



A NEW WAY FORWARD

2023-2024 Financial Report

ACKNOWLEDGEMENT OF COUNTRY

EPC acknowledges Aboriginal and Torres Strait Islander peoples as the Custodians of the lands and waters where we live and work. We respect their historical and continuing spiritual connections to country and community and pay our respects to their Elders past and present. We commit ourselves to the ongoing journey of Reconciliation with those who hold the memories, traditions, culture and hopes of Aboriginal Australia.



Eastern Palliative Care Association Incorporated

ABN 62 982 157 121

Financial Statements - 30 June 2024

Eastern Palliative Care Association Incorporated
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30 June 2024

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General information

The financial statements cover Eastern Palliative Care Association Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Eastern Palliative Care Association Incorporated's functional and presentation currency.

Eastern Palliative Care Association Incorporated is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Eastern Palliative Care Association Incorporated
 Building 2, Level 1
 630 Mitcham Road
 Melbourne VIC 3132

A description of the nature of the incorporated association's operations and its principal activities are included in the committee members report, which is not part of the financial statements.

The financial statements were authorised for issue on 16 September 2024.

Eastern Palliative Care Association Incorporated
Committee members' report
30 June 2024

The committee members present their report, together with the financial statements, on the incorporated association for the year ended 30 June 2024.

Officers

The following persons were officers of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

M Stewart (Chair) R Snyder AM (Treasurer)

Committee members

The names of the Committee Members throughout the financial year and at the date of this report are:

A Barnden	T Bryan
K Francis (appointment ceased 16/11/2023)	T Gorton
P Gurr OAM (appointment ceased 16/11/2023)	A Hunt OAM (appointment ceased 16/11/2023)
N Jolley (appointment ceased 16/11/2023)	D Kissane AC
M O'Donnell	I Parry
R Snyder AM	M Stewart
C Fyffe (appointed 16/11/2023)	

Objectives

The incorporated association exists so that:

- Our clients live with the best quality of life, before dying in their place of choice.
- Clients, their families and carers are supported according to their needs and choices.

Strategy for achieving the objectives

The incorporated association's strategy for achieving the objectives fall under four themes:

- Our care
- Our engagement
- Our people
- Organisational sustainability

Principal activities

The principal activity of the incorporated association during the financial year was the provision of support services to people living with a progressive, life limiting condition. The incorporated association also provided external education and consultancy support to other organisations which independently care for this group.


Performance measures

The incorporated association measures its performance using the following high-level indicators:

Measure	Target	Actual achievement
Total number of clients during the year	2,300	2,394
Number of episodes opened and accepted	2,536	3,000 (118%)
Total contacts (not including written)	96,761	116,627
Preferred site of death where known achieved	70%	73.2%

On behalf of the officers and committee members


 M Stewart
 Chair


 R Snyder AM
 Treasurer

16 September 2024
 Melbourne

Eastern Palliative Care Association Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue			
Revenue from government sources	3	14,780,128	14,160,717
Revenue from non-government sources	4	1,037,066	714,128
Interest revenue		84,962	60,306
		<u>15,902,156</u>	<u>14,935,151</u>
Expenses			
Employee benefits expense		(13,289,745)	(11,694,064)
Depreciation and amortisation expense		(760,314)	(795,236)
Motor vehicle expense		(134,239)	(137,986)
Telephone expenses		(115,250)	(104,479)
Finance costs	5	(46,962)	(62,659)
Other expenses		(1,495,719)	(1,384,777)
Surplus before income tax expense		59,927	755,950
Income tax expense		-	-
Surplus after income tax expense for the year		59,927	755,950
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Gain/(loss) on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		209,986	163,929
Other comprehensive income for the year, net of tax		209,986	163,929
Total comprehensive income for the year		<u>269,913</u>	<u>919,879</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Eastern Palliative Care Association Incorporated
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	3,409,830	2,874,561
Trade and other receivables	7	151,551	152,694
Other financial assets	8	1,681,849	1,624,094
Other assets	9	65,809	121,158
Total current assets		<u>5,309,039</u>	<u>4,772,507</u>
Non-current assets			
Investments	10	4,760,736	4,407,087
Property, plant and equipment	11	1,351,091	1,252,056
Right-of-use assets	12	2,257,131	2,704,442
Total non-current assets		<u>8,368,958</u>	<u>8,363,585</u>
Total assets		13,677,997	13,136,092
Liabilities			
Current liabilities			
Trade and other payables	13	536,063	401,564
Contract liabilities	14	834,050	374,604
Lease liabilities	15	442,606	409,426
Provisions	16	1,530,852	1,455,587
Total current liabilities		<u>3,343,571</u>	<u>2,641,181</u>
Non-current liabilities			
Lease liabilities	15	557,914	1,000,520
Provisions	16	589,710	577,502
Total non-current liabilities		<u>1,147,624</u>	<u>1,578,022</u>
Total liabilities		4,491,195	4,219,203
Net assets		<u>9,186,802</u>	<u>8,916,889</u>
Equity			
Contributed equity	17	559,282	559,282
Reserves	18	546,140	393,348
Retained surpluses		8,081,380	7,964,259
Total equity		<u>9,186,802</u>	<u>8,916,889</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Eastern Palliative Care Association Incorporated
Statement of changes in equity
For the year ended 30 June 2024

	Contributed Equity	Financial Assets Revaluation Reserve	MEPCA/EPC Scholarship Reserve	Capital Reserve	Accumulated Surplus	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	559,282	(32,155)	64,753	181,588	7,223,542	7,997,010
Surplus after income tax expense for the year	-	-	-	-	755,950	755,950
Other comprehensive income for the year, net of tax	-	163,929	-	-	-	163,929
Total comprehensive income for the year	-	163,929	-	-	755,950	919,879
Transfer of realised losses on sale of financial assets	-	15,233	-	-	(15,233)	-
Balance at 30 June 2023	559,282	147,007	64,753	181,588	7,964,259	8,916,889
	Contributed Equity	Financial Assets Revaluation Reserve	MEPCA/EPC Scholarship Reserve	Capital Reserve	Accumulated Surplus	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	559,282	147,007	64,753	181,588	7,964,259	8,916,889
Surplus after income tax expense for the year	-	-	-	-	59,927	59,927
Other Comprehensive Income for the year, net of tax	-	209,986	-	-	-	209,986
Total comprehensive income for the year	-	209,986	-	-	59,927	269,913
Transfer to MEPCA/EPC scholarship reserve	-	-	6	-	(6)	-
Transfer of realised gains on sale of financial assets	-	(57,200)	-	-	57,200	-
Balance at 30 June 2024	559,282	299,793	64,759	181,588	8,081,380	9,186,802

The above statement of changes in equity should be read in conjunction with the accompanying notes

Eastern Palliative Care Association Incorporated
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Operating grants from Government (inclusive of GST)		16,974,195	15,901,010
Donations received		492,821	186,819
Interest received		84,962	60,306
Dividends received		217,171	223,846
Interest paid		(46,962)	(62,659)
Receipts from other sources of income		109,742	129,118
Payments to suppliers and employees (inclusive of GST)		(16,333,572)	(14,925,190)
Net cash from operating activities		1,498,357	1,513,250
Cash flows from investing activities			
Payments for investment in term deposit	8	(57,751)	(500,000)
Proceeds from sale of property, plant & equipment		88,382	185,272
Payment for property, plant and equipment	11	(464,037)	(533,445)
Payments for security bond	8	(4)	(3)
Proceeds from sale of investments		470,070	473,043
Payments for investments		(590,322)	(609,815)
Net cash from investing activities		(553,662)	(984,948)
Cash flows from financing activities			
Repayment of lease liabilities		(409,426)	(386,227)
Net cash used in financing activities		(409,426)	(386,227)
Net increase in cash and cash equivalents		535,269	142,075
Cash and cash equivalents at the beginning of the financial year		2,874,561	2,732,486
Cash and cash equivalents at the end of the financial year	6	3,409,830	2,874,561

The above statement of cash flows should be read in conjunction with the accompanying notes

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Associations Reform Act 2012, the Fundraising Act 1998 and associated regulations, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through other comprehensive income.

Critical accounting estimates

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

Income tax

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

Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's 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 unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's 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. All other liabilities are classified as non-current.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through the profit and loss. Such assets are subsequently measured at either amortised cost or fair value depending of their classification. Classification is determined based on both the business model within such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the incorporated association has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Investments

Investments are classified as financial assets measured at fair value through other comprehensive income and include equity investments which the incorporated association intends to hold for the foreseeable future and had irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The incorporated association recognises a loss allowance for expected credit losses on financial assets which are at amortised cost. The measurement of the loss allowance depends upon the incorporated association's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since the initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the profitability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit and loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit and loss.

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

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

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

Note 2. Critical accounting judgements, estimates and assumptions

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

Estimation of useful lives of assets

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

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the incorporated association's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The incorporated association reassesses whether it is reasonably certain to exercise and extension option, or not exercise a termination option, if there is a significant event or change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the incorporated association estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in note 16, the liability for employee benefits expected to be settled within 12 months of the reporting date are recognised and measured at the present value of estimated future cashflows in respect of all employees at this 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.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit and loss.

Recognition of grant revenue

Determining the revenue recognition of grant revenue involved judgement and estimates in order to identify performance obligations, allocate the transaction price and assess whether the revenue is to be recognised at a point in time or over-time as performance obligations are met.

Note 3. Revenue from government sources

	2024 \$	2023 \$
Operating grant	14,338,780	14,037,659
Non-recurrent grant – Initiative and infrastructure	441,348	123,058
	<u>14,780,128</u>	<u>14,160,717</u>

Accounting policy for revenue recognition

The incorporated association recognises revenue as follows:

Grant revenue

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 4. Revenue from non-government sources

	2024 \$	2023 \$
Other grants	190,368	174,345
Donations	492,821	186,819
Dividends and franking credits	217,171	223,846
Education sessions	62,078	46,940
Gain on sale of property, plant and equipment	3,950	18,316
Other income	70,678	63,862
	<u>1,037,066</u>	<u>714,128</u>

Accounting policy for revenue recognition

The incorporated association recognises revenue as follows:

Donations

Donations are recognised as revenue when received.

Interest

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

Other income

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

Volunteer services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Note 5. Expenses

	2024 \$	2023 \$
Surplus before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	46,962	62,659
<i>Superannuation expense</i>		
Defined contribution superannuation expense	1,261,171	1,075,039

Finance Costs

Finance Costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Defined contribution superannuation expense

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

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 6. Cash and cash equivalents

	2024 \$	2023 \$
<i>Current assets</i>		
Petty cash	1,200	1,200
Cash at bank	3,408,630	2,873,361
	<u>3,409,830</u>	<u>2,874,561</u>

Accounting policy for cash and cash equivalents

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

Note 7. Trade and other receivables

	2024 \$	2023 \$
<i>Current assets</i>		
Sundry receivables	151,551	152,694

Accounting policy for trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Other financial assets

	2024 \$	2023 \$
<i>Current assets</i>		
Bank term deposits	1,557,751	1,500,000
Security bond	50,068	50,064
Term deposits for bank guarantee	74,030	74,030
	<u>1,681,849</u>	<u>1,624,094</u>

The security bond is on the Mitcham property and is not available to the incorporated association until the conclusion of the lease. Refer to note 12 and note 15 for further details on Mitcham property leases.

The term deposit for bank guarantee is used to secure a bank guarantee provided by ANZ bank and thus is not available for use by the incorporated association.

Note 9. Other assets

	2024 \$	2023 \$
<i>Current assets</i>		
Prepayments	65,809	121,158

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 10. Investments

	2024 \$	2023 \$
<i>Non-current assets</i>		
Cash	160,549	137,138
Fixed interest	1,329,489	1,443,696
Australian equities	2,525,805	2,176,972
International equities	601,051	504,420
Property	143,842	144,861
	<u>4,760,736</u>	<u>4,407,087</u>

Note 11. Property, plant and equipment

	2024 \$	2023 \$
<i>Non-current assets</i>		
Leasehold improvements - at cost	1,289,703	1,284,996
Less: Accumulated depreciation	(1,011,375)	(969,711)
	<u>278,328</u>	<u>315,285</u>
Medical equipment - at cost	376,134	351,059
Less: Accumulated depreciation	(327,224)	(317,072)
	<u>48,910</u>	<u>33,987</u>
Motor vehicles - at cost	1,075,368	829,732
Less: Accumulated depreciation	(292,159)	(198,752)
	<u>783,209</u>	<u>630,980</u>
Office and IT equipment - at cost	1,338,496	1,234,309
Less: Accumulated depreciation	(1,097,852)	(962,505)
	<u>240,644</u>	<u>271,804</u>
	<u>1,351,091</u>	<u>1,252,056</u>

Movements in Carrying Amounts

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

	Leasehold Improvements \$	Medical Equipment \$	Motor Vehicles \$	Office & IT Equipment \$	Total \$
Balance at 1 July 2023	315,285	33,987	630,980	271,804	1,252,056
Additions	4,707	25,075	330,067	104,187	464,036
Disposals/write-off	-	-	(84,432)	-	(84,432)
Depreciation expense	(41,664)	(10,152)	(93,407)	(135,347)	(280,570)
Balance at 30 June 2024	<u>278,328</u>	<u>48,910</u>	<u>783,208</u>	<u>240,644</u>	<u>1,351,090</u>

Accounting policy for property, plant and equipment

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

Eastern Palliative care Association Incorporated
Notes to the financial statements
30 June 2024

Note 11. Property, plant and equipment (continued)

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

Leasehold Improvements	11%-41%
Medical Equipment	7%-33%
Motor vehicles	18%-27%
Office equipment	20%-33%

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

Leasehold improvements under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is the shorter.

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

Note 12. Right-of -use assets

	2024	2023
	\$	\$
<i>Non-current assets</i>		
Land and buildings -right-of-use	4,193,212	4,193,212
Less: Accumulated depreciation	<u>(1,936,081)</u>	<u>(1,488,770)</u>
	<u>2,257,131</u>	<u>2,704,442</u>

The property leases are non-cancellable leases with rent payable in advance. The lease for the leased premises at 630 Mitcham Road was extended during the year, taking up the option for an additional term until 31 August 2026.

Eastern Palliative Care Association Inc entered into an agreement with its landlord partner St Vincents Healthcare Limited and St Vincents Hospital (Melbourne) Limited whereby Eastern Palliative Care Association Inc has paid \$1,625,000 representing 22 years prepaid rent effective from August 2021, for office space at Studley Park Road, Kew.

Reconciliations

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

	Total
	\$
Balance as at 1 July 2023	2,704,442
Depreciation expense	(447,311)
Balance at 30 June 2024	<u>2,257,131</u>

Accounting policy for right-of -use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of -use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of -use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the incorporated association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 13. Trade and other payables

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	45,157	55,163
Sundry payables and accruals	490,906	346,401
	<u>536,063</u>	<u>401,564</u>

Accounting policy for trade and other payables

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

Note 14. Contract liabilities

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Grants received in advance	834,050	374,604

Accounting policy for contract liabilities

Contract liabilities represent grants that have attached conditions which must be satisfied before the incorporated association is eligible to retain the contribution.

Note 15. Lease liabilities

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Lease liability	<u>442,606</u>	<u>409,426</u>
<i>Non-current liabilities</i>		
Lease liability	<u>557,914</u>	<u>1,000,520</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	472,091	456,127
One to five years	960,705	1,042,602
More than five years	-	-
	<u>1,432,796</u>	<u>1,498,729</u>

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incorporated association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 15. Lease liabilities (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit and loss if the carrying amount of the right-of-use asset is fully written down.

Note 16. Provisions

	2024 \$	2023 \$
<i>Current liabilities</i>		
Employee benefits	1,530,852	1,455,587
	2024 \$	2023 \$
<i>Non-current liabilities</i>		
Employee benefits	449,710	437,502
Lease make good	140,000	140,000
	589,710	577,502

Accounting policy for provisions

Provisions are recognised when the incorporated association has a present (legal or constructive) obligation as a result of a past event, it is probable the incorporated association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as finance cost.

Lease make good

The make good provisions are in respect of the lease properties. The amounts provided will be utilized at the conclusion of the leases, between 2023 and 2043.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 17. Contributed equity

	2024 \$	2023 \$
St Vincent's Hospital (Melbourne)	131,936	131,936
Order of Malta	131,936	131,936
Outer East Palliative Care Services Inc.	295,410	295,410
Total members' contributions at the reporting date	559,282	559,282

Eastern Palliative Association Incorporated
Notes to the financial statements
30 June 2024

Note 18. Reserves

	2024 \$	2023 \$
Financial assets at fair value through other comprehensive income reserve	299,793	147,007
Capital reserve	181,588	181,588
MEPCA/EPC Scholarship reserve	64,759	64,753
	546,140	393,348

Refer to the statement of changes in equity for reconciliation of movements.

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Capital Reserve

Due to the withdrawal of Melbourne Eastern Palliative Care Association Inc. ("MEPCA") as a member of EPC, the members' contribution provided by MEPCA has been transferred to a capital reserve. Under the constitution the founding members do not have a right to a refund in the event of their withdrawal.

MEPCA/EPC Scholarship Reserve

Upon the liquidation of Melbourne Eastern Palliative Care Association Inc. ("MEPCA"), the surplus of MEPCA's funds was donated to EPC. This contribution and interest earned on it have been set aside for the MEPCA/EPC Scholarship fund.

Note 19. Eastern Metropolitan Region Palliative Care Consortium

During the financial year 2006 Eastern Palliative Care was appointed custodian for palliative care initiative funding provided by the Department of Health (DH) to the Eastern Metropolitan Region Palliative Care Consortium. These funds are under the control of the Consortium and are therefore excluded from Eastern Palliative Care reports. The beneficiaries of these funds are determined by the Consortium members which includes Eastern Palliative care.

Note 20. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel of the incorporated association is set out below:

	2024 \$	2023 \$
Aggregate compensation	877,193	1,170,132

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the incorporated association:

	2024 \$	2023 \$
<i>Audit services</i>		
Audit of the financial statements	29,000	28,600
<i>Other services – network firms</i>		
Preparation of the financial statements	-	5,600

Eastern Palliative Care Association Incorporated
Notes to the financial statements
30 June 2024

Note 22. Volunteer Services

During the financial year, 210 volunteers have provided a total of 21,099 (2023: 23,170) hours of unpaid assistance to the incorporated association covering various capacities including as Home based and Biography Volunteers supporting the incorporated association's client base and in providing administrative support.

This excludes the significant number of hours our committee members contribute to the governance of the incorporated association and other committees.

Note 23. Contingent liabilities

The incorporated association had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Note 24. Commitments

The incorporated association had no commitments for expenditure as at 30 June 2024 and 30 June 2023.

Note 25. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 20.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 26. Economic dependency

The entity is economically dependent on Victorian Government Funding for the majority of its revenue used to operate the business. If funds are not spent in accordance with grant conditions, the department can suspend future grants or reclaim all or part of the grants. At the date of this report, the Committee of Management members have no reason to believe the Department of Health will not continue to support the entity.

Note 27. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.


Eastern Palliative Care Association Incorporated
Committee members' declaration
30 June 2024

In the committee members' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Associations Incorporation Reform Act 2012, the Fundraising Act 1998 and associated regulations;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

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


 M Stewart
 Chair


 R Snyder AM
 Treasurer

16 September 2024
 Melbourne



Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia



INDEPENDENT AUDITOR'S REPORT

To the members of Eastern Palliative Care Association Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Eastern Palliative Care Association Incorporated (the registered entity), which comprises the statement of financial position as at 30 June 2024, 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 report, including material accounting policy information, and the committee members' declaration.

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

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Committee members' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine 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, responsible entities are 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Elizabeth Blunt
Director

Melbourne, 16 September 2024



Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia

**DECLARATION OF INDEPENDENCE BY ELIZABETH BLUNT TO THE DIRECTORS OF EASTERN
PALLIATIVE CARE ASSOCIATION INCORPORATED**

As lead auditor of Eastern Palliative Care Association Incorporated Inc for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the of *Section 60-40 of the Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'EB', followed by a horizontal line and a small flourish.

Elizabeth Blunt
Director

BDO Audit Pty Ltd

Melbourne, 16 September 2024



Palliative care. Living well every day.

ABN 62 982 157 121

Street Address

Wurundjeri Country Naarm
Level 1, Building 2,
630 Mitcham Road
Mitcham, Victoria 3132

Postal Address

PO Box 2110
Rangeview, Victoria 3132

☎ 1300 130 813
✉ contactus@epc.asn.au

☎ (03) 9873 0919
🌐 epc.asn.au



Eastern Palliative Care
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