906	12,719,052
Result for the year	9,058,227	-	-	-	-	9,058,227
Transfer to/(from) reserves	(37,140)	-	(177,953)	141,842	73,251	-
Other comprehensive income	-	(1,454,736)	-	-	-	(1,454,736)
Balance as at 30 June 2017	16,243,656	390,829	102,747	423,154	3,162,157	20,322,543
Result for the year	652,768	-	-	-	-	652,768
Transfer to/(from) reserves	368,434	-	(73,545)	(294,889)	-	-
Other comprehensive income	-	183,174	-	-	-	183,174
Balance as at 30 June 2018	17,264,858	574,003	29,202	128,265	3,162,157	21,158,485

3

The statement of changes in equity is to be read in conjunction with the accompanying notes set out on pages 6 to 23.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	4	3,924,423	3,560,642
Trade and other receivables	5	599,183	488,613
Inventories		46,684	39,833
Other financial assets	6	7,435,475	6,224,649
Prepayments		31,782	27,038
Total current assets		12,037,547	10,340,775
Non-current assets			
Property, plant and equipment	7	19,455,230	19,523,115
Total non-current assets		19,455,230	19,523,115
Total assets		31,492,777	29,863,890
Current liabilities			
Trade and other payables	8	590,360	757,359
Financial liabilities	10	8,951,330	7,906,870
Employee benefits	9	630,858	737,340
Total current liabilities		10,172,548	9,401,569
Non-current liabilities			
Employee benefits	9	161,744	139,778
Total non-current liabilities		161,744	139,778
Total liabilities		10,334,292	9,541,347
Net assets		21,158,485	20,322,543
Equity			
Reserves	11a	3,893,627	4,078,887
Retained earnings	11b	17,264,858	16,243,656
Total equity		21,158,485	20,322,543

4

The statement of financial position is to be read in conjunction with the accompanying notes set out on pages 6 to 23.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Operating grants and funding from government		4,283,922	14,860,245
Cash and receipt from customers		4,317,547	4,380,235
Interest received		200,523	230,642
Cash paid to suppliers & employees		(7,668,944)	(8,233,047)
Net cash inflow from operating activities	12	1,133,048	11,238,075
Cash flows from investing activities			
Payments for property, plant and equipment		(737,077)	(11,808,203)
Proceeds from sale of property, plant and equipment		3,884	49,848
Redemption/(purchases) of investments (net)		(1,210,826)	498,261
Net cash flows used in investing activities		(1,944,019)	(11,260,094)
Cash flows from financing activities			
Bonds/refundable deposits received		4,327,280	2,846,192
Bonds/refundable deposits paid		(3,148,544)	(1,525,747)
Increase/ (decrease) in resident trust account		(3,984)	12,721
Net cash flows from financing activities		1,174,752	1,333,166
Net increase in cash held		363,781	1,311,147
Cash at the beginning of the financial year		3,560,642	2,249,495
Cash at the end of the financial year	4	3,924,423	3,560,642

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES

The financial statements cover Euroa Health Inc. ('Euroa Health' or 'the Association') as an individual entity which is an incorporated Association domiciled in Australia.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The Association is a not-for-profit entity for the financial reporting purposes under Australian Accounting Standards.

Not-for-profit status

Under Australian Accounting Standards, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) requirements.

The Association has analysed its purpose, objectives and operating philosophy and determined that it is considered a not-for-profit entity in accordance with Australian Accounting Standards. The Association does not operate for the profit or gain of its individual members whether these gains would have been direct or indirect. This applies both while the Association is operating and when it winds up.

Consequently where appropriate the Association has elected to apply options and exemptions within the Australian Accounting Standards that are applicable to not-for-profit entities.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements were authorised for issue on 18 September 2018 by the Board of Euroa Health Inc.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and deposits at call which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(b) Receivables

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(c) Inventories

Inventories are measured at the lower of cost and net realisable value.

(d) Financial instruments

Recognition

Financial Instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below:

Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: *Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Held-to-maturity investments

Where there is positive intent and ability to hold investments to maturity, they are stated at amortised cost less impairment losses.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities (if any), including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available 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 assets are:

<i>Class of asset</i>	<i>Depreciation rate</i>	<i>Method</i>
Buildings	2.5 - 5%	Prime Cost
Plant and equipment	5 - 20%	Prime Cost

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

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

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of assets

Intangible assets with indefinite useful lives are tested annually as to whether their carrying value exceeds their recoverable amount. All other assets are assessed annually for indications of impairment, except for:

- Financial instrument assets;
- Investment property that is measured at fair value; and
- Non-current assets held for sale.

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

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

(h) Payables

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Nett 30 days.

(i) Functional and presentation currency

The presentation currency of the Association is the Australian dollar, which has also been identified as the functional currency of the Association.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(j) Goods and services tax ('GST')

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to, the Australian Taxation Office is included with other receivables or payables in the balance sheet.

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

Commitments and contingent assets and liabilities are presented on a gross basis.

(k) Monies held in trust

Accommodation bonds/Refundable accommodation deposits (RADs)

Accommodation bonds/RADs are non-interest bearing deposits made by aged care facility residents to the Association upon their admission. Accommodation bonds/RADs are measured at the principal amount net of any other amounts deducted at the election of the resident.

Accommodation bonds/RADs are classified as current liabilities because the Association does not have an unconditional right to defer settlement for more than 12 months.

(l) Employee benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reporting-period market yields on high quality corporate bonds that have maturity dates approximating the terms of the obligations. Any adjustments of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(m) 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 12 months after the reporting period; or the asset is cash or cash equivalent. 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 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

(n) Revenue recognition

Revenue is recognised in accordance with AASB 118 *Revenue*. Revenue is recognised as to the extent it is earned. Unearned revenue at reporting date is reported as income received in advance.

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

Government Grants

Grants are recognised as income when Euroa Health Inc. gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as income when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Patient and Resident Fees

Patient fees are recognised as revenue at the time invoices are raised.

Donations and Bequest

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

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset.

(o) 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.

(p) Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(q) Specific restricted purpose reserve

A specific restricted purpose reserve is established where Euroa Health Inc. has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

(r) Leases

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Euroa Health Inc. does not enter into finance leases.

Operating lease payments, including any contingent rentals, are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

(s) 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 Association's accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

(i) *Estimation of useful lives of asset*

The 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.

(ii) *Revaluation of buildings*

The Association revalued its buildings to fair value within the statement of financial position as at 30 June 2018. Details of the revaluation are disclosed in note 7.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES (CONTINUED)

(s) Critical accounting estimates (continued)

(i) Impairment of non-financial assets

The Association assesses impairment of non-financial assets other than 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. As a not-for-profit entity, the Association can utilise 'depreciated replacement cost' in determining the value-in-use calculation.

(ii) Employee benefits provision

As discussed in note 1 (I), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(t) Comparative amounts

Where necessary, comparative figures for the previous year have been reclassified to facilitate comparison.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
2. REVENUE		
Revenue		
Resident and client fees	3,846,822	3,303,004
Government funding/subsidies - operating	4,237,702	4,483,302
Government grants – Other	231,103	-
Interest	199,033	205,328
Recoveries	56,861	40,626
Retentions recouped	10,951	43,551
Meals	32,745	14,329
Donations and bequests	61,319	576,495
Member subscriptions	12,181	3,963
Op Shop sales	169,423	180,289
Profit on disposal of fixed assets	3,884	-
Other revenue	191,540	220,651
TOTAL REVENUE	9,053,564	9,071,538
3. OTHER EXPENSES		
Accounting and legal	34,829	29,331
Audit fees	23,450	17,115
Bad & doubtful debts	45,391	6,158
Consultants	75,045	8,308
Food and contract catering	217,775	205,964
Fundraising expense	442	8,153
Insurance	44,120	35,675
Laundry and linen	68,756	81,750
Op Shop	38,983	35,882
Repairs and maintenance	146,000	136,681
Utilities	195,855	191,408
Loss on disposal of fixed assets	-	4,970
Supplies and consumables	164,622	177,815
Allied Health & related services	173,117	158,159
Other expenses	326,891	337,164
TOTAL OTHER EXPENSES	1,555,276	1,434,533

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
4. CASH AND CASH EQUIVALENTS		
Cash on hand	2,302	1,075
Cash at bank	3,922,121	3,559,567
	3,924,423	3,560,642
5. TRADE AND OTHER RECEIVABLES		
Trade receivables	172,239	171,342
Less provision for impairment	(116,816)	(71,424)
	55,423	99,918
Sundry receivables	386,138	222,535
GST receivable (net)	15,582	-
Accrued income	142,040	65,160
Resident bond/deposit receivable	-	101,000
	599,183	488,613
6. OTHER FINANCIAL ASSETS		
Term deposits	7,435,475	6,224,649
	7,435,475	6,224,649

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT

	2018 \$	2017 \$
Land		
Land at fair value	1,265,000	1,073,900
	1,265,000	1,073,900
Buildings		
Buildings at fair value	17,305,729	17,827,440
Less accumulated depreciation	-	(306,709)
	17,305,729	17,520,731
Plant and equipment		
Plant and equipment at cost	3,234,215	3,096,046
Less accumulated depreciation	(2,355,630)	(2,167,562)
	878,585	928,484
Leasehold improvements		
Leasehold improvements accumulated amortisation	5,998	-
	(82)	-
	5,916	-
Works in progress		
	-	-
TOTAL PROPERTY, PLANT AND EQUIPMENT	19,455,230	19,523,115

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Fixed asset reconciliation

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land	Buildings	Plant & Equipment	Leasehold Improvements	Works in Progress	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	1,073,900	5,162,385	384,309	-	4,693,874	11,314,468
Additions	-	-	760,365	-	9,296,489	10,056,854
Revaluation	-	(1,454,736)	-	-	-	(1,454,736)
Reclassification	-	13,990,363	-	-	(13,990,363)	-
Disposals	-	-	(54,818)	-	-	(54,818)
Depreciation	-	(177,281)	(161,372)	-	-	(338,653)
Balance at 30 June 2017	1,073,900	17,520,731	928,484	-	-	19,523,115
Additions	-	497,019	167,115	5,998	-	670,132
Revaluation - asset revaluation reserve	191,100	(7,926)	-	-	-	183,174
Revaluation – impairment expense	-	(251,822)	-	-	-	(251,822)
Reclassification	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Depreciation	-	(452,273)	(217,014)	-	-	(669,287)
Amortisation	-	-	-	(82)	-	(82)
Balance at 30 June 2018	1,265,000	17,305,729	878,585	5,916	-	19,455,230

17

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

The land and buildings were revalued on 30 June 2018, based on independent assessments by Preston Rowe Paterson of Shepparton, with appropriate adjustments where necessary.

The Board has elected to apply the independent assessments for all land and buildings, other than the Amaroo building (the former aged care building). For the Amaroo building, the Board has applied a shorter remaining useful life, based on highest and best use assessment.

8. TRADE AND OTHER PAYABLES

Trade creditors
Salary & wages accrual
Other payables & accrued expenses
PAYG withholding
Unspent grant income - other
GST Payable (net)

	2018 \$	2017 \$
Trade creditors	173,163	209,638
Salary & wages accrual	243,829	247,537
Other payables & accrued expenses	112,542	36,493
PAYG withholding	60,826	57,078
Unspent grant income - other	-	184,883
GST Payable (net)	-	21,730
	590,360	757,359

9. EMPLOYEE BENEFITS

Current

Annual leave entitlements
Unconditional long service leave entitlements
Rostered days off entitlements

Annual leave entitlements	355,990	378,039
Unconditional long service leave entitlements	267,320	347,128
Rostered days off entitlements	7,548	12,173
	630,858	737,340

Non-Current

Conditional long service leave entitlements

Conditional long service leave entitlements	161,744	139,778
	161,744	139,778
	792,602	877,118

18

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
10. FINANCIAL LIABILITIES		
<i>Monies Held in Trust:</i>		
Resident's funds	36,798	40,782
Accommodation bonds/Refundable accommodation deposits	8,914,532	7,866,088
	8,951,330	7,906,870
<p>Euroa Health has adopted \$1,550,000 (2017: \$1,550,000) as the minimum liquidity amount to hold to enable refunds of accommodation bonds and refundable accommodation deposits. This is based on estimated payouts within the next 12 months. The remaining balance of \$7,364,532 (2017: \$6,356,870) is estimated to be payable after 12 months.</p>		
<i>Accommodation bond/Refundable accommodation deposit reconciliation</i>		
Balance as at the beginning of the year	7,866,088	6,684,175
New bonds/deposits received	4,226,280	2,846,192
Bond/deposits refunds paid	(3,148,544)	(1,525,747)
Retentions from bonds	(11,860)	(43,550)
Other fees/charges deducted	(17,432)	(94,982)
	8,914,532	7,866,088
11. EQUITY		
(a) Reserves		
Asset revaluation reserve	574,003	390,829
Government funding reserve	29,202	102,747
Op Shop surplus reserves	128,265	423,154
Accommodation bond reserve	3,162,157	3,162,157
TOTAL RESERVES	3,893,627	4,078,887
(b) Retained earnings		
Balance at the beginning of the reporting period	16,243,656	7,222,569
Net surplus for the year	652,768	9,058,227
Transfer to/from reserves	368,434	(37,140)
TOTAL RETAINED EARNINGS	17,264,858	16,243,656
	21,158,485	20,322,543

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

12. CASH FLOW RECONCILIATION

	2018 \$	2017 \$
Net result for the year	652,768	9,058,227
<i>Non cash flows in profit</i>		
Depreciation and amortisation	669,369	338,653
(Profit)/Loss on disposal of assets	(3,884)	4,970
Retentions and other fees/charges withheld	(29,292)	(138,532)
Impairment expense - buildings	251,822	-
Changes in operating assets & liabilities		
(Decrease)/increase in employee benefits	(84,516)	(31,991)
(Decrease)/increase in trade & other payables (excluding capital creditors)	(100,054)	(394,190)
(Increase)/decrease in trade & other receivables (excluding bond/deposit receivable)	(211,570)	2,371,341
(Increase)/decrease in prepayments	(4,744)	42,269
(Increase)/decrease in inventories	(6,851)	(12,672)
Net cash inflow from operating activities	1,133,048	11,238,075

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

13. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

Euroa Health Inc.'s principle financial instruments consist of:

- Cash and cash equivalents
- Other financial assets (via term deposits)
- Trade and other receivables
- Trade and other payables
- Financial liabilities measured at amortised cost

Details of the significant accounting policies and methods adopted, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage Euroa Health Inc.'s financial risks within the government policy parameters.

(b) Categorisation of financial instruments

Category	Carrying Amount	Carrying Amount
	2018	2017
	\$	\$
<i>Financial assets</i>		
Cash and cash equivalents	3,924,423	3,560,642
Trade and other receivables	599,183	488,613
Other financial assets (Held-to-maturity investments)	7,435,475	6,224,649
Total financial assets	11,959,081	10,273,904
<i>Financial liabilities</i>		
Trade and other payables (at amortised cost)	590,360	757,359
Financial liabilities (at amortised cost)	8,951,330	7,906,870
Total financial liabilities	9,541,690	8,664,229

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
14. COMMITMENTS		
(a) Operating lease commitments		
Payable – minimum lease payments (including GST)		
- Not later than one year	11,982	9,692
- Later than 1 year but not later than 5 years	22,197	-
	34,179	9,692
(b) Other operating commitments		
Other non-cancellable operating commitments contracted for but not recognised in the financial statements		
Payable – minimum payments (including GST)		
- Not later than one year	-	-
- Later than 1 year but not later than 5 years	-	-
	-	-
TOTAL OPERATING COMMITMENTS	34,179	9,692
(c) Capital Expenditure Commitments		
Capital expenditure (including GST) contracted for at the reporting date, but not recognised as liabilities is as at follows:		
Property, plant & equipment (not later than one year)	-	104,745
TOTAL CAPITAL COMMITMENTS	-	104,745
15. CONTINGENT ASSETS AND CONTINGENT LIABILITIES		
The Association has a contingent liability regarding the grant funding provided from the Department of Health for the new residential aged care facility. Should the Association cease to provide residential aged care at Granite Hill, or transfer ownership or effective control of the property or demolish the building, within 20 years of the project completion date, the Association may be required to repay all, or part, of the grant. This project was completed during the 2017 financial year.		
16. SUBSEQUENT EVENTS		
There have been no events subsequent to balance date which would have a material effect on the Association's financial report at 30 June 2018.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

17. RELATED PARTY DISCLOSURE

(a) Details of Key Management Personnel

The names and positions of key management personnel of the Association at any time during the reporting period are:

Board of Director Members

James Perry – <i>Chairperson</i>	
John Simpson – <i>Deputy Chairperson</i>	<i>Resigned 6 June 2018</i>
James Shovelton	
Nola Dudley	
Kerry Newnham	<i>Term expired 23 October 2017</i>
Richard McGeehan	
Charlie Brydon	<i>Term expired 23 October 2017</i>
Michael Bell – <i>Deputy Chairperson</i>	<i>Appointed as Deputy on 18 June 2018</i>
David Rutledge	
Georgia Ward	
Caroline Keenan	

Executives and Management

Wayne Sullivan – <i>Chief Executive Officer</i>	
Fiona Mackey – <i>Director of Clinical Care</i>	<i>Ceased 17 December 2017</i>
Dianne Frankel – <i>Director of Clinical Care</i>	<i>Commenced 8 January 2018</i>
	<i>Ceased 16 April 2018</i>
Kayleen Field – <i>Nurse Unit Manager</i>	<i>Commenced 14 May 2018</i>
Stanley Gibney – <i>Accountant</i>	
Janette Shankland – <i>Aged Care Manager</i>	<i>From 1 April 2018 *</i>
Heather Houston – <i>Gilburn Day Therapy Manager</i>	<i>From 1 April 2018 *</i>
Pamela O'Connor – <i>Hospitality Manager</i>	<i>From 1 April 2018 *</i>
David McKay – <i>Maintenance Manager</i>	<i>From 1 April 2018 *</i>

* Due to restructuring of management on the 1st April 2018 these managers became Key Management Personnel from this date.

(b) Details of Key Management Personnel Compensation

	2018 \$	2017 \$
Executives and Management employment benefits	447,731	504,445
	447,731	504,445

No Director of the Board received any remuneration for their services.

(c) Other Key management Personnel Transactions

A number of key management persons of the Association, or their related parties, hold positions in other entities that result in them having control or significant influence over their financial or operating policies of these entities. The Association has not transacted with any of these entities in the 2018 financial year (2017: zero transactions).

STATEMENT BY BOARD OF DIRECTORS

In the opinion of the Board of Directors the financial statements as set out on pages 2 to 23:

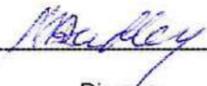
- a) Presents a true and fair view of the financial position of Euroa Health Inc. as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Reduced Disclosure Regime; and
- b) At the date of this statement, there are reasonable grounds to believe that Euroa Health Inc. will be able to pay its debts as and when they fall due.

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

Dated this 18th day of September 2018.



Director



Director

Euroa Health Inc.

Independent Auditor's Report to the Members of Euroa Health Inc.

Opinion

We have audited the financial report of Euroa Health Inc. (the 'Association'), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory notes and the Board of Directors declaration.

In our opinion, the accompanying financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* and *Associations Incorporation Reform Regulations 2012*.

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 Association in accordance with the ethical requirements of the Accounting Professional and 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 Management and the Board of Directors for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

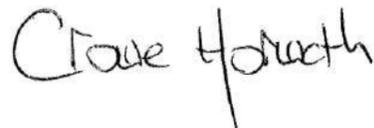
The Board of Directors are responsible for overseeing the Entity's financial reporting process.

Lead auditor's independence declaration under 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012*

To: The Committee of Management of Euroa Health Inc.:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2018 there has been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



CROWE HORWATH ALBURY



BRADLEY D BOHUN

Partner

Dated at Albury this 18th day of September 2018.

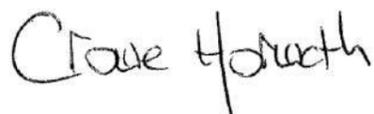
Auditor's Responsibilities for the Audit of the Financial Report

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 the 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 this 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Association'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 Association 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 of Directors 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 the audit.



CROWE HORWATH ALBURY



BRADLEY D BOHUN

Partner

Dated at Albury this 18th day of September 2018.

