Living Every Moment

hospice taranaki

2019 ANNUAL REPORT

VISIONS AND VALUES

Our Vision

Our hospice philosophy of holistic care is available without barriers for all patients and their families/whanau.

Our Mission

Hospice Taranaki works in partnership with patients and their families/ whanau to provide and influence best practice palliative care, support and understanding. We will provide opportunity to live every moment in ways meaningful to those in our care.

Our Values

Fairness – Tika

Honesty – Pono

Choice – Puwharu

Compassion – Aroha

Respect – Whakaute

Trust – Whakawhirinaki

Dignity – Whakarangatira

Our people

Board of Trustees Hospice Taranaki Incorporated:

Mike Brooke, Chair
Neil Evetts, Deputy Chair
Dianne Bezuidenhout, Chair South Taranaki Committee
Pat Bodger
Tim Coleman
Peter Cottam
Dr John Doran
Judy Drummond
Clare Poole
Christine Taylor

Board of Trustees Hospice Taranaki Foundation:

Roger Malthus, Chair
Paul Bourke
Mike Brooke
Brian Busing
Tim Coleman

Board Minute Secretary:

Sandy Smith

Hospice Taranaki Life Members:

Dr Peter van Praagh*
Shirley Fairey*
John Fairey
Colin Muggeridge*
Dr Ian Smiley
Peter McDonald
Kevin Nielsen
*Deceased

Hospice Taranaki Senior Leadership Team:

Paul Lamb	Chief Executive
Heather Koch	Clinical Services Director
Cath Anderson	Operations Manager
Lianne McElroy	Volunteer and Hospitality Services Manager
Stacey Marshall	Support Services Manager

HospiceShop Leadership:

Jessica Sinclair, North Group Retail Manager
Tania Brown, South Taranaki Regional Group Manager

A MESSAGE FROM...

Chair Hospice Taranaki Inc Report

Another year of intense activity has concluded and it is a pleasure to reflect on the outcomes.

Obviously the first thing which you need to know is, "how has our new CEO Paul Lamb settled into his role". Very well. His passion for our organisation has been apparent from the time of his interview and appointment. His business acumen in comprehensively reviewing our retail activities and implementing new systems and management has revived what had become something of a stagnating business into a refreshed and more profitable venture. His initiatives in establishing a Trade Me site together with the opening of a retail shop in Waitara have provided new income streams.

I wish to acknowledge the valuable contribution from our South Taranaki Hospice Committee led by long serving Board Member Diane Bezuidenhout. This year they funded a replacement vehicle for our nurses which is more suited to their requirements. Your good work in the South of our province is recognised.

Paul has spoken to 22 community groups, spreading the Hospice word and started a "Living Every Moment" community funding programme whereby businesses agree to make a monthly contribution to our Hospice. There is still work to do to expand it to its full potential and we hope that it will create a mutual and strong financial bond. Financing Hospice Taranaki is always a challenge with costs constantly increasing and some income avenues being unpredictable. We were delighted to receive notice from the Taranaki District Health Board that they had agreed to increase the amount of our funding contract by 1.5% which is very welcome. Thanks again to Paul for negotiating vigorously on our behalf.

One initiative which has proved to be problematical is our Information Technology review programme. Last year I reported that we had arrived at a favourable agreement with Datacom to be our service provider for the project. Unfortunately it has subsequently not been possible for them to see the project through and we have parted company and are now nearing completion with our new partner, Spark. By the time you read this the new system should be up and running and will be far more efficient than the one it replaced. No longer will we be tied to the TDHB I T network but will be able to more effectively manage our own requirements. The project will complete within approved cost estimates for which we are grateful.

We realise that it may take a while for users to come to grips with the new hardware and programmes but Spark will provide a support facility and our volunteer I T specialist, Liam Heslop, will also be available to help. It has been a long and arduous journey but Paul has led us through it.

This was the year that our Strategic Plan expired and a new one has been created following discussions and input from Management, Staff and Board Members. It isn't a lot different from the previous one but has more focus on areas which need it. The Board is confident that it will prove to be an effective document for the next three years.

We have received a considerable number of donations throughout the year from a variety of sources. Some are from funerals and some from bequests. They are very welcome as they reflect the opinions of those who have experienced the services which we provide. We also receive many communications of appreciation with special mention of the amazing care given by our nurses. “Little Angels” one person said. “A Godsend” said another.

We have a number of longterm sponsors whom we should recognise, Craigs Investment Partners, McDonalds Real Estate, Budget Rentals, Farmers Trading, The Devon Hotel, BNI Group, Harcourts Real Estate, BDO. Our supporters continue to be very loyal and we thank NZCT, The Lion Foundation, Taranaki Electricity Trust, New Plymouth Club, Hospice NZ Grants Programme, Pelorus Trust, Southern Trust and our major funder, TSB Community Trust who have just confirmed a large grant to replace some of our aging In Patient Unit equipment. Thank you all so very much. We really couldn’t manage without you. We are always struggling to balance the books which has proved to be a difficult task again this year.

It isn’t possible to put into words how much we appreciate our volunteers. We have over 600 throughout the province and their contribution is beyond monetary value. It brings with it a passion and a feeling of belonging which is contagious. No matter how many hours each one contributes it is truly valued.

The Board has met all its challenges and I have been very fortunate to have such a dedicated group with all the skills needed to run our organisation. Thank you all. This year two of our Board Members have indicated that they won’t be standing for re-election. We are sad to lose Christine Taylor and Clare Poole who have been wonderful contributors.

Clare has confirmed that she will still coordinate the Calf Scheme for us. She started it and it is now building to provide another source of income.

Our Hospice Foundation under Chairman Roger Malthus and his wise directors with free and comprehensive assistance from Craigs Investment Partners have looked after our “rainy day nest egg” funds. It’s comforting to know that in times of need we can call on them.

I hope I have covered all relevant matters and sign off after another enjoyable and stimulating year as Chair.

Mike Brooke QSM
Chair

Chair Hospice Taranaki Foundation Report

It is again a privilege and a pleasure to present the Annual Report on behalf of the Hospice Foundation to compliment the Hospice Taranaki Annual Report of 2018/19 year.

This is our 13th report for Hospice Taranaki and as in the past, although we have an independent role, we are closely aligned with the objectives of the Hospice Taranaki Incorporated Society. As a preliminary, our objectives remain unchanged from those detailed in our previous reports but primarily they are summarised as follows:

- To hold on behalf of Hospice Taranaki and invest prudently, acknowledging that the money we manage has been given by the Taranaki community to support Hospice services throughout Taranaki;
- We are available to advance funds as and where necessary with the guidance of the Hospice Taranaki Incorporated Society via our joint CEO;
- We manage physical assets of Hospice Taranaki in a governance role including land and buildings;
- We seek opportunities to support fundraising initiatives as well as funding via public grants and bequests.

Our Finances

For the 2019 financial year, I am pleased to report that our term loans and other investments have accumulated a surplus of $665,000 which, in conjunction with an equity increase of $432,200, has resulted in an increase of assets under management of $1,045,071. In association with this result, bequests totalled some $393,300 and grants $170,136.

In keeping with the above bullet pointed role of the Foundation, we are pleased to report that we were able to support the Hospice Incorporated Society with contributions of $117,491. The major component to this support includes upgrading the Incorporated Society's IT requirements, maintaining and upgrading our machinery and vehicle fleet as well as providing funding support for refurbishment of patient rooms.

Our accumulated surplus for the 2018/19 year primarily comes from two aligned sources. Fixed interest funding through our fixed interest laddered funding model of some $2,340,000 which enables us to have available funds maturing annually of between $365,000 and $525,000 over the next five years. These funds are either available for capital projects or reinvestment.

In addition, Craigs Investment Partners, our major sponsor, have managed our share and bond investment portfolio under the able guidance of Michael Regan. Performance again has been excellent in light of the current economic environment with an interest and dividend surplus of $118,545. This has provided an annual performance of 13.4% which must be considered exceptional when compared with the expected return of 6 to 7%. This result and the service provided by Craigs Investment Partners

involves regular refinements of our share portfolio with reporting every two months at our Foundation meetings. Again, our appreciation to Michael Regan and the team at Craigs Investment Partners.

Other Matters

In association with our longer term considerations, we have this year become a member of the Te Karaka Foundation with a small capital contribution. However, this association enables us to seek funds that may be available from the Te Karaka Foundation should we have a suitable project which they may be willing to support.

We continue to be involved with renewal of leases via Paul Lamb our CEO and in particular this year the Stratford and Hawera Hospice Shop premises have had recent lease renewals at levels which must be considered at or below market levels.

An active member of our Foundation, Brian Busing, has also undertaken some detailed research. Such research relates to the demographics surrounding longer-term funding challenges facing the Hospice Taranaki. In this regard, matters such as an anticipated budget deficit for the 2019/20 year of marginally under $400,000, approved by our Hospice Incorporated Society, give some indication of the importance for us to project forward. In this regard Brian's research becomes a valuable tool for future planning.

Acknowledgements

Firstly, I would like to thank our CEO, Paul Lamb, for having ably managed our Foundation meetings and provided bi-monthly reports. Paul has also provided information for us on issues as and when required in his role of day-to-day management of Hospice Taranaki Incorporated.

Secondly, I would again like to thank my fellow Trustees Brian Busing, Paul Bourke, Tim Coleman and Incorporated Society Chairman, Mike Brooke, for their regular attendance and contributions to our Foundation meetings. Appreciation is also acknowledged for their governance role, including specialist projects and research, which makes the progress as a Foundation that much easier. Finally, I would also like to thank our minute-secretary, Sandy Smith, who has done an excellent job reporting at our meetings and returning minutes to us in a prompt manner which enables us to move forward faster.

Roger Malthus
Chair

CEO Report

We have now completed our 27th year of providing palliative care services across our communities. The past twelve months have been a time of change, challenge and achievement for all facets of our organisation. We continue to experience growth in demand for our range of in patient and community based services and have spent a large amount of the year best positioning our resources to meet these expectations.

As always our highly skilled and committed staff teams have delivered care in ways that best work for patients and families in their chosen care settings. This work is often complex and taxing along with challenging dynamics of where it is provided. I am continually impressed by what our people achieve to help those who pass through our care, so they can live their lives in ways that are important and meaningful to them.

As now seems to be the way of charity healthcare providers, managing our finances and ensuring the best spend of our income is a constant challenge in our organisation. We are grateful for the strong relationships with key funders and corporate supporters that we partner with in our communities. Our retail group has grown to five shops with our presence expanded to Waitara and this combined net income continues to underpin fund raising programmes from our communities. Likewise we have received near record volumes of donations showing how we are valued by our supporters.

Over the past twelve months our marvellous and energetic volunteer teams have given us well over one hundred thousand hours of their time into all parts of our organisation. This community support is critical to us continuing our work of providing services at no charge to anyone anywhere anytime. Our annual

board thank you dinner for volunteers was attended by 370 people at a new venue with a new format which provided an excellent opportunity to publicly acknowledge the work of so many of our long term supporters.

I would like to acknowledge the Senior Leadership Team and their energy, enthusiasm and vision that contributes to keeping our organisation focused on our future directions while supporting their teams to provide levels of excellent service in the here and now. Likewise I am very grateful for our two volunteer boards who generously give their expertise in support of my role and championing our work in the community. Our senior team and boards have carried out and overseen a wide range of new developments across our organisation in the past year that will continue to position us well for future challenges.

We also acknowledge the support we receive and the leadership that is provided across our sector by Hospice New Zealand.

In closing I would like to record our grateful appreciation to the thousands of people who have donated to us at funerals, purchased goods through our HospiceShops, organised and supported fund raising events, purchased items of equipment for us, donated goods to our HospiceShops and given us their volunteer time. These community connections are so vital to our future and reinforce our position as the most highly respected and well supported charity healthcare provider in Taranaki.

Paul Lamb
Chief Executive

SUSTAINABILITY PARTNERSHIPS

Living Every Moment

Members of the Living Every Moment Club have joined to help ensure that hospice care continues to be freely available for all patients and their families facing life limiting health conditions.

These businesses have joined us as community partners to support the work we do and provide regular on going funding to assist us to look towards a more secure future for our service.

CAMPAIGN FOUNDING PARTNERS

- Eagars Funeral Services
- Cleland's Construction
- McDonalds Real Estate
- JRI Insurance
- Jones & Sandford Joinery
- The Devon Hotel
- Wells Instrument & Electrical

Totalling $35,000

CAMPAIGN PARTNERS

Farmers

2018 was the fifth year our Farmers store raised funds. This is part of a nationwide fundraising campaign – our only nationwide fundraiser. Farmers host a Tree of Remembrance and offer Christmas baubles for sale with 100% of these proceeds donated to support Hospice Taranaki.

Totalling $84,969

Photos kindly supplied by Rebecca Inns Photography.

Farmers
Supporting Our Community

CHARITABLE TRUSTS

Grants totalling: $170,136.00

- New Plymouth Club
- NZCT
- Pelorus Trust
- The Lion Foundation
- Southern Trust
- TSB Community Trust
- Hospice NZ Grants Programme-proudly supported by the Harcourts Foundation
- Taranaki Electricity Trust

TSB COMMUNITY TRUST

TET

New Plymouth Club
a place like no other
Est 1908

NZCT
NZ COMMUNITY TRUST

PELORUS TRUST

THE LION FOUNDATION

the Southern trust
Funding your community

OUR SERVICES

Clinical Services

Service Review and Development

Triaging of Referral Pilot Project – February – May 2019

A review of the processes involved in triaging of incoming referrals was piloted from mid-February 2019 and ran for 3 months. It provided effective evaluation of current and trial of new processes aimed at managing patients with more complex needs. Referrals for patients with non-malignant diagnoses is of concern as the predicted illness trajectory can mean services are needed to be used differently than for those patients with a malignant illness. The creation of a category of patients under the term 'episodic care' allows these patients to be fully registered with but means they will phone in when they need care rather than being part of a routine home visit schedule or Wellness Clinic follow-up. The project also looked at workload management to ensure the most efficient processes for all staff involved with referrals. The Triaging of Referrals project has been adopted and is embedded into normal practice now.

Chronic Illness Management project – November 2018 – ongoing

A working party was formed in late 2018 involving the Medical Team Leader, Clinical Services Director and four nurses with advanced nursing skills. The purpose of the project was review of referrals for patients with non-malignant illnesses and review the care provided to this group of patients. It is recognised nationally and internationally that an ageing population with multiple chronic illnesses will put pressure on hospice services in the future. The brief of the working party was to research an alternative model of care for these patients. The adoption of the 'episodic care model' as part of the Triage project in 2019 partially addressed the needs of these patients. Further work will be completed and will be aimed at promoting self-management strategies. Progress of the working party was halted during the Triaging of Referrals project. It is envisaged that this work will begin again once the 2019 IT project has been completed.

Equipment review and replacement – January 2019 – July 2019

The review of pressure relieving devices was completed and new air mattresses purchased to replace old devices. The purchase of these mattresses has been successfully reviewed in relation to the development of pressure injuries by vulnerable patients. A further review of equipment has occurred during 2019 and includes identification of equipment needing replacement.

Auditors Visit in March 2019

The service was audited in March 2019 for compliance with health sector standards. Some variances were noted and work has been undertaken to address these variances. A Medication Management Committee has been formed to guide the service in the management of medication related issues.

Staff Changes

During the period of this report, there has been a number of nursing staff changes as staff retired or resigned to pursue other areas of nursing. Recruitment of new staff included a new palliative care community nurse for Central Taranaki, a new Clinical Nurse Educator and a new Clinical Nurse Specialist for the hospital palliative care in-reach team.

Hospice Taranaki's model of nursing team development is based on the new nurse commencing work in the inpatient unit and after a period of time, will then orientate to the community setting. This rotation of inpatient and community nurses ensures a flexible and skilled workforce who can apply their skills in any setting. This also means that newer staff in the inpatient unit can be mentored by the community nurses on the rotation schedule. Nurses with advanced nursing skills have had the opportunity to step up into leadership roles as vacancies have occurred.

A continuation of the 2017-2018 Values based organisational learning has continued with values being practiced in daily care processes and teamwork activities. This was part of the Education programme for all staff in 2018.

Professional Development

Professional development at post graduate level is a goal for all new staff. The time-frame for completion of this is negotiated on an individual basis. Financial support of this post-graduate study is via the Health Workers NZ fund and to a lesser degree, Hospice Taranaki Inc.

A number of staff attended the Hospice NZ Conference in September 2018. This was seen as an opportunity to keep abreast of new developments in the field of palliative care. Two registered nurses have completed their post-graduate certificates in Health Sciences from the University of Auckland during 2018/2019.

Inpatient and Community Team Leaders were very fortunate to participate in a Leadership Development programme facilitated by Staples Rodway and completed in November 2018. The Team Leaders were very appreciative of this opportunity and were very complimentary in regards to the programme and what they gained by attending. Team Leaders have shown increased skills and confidence in managing their teams.

Maori Health Services

The Kaiawhina and Kaitakawaenga (Maori Liaison) roles continue to grow in strength and versatility. Attendance at multi-disciplinary team meetings at Oncology allows these staff to identify patients who may need referral to hospice services at an earlier stage.

The pounamu taonga has gained a display case in the inpatient unit and a special waiata is being used at formal occasions. Progress on the Waitara Project involving Clinical Nurse Educator and Kaitakawaenga Paula King has been slow due to circumstances outside of her control. A plan is in place to pilot the first Carer Programme in Waitara in November this year.

Staff attended a visit to Oakura marae for two day workshops aimed at broadening knowledge and understanding of tikanga Maori. The visit was appreciated by all staff who attended.

Community Partnerships

WITT and Massey University Bachelor of Nursing Students (BN)

We have supported BN students from WITT and Massey in previous years. In 2018, some concerns were raised with WITT in relation to the nursing programme and a review of the programme occurred. A decision was made to concentrate on the newer nursing staff member's induction therefore; we did not participate in any WITT or Massey University student placement in 2019. WITT has subsequently adopted a new nursing programme which will commence at the beginning of 2020. We will participate in the programme again from this date.

Aged Care Facility Support (ACF)

The Service Innovation Project funded by the Ministry of Health (MOH) in 2016 has continued. In December 2018, the Clinical Nurse Specialist (CNS) for Aged

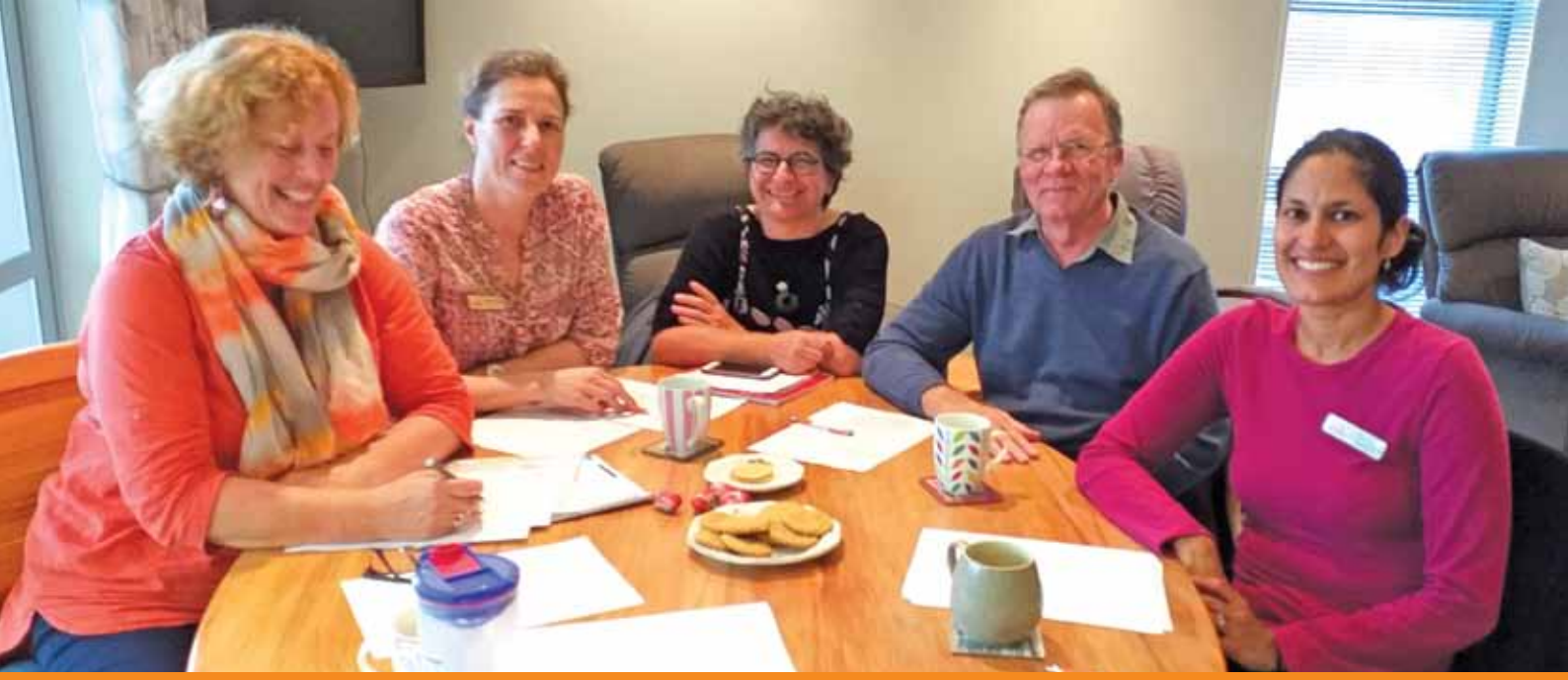
Care in South and Central Taranaki resigned from the role. The North Taranaki CNS began visiting this area from January 2019. She currently visits aged care facilities with registered patients and also provides a 'consult' service for residents who may have palliative care needs but are not needing the full hospice service support. There is an expectation that all health services involved in end of life care adopt the principles and practices of the Te Ara Whakapiri End of Life Care Plan. Nurse educators completed the roll-out of information and education to all aged care facility staff in December 2018. Our responsibility was to introduce and educate staff and it was the facilities responsibility to implement the programme.

There has been ongoing education programmes for ACF staff including Syringe driver management, Fundamentals of Palliative care and sessions on topic's which has been requested by the facility staff.

The ACF CNS also provided ongoing education on her visits to facilities and provides bedside mentoring to individual staff at this time.

It has been a revitalising experience leading the nursing team this year. Integration of new staff into well established teams has presented challenges at times but with new staff comes new ideas and new energy. The year has presented opportunities to examine how we provide care and whether long-standing processes are still the best in the changing health care environment. We have managed to identify the challenges and actively pursue solutions using the resources within the organisation.

Heather Koch
Clinical Services Director



Medical Team

Our medical officer team providing full and part time coverage; Dr Diana Rae – Medical Team Leader, Dr Tom Bull, Dr Catherine Page, Dr Paola Valli, Dr Nina Bray – Consultant Palliative medicine.

Staff Teaching

Every three months a new Post Graduate Year 2 doctor from the DHB joins the hospice team. Drs Bull and Bray supervise these placements. The graduates' complete an audit project and also either present at journal club or teach at a multidisciplinary session. They are assessed at the start and end of their placement so we can measure the change in improvement in their knowledge and skills.

Medical students from Auckland join us for a few weeks intermittently. They have found working in the community in palliative care particularly interesting and worthwhile.

Earlier this year we hosted after a final year medical student from Scotland – doing her elective training in NZ and Australia. Ellie McCourt was an asset to the team and kept the doctors on their toes.

Dr Bull also regularly mentors junior doctors in the public hospital setting.

Innovations during the year

We held a Medical Team development session – hosted by Staples Rodway. Drs completed a questionnaire before the day which helped find out how each Dr prefers to work and how to integrate as a team. We are now all more aware of our attributes and those of our colleagues.

Community and IPU doctor roles – 4 month rotation. This is going well and aims to support community nurses more effectively and liaise more closely with community GPs.

South Taranaki visits – 1 Dr goes each Wednesday for 1 month to provide continuity of care for our southern patients and to support our south community nurses and their practice.

We now start morning shift handover IPU at 8am. This allows better time management as we have to finish by 8.30am and improved communication across teams with our medical officers.

Medicine Management Committee (MMC) – launched. Led by the Medical Team Leader this group oversees best practice, education, investigating significant error events, service quality and future strategy around all matters regards medications across the organisation.

Drug chart update and new "on leave" medication developed. With support from our pharmacist Anne

Graham this is designed to better manage this part of our service.

Discharge from specialist palliative care – we have created a safe process to discharge patients who no longer require regular hands on care services. We have introduced "episodic care" for those patients with chronic illness and exacerbations of ill health needing intermittent care but still living independently in the community.

Attendance at Conferences

Australian and NZ Society of Palliative Medicine conference

Various trainings through Hospice NZ

Medical Director day- chance to meet other Medical Team Leaders and network. We Use What's app to communicate and share good practice across group members.

Dr Page – has completed a 3 month sabbatical training and observing practices in Scotland. Her travels included learning how to provide and introduce hypnotherapy into hospice practice.

Training

Dr Rae – successfully completed an Inpractice assessment by Auckland specialist Dr Briar Peet.

Occurs every 3 years to ensure palliative doctors are maintaining high standards of practice. All "General scope" doctors have to complete annual Inpractice audits, attending teaching and peer review sessions.

Monthly Journal club – the time was changed to afternoons to accommodate nursing shifts and allow them to attend. A Dr or nurse presents interesting journal articles and which the group has opportunity to discuss in depth.

Reflection and debriefs- family support team run reflections on patients and debriefs of complex or challenging cases to support any staff involved. These are supported by the medical officer team.

We hold monthly doctors' meeting and peer reviews where we discuss complex cases together.

Dr Diana Rae
Medical Team leader

Operations Team

Tēnā koutou, tēnā koutou, tēnā tatou katoa; greetings from us all in the Operations Team. This year has flown by and we have been as busy as ever.

We are very proud to be responsible for core administrative functions at Hospice Taranaki as well as overseeing Hospice's front of house/reception area welcoming all visitors to our organisation. The Operations Team also oversees all asset management, fleet transport coordination and contracts management functions for Hospice.

I have a wonderful team of five staff, with Annie McFadgen, our only full timer in the reception role. Two staff, Winnie Foster and Hilary Walker job share in the quality administrator role. Hilary is our newest recruit joining us in October replacing Steph Halls who resigned earlier this year. Hilary is a podiatrist and while raising a family and running a business with her husband, also volunteered for the ambulance service.

Talia Greiner continues to coordinate the community patient loan equipment and ensures the smooth operation of the Hospice Taranaki vehicle fleet. From early 2020 Talia will take over as one of Te Rangimarie's health and safety reps, a role previously held by Annie.

Annette Gall works with us a day a week on reception to give Annie time to work on education administration. Annette provides cover for annual leave for the reception and quality roles. Annette is also a longtime volunteer in the Westown HospiceShop.

In March this year, Hospice Taranaki participated in a certification audit for compliance to the Health and Disability Sector Standards (NZ 8134: 2003). This project has dominated our Operations Team work plan in 2019. The audit, required for our 'license to practice' to a hospital level standard of care, is understandably rigorous and the auditors reviewed all aspects of our operations, observing hands-on patient care and speaking with families and many staff. The auditors complemented the evident commitment to patients and whanau and commented on the facility as being fit for purpose and adaptable for the needs of consumers. The auditors also complemented clinical care plan processes and were pleased to witness a genuine multidisciplinary approach to the delivery of care.

The audit elicited four corrective actions concerning medication management & staff competencies and internal audit. These actions will be resolved before the end of year.

The Operations Team is responsible for coordinating the work of the Quality Committee (Hospice Taranaki's main quality management entity) and the Health & Safety Committee (required under the Health & Safety at Work Act 2015). Quality Committee has met monthly all year to consider and sign off new policies, consider audits & service evaluations and the management risks for the organisation. The Health & Safety Committee meets quarterly and receives reports from all areas of Hospice Taranaki's operation.

We have also been busy introducing new processes for loaning community equipment and preparing for the introduction of the new IT system. In July we introduced a new quality management system, QualityHub, an integrated reporting and risk management programme which reduces 'form filling' and means incidents are investigated comprehensively and sooner.

Staff timesheets are now completed and transferred electronically thanks to Winnie Foster (who also runs payroll for us) and we have been tracking Te Rangimarie visitor numbers throughout 2019. Visitor numbers are collected from the visitor register and may include several repeat visits in a day. However, this information gives us a useful 'baseline' in which to understand just how busy the Te Rangimarie facility can be every day of the year and helps us with the annual building maintenance programme and health & safety objectives. As at the end of October 2019, there was an average of 1270 visitors to Te Rangimarie each month this year. September and October were our busiest months with 1683 and 1646 visitors respectively.

In August, I attended the biennial Hospice New Zealand quality managers meeting in Wellington. The two day event was very informative and a great chance to network with others in the quality role. While in Wellington I also visited Mary Potter Hospice.

We all look forward to another busy and rewarding time in 2020. As always we must pay tribute to the wonderful volunteers who support the work of our Operations Team, thank you for you all you do.

Ngā mihi nui
Cath Anderson
Operations Manager

Support Services

Staffing Changes

The Support Services Team has undergone a number of staffing changes over the past year.

Annemarie Molloy was appointed as our Aged Care Counsellor in September 2018 for 16 hours per week. Annemarie then became our Spiritual Care Advisor for 16 hours per week in April 2019, taking over from Mary Harker who finished working in this role for Hospice. Vanessa Philp took over the role of Aged Care Counsellor in April 2019.

In January 2019 our Social Worker, Jacqui Price had her hours increased to full time. Mid 2019 we began looking at finding a casual Social Worker to provide cover for when Jacqui was away on leave. The rest of our team work part time hours.

Jenny Blyde shared her intention to retire from the Family Support Services Manager Role having dedicated 12 years to growing the role and in June 2019 interviews were carried out for a replacement. This role was offered to Stacey Marshall to start in September 2019.

Jane Woollard continues to run Bereavement Groups, Carer Groups (twice yearly for 6 weeks each) and Patient Groups (2-3 times per year for four weeks) as well as seeing individual counselling clients.

The team has adjusted well with our various staffing changes. We are supporting each other in our new roles and providing appropriate cover for each other as needed for clients on the days we are not here.

Update of our Bullying and Harassment Policy

Prior to retiring from her role at Hospice Taranaki, Jenny Blyde was involved with updating our Hospice Bullying and Harassment Policy. This is to be formally relaunched later this year.

Wellness Project

Staff have enjoyed a variety of Wellness activities throughout the year including yoga, meditation, ukulele lessons, stretches, gardens festival, Kids Christmas Party, Share Your Talent and Tai Chi. Although well enjoyed by those who attended, the overall attendance numbers at these activities has been less than expected. Feedback regarding this is that staff would like to attend but find it difficult to find the time during their work hours or the activities are on at a time when they are not at work. As a result we are going to be offering fewer activities more often over a variety of days and times. We will also be on the lookout for activities that staff may be able to do while they are at work.

We are working on adding to our schedule of staff buying privileges at various organisations.

Bereavement Volunteers

Our team of three trained bereavement volunteers continue to make calls to those who have lost a loved one over six months ago and make referrals to counselling for those who require this.

Biography Volunteers

Our team of biography volunteers has grown to seventeen. This continues to be a well utilised service. Feedback from clients and their families has been very positive.

Stacey Marshall
Support Services Manager

Volunteering & Hospitality Services

Hospitality/Kitchen

It has been another busy year in the kitchen.

We had our head housekeeper of 11yrs retire and have employed a young and enthusiastic replacement, with some fresh ideas.

The kitchen's main focus is the inpatients but the staff also cater for many other functions such as the memorial service, the BNI breakfast meetings held at hospice a couple of times a year. They also manage many functions for staff and visitors to Hospice.

Day Programme

It has been a busy 12 months for this programme, with a variety of interesting speakers, entertainment and outings. The patients that attend find it a safe place to come and socialize, laugh and discuss whatever they like.

They arrive at 10am and go home about 1.30pm and enjoy lunch together.

This happens on a Wednesday and a Friday. They enjoy a garden party in the summer with a live band in the hospice gardens and this year they had great weather for it. Bucket list wishes are done privately with some of these patients also.

Volunteers

This amazing group of people continue to keep turning up and giving their time to our organisation in a variety of roles.

I have taken on 16 new volunteers in the 12 month period. Doing housekeeping, cooking, reception, driving, gardening, administration and respite sitting.

As well as regular business groups and school children who do one off jobs for us.

Keen lads from Boys High and Francis Douglas often come and help when I ask; they both came at different times to help shovel manure around the gardens.

Tall Poppy Real Estate come once a month and clean four of our vehicles for us inside and out.

Maintenance

The maintenance of the hospice buildings are a never ending project.

We have had several improvements in the 12 months.

All seven of the patient's rooms have been re carpeted with carpet tiles.

Two of the front and main public toilets were painted in June 19.

The drug room was also repainted in August 2018.

The parking lines around Te Rangimarie were re sprayed.

In March this year some Francis Douglas and Boys High Boys came on different days and under the supervision of volunteer Stuart painted most of the concrete fences around Te Rangimarie and along the street frontage.

Glass louvers were put in the Kowhai lounge to replace the wooden ones for more light. This was all donated.

All the patients' rooms have wooden boards running along the width of the rooms behind the beds to protect the walls from constant wear and tear with beds and lazy boy's. This was done by volunteer handymen.

Many small repair jobs are done on a weekly/monthly basis. Some of which are done by our wonderful volunteers.

Lianne McElroy
Volunteer & Hospitality Services Manager

COMMUNITY ENGAGEMENT

HospiceShops

Our retail group has completed a very successful year of sales, expansion and repositioning in the highly competitive charity shop sector. A review was completed around shop signage, product range, pricing and how we present our shop environments. These changes are now almost completely integrated across our network.

We opened a new retail shop in Waitara in Princess Street with a great team of volunteers and staff. This shop is now well established in the community and surrounding districts as the go to charity shop in town. We are achieving fantastic support for donations and other services from the local community.

Our own Trade Me sales division has been launched from our warehouse site. Sales are exceeding expectations and the volumes through this site grow monthly. This change is partly in compensation of reducing the number of public auctions as this part of our sales model has changed significantly in the past few years. We are now also placing a wider range of antique/collectable/auction type items directly into our retail shops.

Jessica Sinclair, our North Group Retail Manager and Tania Brown, our South Group Retail Manager have both had significant impact with the improvements implemented over this year. They lead their respective managers and areas to a very high standard of service and presentation positioning us as the major charity shop operator in our region.

As always our fantastic teams of volunteers support employed staff across all sites. This year over one hundred thousand hours was donated to us by people working at our warehouse and five retail shops. This has an enormous impact on maximising the net surplus we can transfer to support our free of charge care services across the province.

In closing I would like to acknowledge the amazing community support we receive from those who donate items for sale and purchase products from our HospiceShops. We now average over 31,000 sales each month over our retail group – testament to how well we are supported by the communities where we provide our services.

Paul Lamb
Chief Executive

Thank you

Heartfelt thanks go to our incredibly generous community and kind supporters who are instrumental to our continuing success. We can do what we said we are going to do only because of you. Thank you.

"None of us, including me, ever do great things. But we can all do small things, with great love, and together we can do something wonderful." – Mother Teresa

Our gratitude goes to our principal sponsors:

Budget Rentals, Dilmah, House of Travel, BNI Chapters – "Energise", "Ignite" and "Success Like No Other", Craigs Investment Partners, J & J Hurley, Peter & Rosemary Tennent, Eagars Funerals, Quest Apartments, BDO, Graphix Explosion, Bach on Breakwater Café and McCurdy Engineering.

Our appreciation goes to our community:

Calves for Hospice Taranaki, Ballantynes Fashion Night, Bollywood Masquerade, Harcourts Devon Real Estate, Coombe & Wano Wedding , Gravetye Gardens, Z Good in the Hood, Fabricana, New Plymouth Bowling Club New Years Bowls Tournament, Mangatoki Dance Club, Patriotic Soldiers Trust, Pakeke Lions, Stratford Lions Club, Paradise Berry Gardens, Marsh Golf Day, Barbara Henderson-Olsen Brave Heart Calendars, 12 Days of Christmas, Bell Block Lions, Brunton's Garden, Freemason Lodges; Hinemoa, De Burgh Adams, Mount Egmont and Sir Donald Mclean, Urenui & Districts Lions Clubs Ambrose Charity Golf tournament, Farmers with Christmas Baubles and our Tree of Remembrance.

In summary:

We have a fondness for community organised events; they help to raise our profile, widen our networks and provide positive media coverage.

Thank you to the people who support our requests for equipment or our plea for help. Thank you to the families of bequest donations. Thank you to the wonderful people that speak to the media in support of us. We are very thankful to each and every person who has supported us while we are unable to list everyone here, please know we really appreciate your support and generosity.

"If you think you are too small to be effective, you have never been in bed with a mosquito." – Betty Reese

Rose Whitaker
Marketing and Promotions Co-ordinator

THE BIG PICTURE 2019

Living Every Moment
hospice
taranaki

$2,990,786
Gross revenue from group HospiceShop sales

93%
Average bed occupancy for Te Rangimarie in patient unit

7396
Community home visits

5121
Community telephone consultations

124,478
Volunteer hours provided from the community

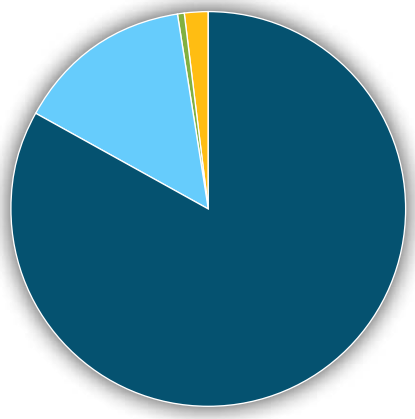
641
Referrals – 338 for cancer and 303 for non cancer illnesses

2387
Social work consultations

698
Attendances at Day programme events in Te Rangimarie

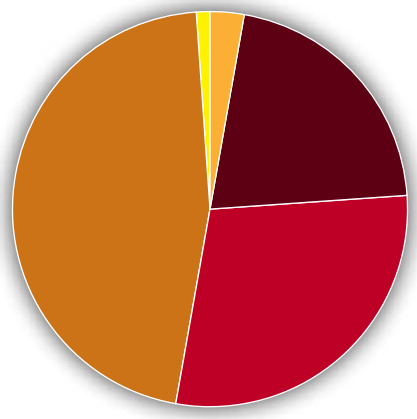
$2,738,984
Central government funding through Taranaki District Health Board

1662
Bereavement support sessions with patients and their family members



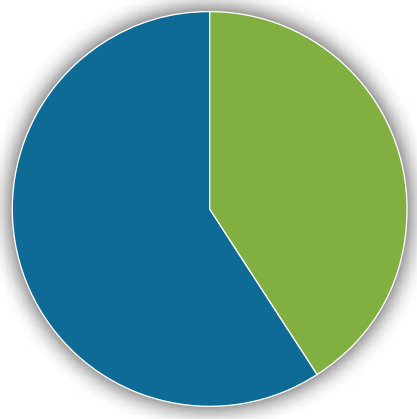
PATIENTS BY ETHNICITY

- European 295
- Maori 52
- Pacific 1
- Asian 5



PATIENTS BY AGE

- Under 40, 14 – 3%
- 40-64, 76 – 21%
- 65-74, 99 – 29%
- 75-95, 158 – 46%
- 95+, 6 – 1%



GENDER OF PATIENTS

- Female, 145 – 41%
- Male, 208 – 59%

FINANCIALS

HOSPICE TARANAKI GROUP
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FOR THE YEAR ENDED 30 JUNE 2019

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF HOSPICE TARANAKI GROUP

Opinion

We have audited the consolidated financial statements of Hospice Taranaki Group ("the Group") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 30 June 2019, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group or any of its subsidiaries.

Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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.

Trustees' Responsibilities for the Consolidated Financial Statements

The Trustees are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible on behalf of the Group for assessing the Group'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 trustees either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who We Report To

This report is made solely to the Group's trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Taranaki
New Plymouth
New Zealand
25 November 2019

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Revenue			
Revenue from exchange transactions	6	5,809,033	5,324,296
Revenue from non-exchange transactions	7	939,468	596,816
Total revenue		6,748,501	5,921,112
Other Income	8	57,324	62,637
Expenses			
Wages, salaries and employee benefits	9	(4,790,337)	(4,562,059)
Property expenses		(33,448)	(29,380)
Supplies and consumables used		(102,734)	(96,545)
Depreciation and amortisation	10	(221,237)	(225,315)
Fundraising		(29,058)	(22,288)
Other expenses	11	(1,056,375)	(997,334)
Total expenses		(6,233,190)	(5,932,921)
Finance income		220,618	139,672
Finance expenses		(10)	(7,740)
Net finance costs	12	220,608	131,932
Surplus/(deficit) for the year from continuing operations		**793,243**	**182,760**
Other comprehensive revenue and expense			
Fair value movement on available-for-sale financial assets		262,352	247,142
Gain or loss on available-for-sale financial assets transferred to the profit or loss		(75,084)	2,297
Other comprehensive revenue and expense for the year		**187,268**	**249,439**
Total Comprehensive revenue and expense for the year		**980,511**	**432,199**

These financial statements should be read in conjunction with the notes to the accounts.

BDO

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

30 June 2019	Available for sale asset fair value reserve $	Accumulated revenue and expenses $	Total net assets/equity $
Balance at 1 July 2018			
Comprehensive revenue and expense	483,151	9,824,285	**10,307,436**
Surplus for the year	-	793,243	**793,243**
Fair value movement on available for sale financial assets	262,352	-	**262,352**
Gain/(loss) on available for sale financial assets transferred to profit or loss on sale	(75,084)	-	**(75,084)**
Total comprehensive income for the year	**670,419**	**10,617,526**	**11,287,946**
Balance at 30 June 2019	**670,419**	**10,617,526**	**11,287,946**

30 June 2018	Available for sale asset fair value reserve $	Accumulated revenue and expenses $	Total net assets/equity $
Balance at 1 July 2017			
Comprehensive revenue and expense	233,712	9,641,525	**9,875,237**
Surplus for the year	-	182,760	**182,760**
Fair value movement on available for sale financial assets	247,142	-	**247,142**
Gain/(loss) on available for sale financial assets transferred to profit or loss on sale	2,297	-	**2,297**
Total comprehensive income for the year	**483,151**	**9,824,285**	**10,307,436**
Balance at 30 June 2018	**483,151**	**9,824,285**	**10,307,436**

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
ASSETS			
Current assets			
Cash and cash equivalents	13	1,631,314	1,023,081
Receivables	15	321,121	296,797
Medical consumables		896	727
Prepayments		32,060	15,357
Other investments	16	57,803	208,260
Total current assets		2,043,193	1,544,222
Non-current assets			
Property, plant and equipment	17	5,028,218	5,155,043
Capital works in progress		3,915	-
Term Investments	14	1,975,000	1,730,000
Intangible assets	18	114	189
Other investments	16	2,984,651	2,560,565
Total non-current assets		9,991,898	9,445,797
Total assets		**12,035,090**	**10,990,019**
NET ASSETS/EQUITY AND LIABILITIES			
NET ASSETS/EQUITY			
Equity at start of the period		10,307,436	9,875,236
Accumulated revenue and expenses		793,243	182,760
Available for sale financial assets fair value reserve		187,268	249,439
Total net assets/equity		**11,287,946**	**10,307,436**
LIABILITIES			
Current liabilities			
Payables	19	166,039	143,155
Employee benefit liability	20	529,570	489,811
GST Payable		51,535	49,619
Total current liabilities		747,144	682,584
Total Liabilities		**747,144**	**682,584**
Total net assets/equity and liabilities		**12,035,090**	**10,990,019**

Approved for and on behalf of the Board of Trustees:

Chairperson

Trustee

25 November 2019

Date

These financial statements should be read in conjunction with the notes to the accounts.

BDO

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Proceeds from:			
Goods and services provided		5,802,767	5,326,381
Grants, donations and bequests		563,436	230,437
Fundraising		357,994	366,378
Payments to suppliers and employees		(5,964,275)	(5,636,128)
Net cash inflow/(outflow) from operating activities		**759,922**	**287,068**
Cash flows from investing activities			
Proceeds from:			
Interest and dividends received		183,991	171,849
Proceeds from disposal of investments		520,398	184,402
Gain on disposal of property, plant & equipment		20,381	80,915
Payments for purchase of property, plant and equipment		(99,784)	(101,129)
Payments for purchase of investments		(776,677)	(2,151,502)
Gain on disposal on investments		-	(1,667)
Net cash inflow/(outflow) from investing activities		**(151,691)**	**(1,817,132)**
Net increase/(decrease) in cash and cash equivalents		608,231	(1,530,064)
Cash and cash equivalents at beginning of year		**1,023,081**	**2,553,142**
Cash and cash equivalents at end of year	**13**	**1,631,315**	**1,023,081**

These financial statements should be read in conjunction with the notes to the accounts.

BDO

Note 1 - Reporting entity

Hospice Taranaki Incorporated (the "controlling entity") is incorporated under the Incorporated Societies Act 1908.

The consolidated financial statements for the year ended 30 June 2019 comprise Hospice Taranaki Incorporated, Hospice Taranaki Foundation and Noel Yarrow Hospice Trust. Hospice Taranaki Foundation and Noel Yarrow Hospice Trust are incorporated under the Charitable Trusts Act 1957.

The Group is primarily involved in providing medical care and support to families in the Taranaki community.

Note 2 - Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with *Public Benefit Entity Standards* Reduced Disclosure Regime ("PBE Standards RDR"), as appropriate for Tier 2 not-for-profit sector public benefit entities and disclosure concessions have been applied.

The Group qualifies as a Tier 2 reporting entity as for the current and prior periods it has had between $2m and $30m operating expenditure.

These financial statements were authorised for issue by the Board of Trustees on 25 November 2019.

(b) Measurement basis

The financial statements have been prepared on the historical cost basis except for the following material items in the Consolidated Statement of Financial Position, which are measured at fair value:

- other investments.

(c) Functional and presentation currency

The financial statements are presented in New Zealand dollars ($) which is the entity's functional and presentation currency.

There has been no change in the functional currency during the year.

(d) Accounting policies

The accounting policies detailed in the following notes have been applied consistently to all periods presented in these financial statements and have been applied consistently by the entity.

Note 3 - Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the following:

- Revenue recognition - non-exchange revenue (conditions vs. restrictions)
- Classification of lease arrangements

Note 3 - Use of judgements and estimates (continued)

(b) Assumptions and estimation uncertainties

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 30 June 2019 include the following:

- Useful life, recoverable amount, depreciation/amortisation method and rate
- Determination of fair values (refer to 2(b))

Note 4 - Basis of consolidation

(a) Controlled entities

Controlled entities are entities controlled by the Group, being where the Group has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with controllers of the controlling entity in their capacity as controllers, within net assets/equity.

The financial assets of the controlled entities are prepared for the same reporting period as the controlling entity, using consistent accounting policies.

(b) Loss of control of a controlled entity

On the loss of control, the Group derecognises the assets and liabilities of the controlled entity, any minority interest, and the other components of net assets/equity related to the controlled entity. Any surplus or deficit arising on the loss of control is recognised in surplus or deficit.

If the Group retains any interest in the previously controlled entity, then such interest is measured at fair value at the date that control is lost. Subsequently, the retained interest is either accounted for as an equity-accounted associated or an available-for-sale financial asset depending on the level of influence retained.

(c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates and jointly-controlled-entities are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Note 5 - Changes in accounting policy

The accounting policies have been applied consistently to all periods presented in these financial statements. Certain comparative amounts in the financial statements have been reclassified to ensure consistency in presentation and disclosure.

Note 6 - Revenue from exchange transactions

	2019 $	2018 $
Sales of donated goods	2,990,786	2,588,291
Funding received - Taranaki District Health Board	2,734,439	2,653,170
Funding received - Clinical Training Agency	1,861	4,904
Funding received - ACC	2,684	4,165
Other income from exchange transactions	79,263	73,766
	5,809,033	**5,324,296**

Revenue from exchange transactions - accounting policy

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the entity, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the entity's revenue streams must also be met before revenue is recognised.

(a) Sale of goods

Revenue from the sale of goods in the ordinary course of business activities is measured at the fair value of the consideration received or receivable.
Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and the possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.
For Hospice Shop Sale Revenue the timing of the risks and rewards occurs at the point of sale when the significant risks and rewards of ownership transfer to the buyer.

(i) **Inventory**

The Group does not record any value of donated or vested goods provided for Hospice shops at year end. Inventory received is recognised at nil value applying the PBE IPSAS 23 exemption.

(b) Operating grants

The Group receives operating grants to fund the provision of services to the community. These grants are recognised as revenue for services rendered in surplus or deficit.

Revenue for services rendered is invoiced in arrears following provision of the services to the grant provider. There has been no adjustment to recognise amounts received in advance as a liability.

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the entity, and measured at the fair value of consideration received or receivable.

Note 7 - Revenue from non-exchange transactions

	2019 $	2018 $
Bequests	393,300	94,039
Donations received	351,674	349,840
Sponsorship received	21,581	12,552
Grants received	170,136	136,398
Other revenue from non-exchange transactions	2,777	3,986
	939,468	**596,816**

Revenue from non-exchange transactions - accounting policy

Non-exchange transactions are those where the entity receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

Inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the entity's non-exchange transaction revenue streams must also be met before revenue is recognised.

(a) Fundraising

The Group's fundraising activities involve telephone campaign annually and events.
Fundraising non-exchange revenue is recognised at the point at which a receipt is formally acknowledged by the Board.

(b) Grants, donations, legacies and bequests

The recognition of non-exchange revenue from *Donations, Legacies and bequests* depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the entity to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a *non-exchange liability* that is subsequently recognised as *non-exchange revenue* as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the entity to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a *non-exchange liability,* which results in the immediate recognition of *non-exchange revenue*.

There is limited control over non-exchange transactions and revenue derived from donated goods prior to it being recorded.

Note 8 - Other Income

	2019 $	2018 $
Dividends received	56,515	45,405
Gain on sale of assets	809	17,232
	57,324	**62,637**

Other income - accounting policy

(a) Dividends received

Income from dividends is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

Note 9 - Wages, salaries and employee benefits

	2019 $	2018 $
Wages	4,665,015	4,449,882
Kiwi saver contribution	125,322	112,177
	4,790,337	**4,562,059**

Note 10 - Depreciation and amortisation expense

	Note	2019 $	2018 $
Amortisation	18	75	125
Depreciation	17	221,162	225,190
		221,237	**225,315**

Note 11 - Other expenses

	2019 $	2018 $
ACC levies	33,227	18,320
Accounting fees	9,166	7,984
Audit fees	23,317	16,879
Administration expenses	144,850	170,081
Occupancy expenses	312,222	271,137
Repairs and maintenance	146,309	145,873
Training	59,141	26,037
Vehicle expenses	74,291	69,348
Other expenses	253,853	271,675
	1,056,375	**997,334**

Note 12 - Net finance income

	Note	2019 $	2018 $
Finance Income			
Interest income:			
Investment portfolio		9,630	12,244
Loans and receivables		135,904	128,687
Total interest: financial assets not measured at fair value through surplus or deficit		145,534	140,931
Financial assets at fair value through surplus or deficit:			
Realised fair value gain/(loss) - Investment portfolio		75,084	(2,297)
Realised gain/(loss) - other Investments		-	1,038
Total finance income		220,618	139,672
Finance Expenses			
Financial assets at fair value through surplus or deficit:			
Impairment	16	-	(7,740)
Interest		(10)	-
Total finance expense		(10)	(7,740)
NET FINANCE INCOME		**220,608**	**131,932**

Finance income and finance costs - accounting policy

Finance income comprises interest income on financial assets, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through surplus or deficit, and gains on the re-measurement to fair value of any pre-existing interest in an acquired. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

Note 12 - Net finance income (continued)

Finance costs comprises interest expense on financial liabilities, fair value losses on financial assets at fair value through surplus or deficit, impairment losses recognised on financial assets and losses on disposal of available for sale financial assets.

(a) Interest
Income from interest is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

Note 13 - Cash and cash equivalents

	2019 $	2018 $
Cash on hand	3,462	2,145
Bank deposits	76,498	52,511
Call deposits	1,171,354	643,425
Short term deposits	380,000	325,000
Total cash and cash equivalents	**1,631,314**	**1,023,081**

There are no restrictions over any of the cash or cash equivalent balance held by the Group.

Note 14 - Term Investments

	2019 $	2018 $
Long term bank deposit	1,975,000	1,730,000
Total term investments	**1,975,000**	**1,730,000**

Per annum Interest Rates applying to Term Deposits 2019: 3.25% - 4.40% (2018: 3.25%-4.40%)

Note 15 - Receivables

	2019 $	2018 $
Trade and other receivables (from exchange transactions)	265,349	259,083
RWT refund due	1,681	1,681
Accrued interest	54,091	36,033
	321,121	**296,797**

There has been no impairment of receivables from exchange transactions.

Note 16 - Other investments

	2019 $	2018 $
Endowment Fund	10,000	-
Held-to-maturity financial assets		
Debt securities (New Zealand corporate - private)	538,349	632,945
Available-for-sale financial assets		
Equity securities (New Zealand publicly listed)	1,034,909	839,830
Equity securities (New Zealand unlisted)	-	8,260
Equity securities (Australia publicly listed)	528,504	483,499
Equity securities (International publicly listed)	930,692	804,291
	3,042,454	**2,768,825**
Current	57,803	208,260
Non current	2,984,651	2,560,565
Total other investments	**3,042,454**	**2,768,825**

	2019	2018
Debt securities (corporate)	3.65% - 6.25%	4.0% - 6.65%

	2019	2018
Debt securities (corporate)	12 - 120 months	3 - 228 months

The publicly listed investments are held by the Foundation in unit funds managed by Craigs Investment Partners. The carrying amount of Available-for-sale financial assets, as stated above, is their fair value. Held to maturity financial assets are carried at amortised cost.

Last year Waikato Property Investments Limited went into liquidation. These shares were revalued to the amount the Society will receive. The write down value in shares was taken to impairment in the profit or loss.

The Endowment Fund is managed by Te Karaka Foundation. The purpose of the fund is to assist in continuing to provide palliative and end of life care services at no cost to anyone at anytime, anywhere across the communities of Taranaki. The initial investment of $10,000 is seed funding. Once the fund reaches a minimum of $50,000, Hospice will receive an annual distribution.

Note 17 - Property, plant and equipment

Cost or valuation	Land	Buildings	Motor vehicles	Office equipment	Furniture & fittings	Computer hardware	Plant & equipment	Total
	$	$	$	$	$	$	$	$
Balance at 1 July 2018								
Cost	1,197,948	5,097,988	282,406	59,187	543,566	46,834	387,448	7,615,377
Additions	-	9,408	57,564	3,172	5,382	3,932	32,109	111,567
Disposals	-	-	(41,469)	-	-	-	-	(41,469)
Balance at 30 June 2019	1,197,948	5,107,396	298,501	62,359	548,948	50,766	419,557	7,685,475
Accumulated depreciation								
Balance at 1 July 2018	-	1,532,567	170,967	49,160	366,097	42,693	298,975	2,460,459
Current year depreciation	-	138,569	24,202	2,773	24,648	7,383	23,588	221,163
Less Disposals during year	-	-	(21,897)	-	-		-	(21,897)
Balance at 30 June 2019	-	1,671,136	173,272	51,933	390,745	50,076	322,563	2,659,725
Net book value								
At 1 July 2018	1,197,948	3,565,421	111,439	10,027	177,469	4,265	88,473	**5,155,042**
At 30 June 2019	1,197,948	3,436,260	125,229	10,426	158,203	690	96,994	**5,025,751**

Note 17 - Property, plant and equipment (continued)

Cost or valuation	Land	Buildings	Motor vehicles	Office equipment	Furniture & fittings	Computer hardware	Plant & equipment	Total
	$	$	$	$	$	$	$	$
Balance at 1 July 2017								
Cost	1,197,948	5,156,002	306,686	58,324	503,440	46,834	370,024	7,639,258
Additions	-	10,986	31,730	863	40,126	-	17,424	101,129
Disposals	-	(69,000)	(56,010)	-	-	-	-	(125,010)
Balance at 30 June 2018	1,197,948	5,097,988	282,406	59,187	543,566	46,834	387,448	7,615,377
Accumulated depreciation								
Balance at 1 July 2017	-	1,410,895	186,443	46,387	340,760	32,935	279,053	2,296,473
Current year depreciation	-	143,365	24,159	2,773	25,337	9,634	19,922	225,190
Less Disposals during year	-	(21,693)	(39,635)	-	-	-	-	(61,328)
Balance at 30 June 2018	-	1,532,567	170,967	49,160	366,097	42,569	298,975	2,460,335
Net book value								
At 1 July 2017	1,197,948	3,745,107	120,243	11,937	162,680	13,899	90,971	**5,342,785**
At 30 June 2018	1,197,948	3,565,421	111,439	10,027	177,469	4,265	88,473	**5,155,043**

Note 17 - Property, plant and equipment (continued)

Property, plant and equipment - accounting policy

(a) Recognition and measurement

Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value at their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured under the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

In 2019 the Group received no plant and machinery through non-exchange transactions attached with restrictive stipulations that require the entity to disclose.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

(c) Depreciation

For plant and equipment, depreciation is based on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the entity will obtain ownership by the end of the lease term.

The diminishing value depreciation rates are:

- Office equipment 31.2% (2018: 31.2%)
- Motor vehicles 9.5%-26.0% (2018: 9.5% - 26%)
- Fixtures and fittings 9.5%-39.6% (2018: 9.5% - 39.6%)
- Computer equipment 30.0%-33.0% (2018: 30% - 33%)

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

Note 18 - Intangible Assets

	2019		2018	
Cost	**Software**	**Total**	**Software**	**Total**
	$	**$**	**$**	**$**
Balance as at 1 July 2018	23,848	23,848	23,848	23,848
Balance as at 30 June 2019	**23,848**	**23,848**	**23,848**	**23,848**

Accumulated amortisation and impairment	**Software**	**Total**	**Software**	**Total**
Balance as at 1 July 2018	**$**	**$**	**$**	**$**
	23,659	23,659	23,534	23,534
Amortisation	75	75	125	125
Balance as at 30 June 2019	**23,734**	**23,734**	**23,659**	**23,659**
Carrying value as at 30 June 2019	**114**	**114**	**189**	**189**

Intangibles - accounting policy

(a) Recognition and measurement

Intangible assets are initially measured at cost, except for intangible assets acquired through non-exchange transactions (measured at fair value).

All of the Group's intangible assets are subsequently measured in accordance with the *cost model*, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment.

The Group has no intangible assets with indefinite useful lives.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in surplus or deficit as incurred.

(c) Amortisation

Amortisation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each amortisable intangible asset.

The diminishing value amortisation rates are:

- Software 36.0-40.0% (2018: 36% - 40%)

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

Note 19 - Payables - exchange transactions

	2019 $	2018 $
Trade payables from exchange transactions	85,339	77,661
Accruals	80,700	65,492
	166,039	**143,153**

Note 20 - Employee benefit liability

	2019 $	2018 $
Provision for employee leave	437,691	403,915
Provision for salary and wages	91,880	85,896
	529,570	489,811
Current	529,570	489,811
Non Current	-	-
	529,570	489,811

Employee benefits - accounting policy

(a) Short-term employee benefits

Short-term employee benefit liabilities are recognised when the entity has a legal or constructive obligation to remunerate employees for services provided within 12 months of the reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

(b) Long-term employee benefits

Long-term employee benefit obligations are recognised when the entity has a legal or constructive obligation to remunerate employees for services provided beyond 12 months of reporting date. Long-term employee benefit obligations are measured using the projected unit credit method, with any actuarial gains or losses recognised in surplus or deficit.

Note 21 - Operating leases

(i) Leases as lessee

The future non-cancellable minimum lease payments of operating leases as lessee at reporting date are detailed in the table below:

	2019 $	2018 $
Less than one year	622,228	632,602
Between one and five years	334,975	801,041
More than five years	-	-
Total non-cancellable operating lease payments	**957,203**	**1,433,643**

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Note 21 - Operating leases (continued)

The Group has entered into an operating lease for land and buildings in New Plymouth, Hawera, Stratford and Waitara.

- Contingent rentals - Nil
- Renewal and/or purchase options - Rights of Renewal Hawera (2 x 6 years), Stratford (2 x 3 years) Waiwhakaiho (2 x 4 years)
- Restrictions (i.e. return of surplus, return on capital contributions, dividends and distributions, debt, leasing). - Nil

Leases - accounting policy

(a) Classification and treatment

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as *finance leases*.

Operating leases

Leases that are not *finance leases* are classified as *operating leases*.

Operating leases are not recognised in the entity's statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(b) Determining whether an arrangement contains a lease

At the inception of an arrangement the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific assets or assets, and
- The arrangement contains a right to use the asset(s).

At inception or on reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the entity's incremental borrowing rate.

Note 22 - Financial instruments

(i) Classification of financial instruments

The tables below show the carrying amount of the Group's financial assets and financial liabilities

30 June 2019	Note	Loans and receivables	Available for sale	Financial assets and liabilities at amortised cost	Total carrying amount
		$	$	$	$
Subsequently measured at fair value:					
Equity securities (NZ publicly listed)	16	-	1,034,909	-	1,034,909
Equity securities (Australian publicly listed)	16	-	528,504	-	528,504
Equity securities (International publicly listed)	16	-	930,692	-	930,692
Subsequently not measured at fair value:					
Cash and cash equivalents	13	1,631,314	-	-	1,631,314
Receivables (from exchange transactions)	15	265,349	-	-	265,349
Payables (from exchange transactions)	19	-	-	(166,039)	(166,039)
Debt securities (NZ corporate)	16	-	-	538,349	538,349
Endowment fund	16	10,000	-	-	10,000
		1,906,663	**2,494,105**	**372,310**	**4,773,077**

30 June 2018	Note	Loans and receivables	Available for sale	Financial assets and liabilities at amortised cost	Total carrying amount
		$	$	$	$
Subsequently measured at fair value:					
Equity securities (NZ publicly listed)	16	-	839,830	-	839,830
Equity securities (Australian publicly listed)	16	-	483,499	-	483,499
Equity securities (International publicly listed)	16	-	804,291	-	804,291
Equity securities (NZ unlisted)	16	-	8,260	-	8,260
Subsequently not measured at fair value:					
Cash and cash equivalents	13	1,023,081	-	-	1,023,081
Receivables (from exchange transactions)	15	259,083	-	-	259,083
Payables (from exchange transactions)	19	-	-	(143,153)	(143,153)
Debt securities (NZ corporate)	16	-	-	632,945	632,945
		1,282,164	**2,135,880**	**489,792**	**3,907,836**

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Note 22 - Financial instruments (continued)

(ii) Fair values

Fair value determination for financial instruments subsequently measures at fair value are as follow:

(a) *Debt securities (listed) and Equity securities (listed)*

Fair values are based on the quoted market price in the active market of the security at reporting date.

Financial instruments - accounting policy

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises financial liabilities when its contractual obligations are discharged, cancelled, or expire.

The Group also derecognises financial assets and financial liabilities when there has been a significant change to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies financial assets into the following categories: *loans and receivables*, and *available-for-sale*.

The Group classifies financial liabilities into the following categories: *amortised cost*.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

(a) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise receivables (from exchange transactions) and cash and cash equivalents.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses (other than foreign exchange gains or losses) recognised in other comprehensive revenue and expense and presented in the *AFS fair value reserve* within net assets/equity, less impairment.

Note 22 - Financial instruments (continued)

Upon de-recognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

Available for sale financial assets comprise debt securities and equity securities.

(c) Amortised cost financial liabilities

Financial liabilities classified as *amortised cost* are non-derivative financial liabilities that are not classified as *fair value through surplus or deficit* financial liabilities.

Financial liabilities classified as *amortised cost* are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as *amortised cost* comprise payable (from exchange transactions).

Impairment of non-derivative financial assets - accounting policy

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the entity on terms that the entity would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the entity, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an equity security classified as an *available-for-sale* financial asset, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

(i) Financial assets classified as held-to-maturity and loans and receivables

The Group considers evidence of impairment for financial assets measured at amortised cost (*loans and receivables*) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against *loans and receivables*. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Individual trade receivables that are known to be uncollectable are written off when identified, along with associated allowances.

(ii) Financial assets classified as available-for-sale

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in net assets/equity to surplus or deficit.

Note 22 - Financial instruments (continued)

The cumulative loss that is reclassified from net assets/equity is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

In the case of debt instruments classified as available-for-sale, the impairment is assessed based on the same criteria as financial assets at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on the investment previously recognised in surplus or deficit. The cumulative loss that is reclassified from the fair value reserve in net assets/equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired *available-for-sale* debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in surplus or deficit. However, any subsequent recovery in the fair value of an impaired *available-for-sale* equity security is recognised in other comprehensive revenue and expense.

Note 23- Group entities

A listing of the Group's significant controlled entities is presented below:

		Ownership interest	
	Country of incorporation	2019	2018
		%	%
Hospice Taranaki Foundation	New Zealand	100	100
Hospice Taranaki Incorporated	New Zealand	100	100
Noel Yarrow Hospice Trust	New Zealand	100	100

All controlled entities have the same reporting date as the controlling entity.

There are no significant restrictions regarding to the transfer of loan repayments, and other funds from controlled entities.

Note 24 - Related party transactions

(i) Controlling entity and ultimate controlling entity
The controlling and ultimate controlling party of Hospice Taranaki Group is Hospice Taranaki Incorporated.

The following transactions take place between the entities:

Note 24 - Related party transactions (continued)

Lease of land and buildings

During the period Hospice Taranaki Foundation leased land and buildings to Hospice Taranaki Incorporated for an amount of $385,200 (2018: $358,033) on normal trade terms and conditions. .

Grants received

During the period the Hospice Taranaki Foundation paid an operating grant of $117,491 (2018: $38,167) to Hospice Taranaki Incorporated

Advances received

Hospice Taranaki Foundation has provided a short-term advance facility to Hospice Taranaki Incorporated for $1 (2018: $1). The advance is non-interest bearing. A reconciliation of opening and closing balances with payments received and additional advances made is presented below:

	2019 $	2018 $
Opening balance 1 July	1	5,317
Repayments received		(40,167)
Further advances made		34,851
Balance at 30 June	1	1

Contract Works

2019: Nil. (2018: Nil)

(ii) Key management personnel remuneration

The Group classifies its key management personnel into one of three classes:

- Members of the governing body
- Senior executive officers, responsible for reporting to the governing body
- Chief operating officers, responsible for the operation of the Group's operating segments, and reporting to the Senior executive officers.

Members of the governing body receive no remuneration payments.
Senior executive officer and senior operating officers are employed as employees of the Society, on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in 'people' for Members of the governing body, and 'full-time-equivalents' (FTE's) for Senior executive officers and Chief operating officers) in each class of key management personnel is presented below:

Note 24 - Related party transactions (continued)

	2019		2018	
	Remuneration	Number of individuals	Remuneration	Number of individuals
Board of Trustees	-	10 people	-	10 people
Executive Team	566,001	5.0 FTEs	505,316	4.4 FTEs
	566,001		505,316	

Note 25 - Commitments and contingencies

(a) Commitments

There are no commitments as at 30 June 2019. (Commitments as at 30 June 2018:Nil)

(b) Contingent liabilities

There are no contingent liabilities as at 30 June 2019. (Contingent liabilities as at 30 June 2018:Nil)

(c) Contingent assets

There are no contingent assets as at 30 June 2019. (Contingent assets as at 30 June 2018:Nil)

Note 26 - Events after reporting date

There have been no events subsequent to balance date that impact on these financial statements.


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