



Royal District Nursing Service Foundation of SA Inc.

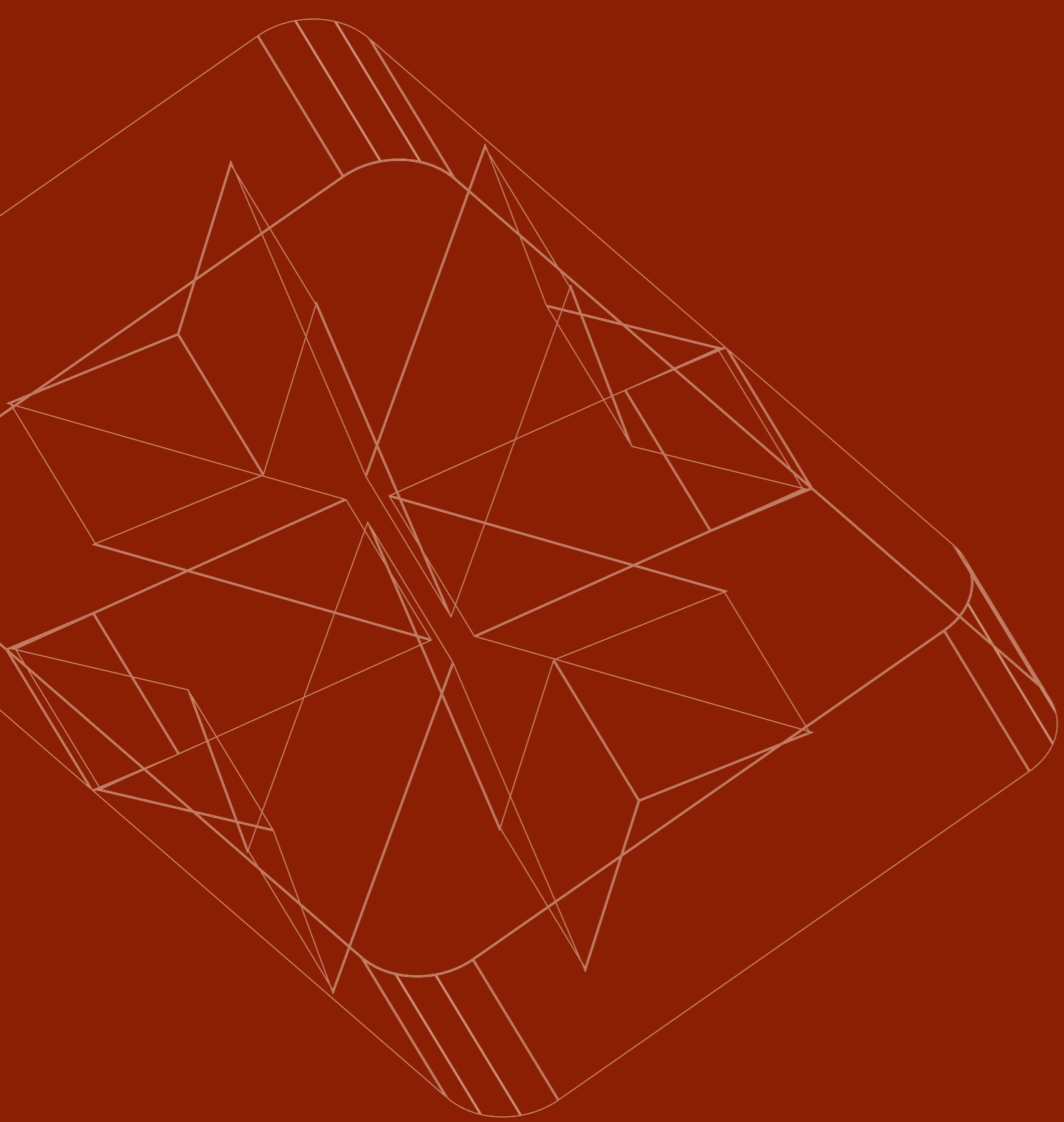
Annual Report
2008/09

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Royal District Nursing Service Foundation of SA Inc.

Annual Report 2008/09



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Royal District Nursing Service Foundation of SA Inc.

The Board



Anne Skipper
Chair



Alison Adair



Dick Fidock



Richard Hearn



Terri Gibson



Geoff Doyle



Stephen Connor



Kathy Gramp

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Anne Skipper AM
CHAIR RDNS SA

Message from the Chair

This past year has seen the adoption of Strategy 2015 which is RDNS SA's response to the rapidly changing health and care environment in Australia. This Vision and Strategy were the culmination of many months of work by the Board and senior management and will result in a more flexible, innovative and entrepreneurial organisation.

Our vision to create an organisation that is driven by the need to provide community health and care for all health disadvantaged is no longer just a vision, it is already happening. Across the organisation we see the wheels of change turning; whether at a Board, business or customer delivery level. The RDNS SA is focused on providing flexible and innovative health care solutions that ultimately give people the lifestyle choices they want.

Taking our traditional nursing service and growing our product and service offer is one of the most exciting developments to happen this year. The wealth of experience and knowledge within RDNS SA is outstanding and is a very saleable commodity that we will continue to develop and promote to those wishing to find their careers in nursing and care and to those that are fellow healthcare providers.

Firstly, I would like to acknowledge the tremendous work of the RDNS SA Board and to thank the retiring members; Tony Higginbottom, David Meldrum and Russell Gallman for their dedicated service.

We were fortunate in having Stephen Connor and Kathy Gramp join the Board in October 2008.

Much of the RDNS SA forward thinking is shaped around better service provision in both our public and private service delivery. We are very appreciative of the continued support from our State Government partners and we look forward to an ongoing relationship with them.

Some of the major aspects of Strategy 2015 are our social enterprise, new culture and goals which will embrace corporate and social responsibility as well as generating the commercial gains necessary to fund the health and care needs of our most health disadvantaged.

During the year we have put in place a new organisational structure and team with the skills and attributes that will ensure we deliver on our new 2015 Strategy and Values.

In closing I would like to acknowledge the hard work and commitment of our staff and CEO, Dale Cleaver. I look forward to the continued progress with Strategy 2015 and the exciting opportunities that lie ahead both within South Australia and interstate.

Message from the CEO



Dale Cleaver
CHIEF EXECUTIVE OFFICER

It has been a privilege as the CEO to provide leadership to the RDNS SA over the last year.

The year has been a time of significant change, innovation, challenge and achievement. Strategy 2015 has set the path for an exciting health and care future that will mean new and innovative models of care, broader product and service offers and the beginning of a journey to become a national health and care provider.

The Foundation plays an integral part in the development of the organisation as a whole and whilst it has been a challenging year with the significant downturn in the global economy we have also enjoyed major achievements across our Education and Training, Research Division, Fundraising and Breathing Space Programs.

In the coming months, RDNS SA will grow both within South Australia and nationally by providing increased services to governments, commercial partners and direct to individual clients. The funds generated from an increased commercial product and service delivery will enable us to meet our social objectives as well as provide health and care for the health disadvantaged.

Our push into new "fee for service" markets has commenced with the provision of services into the Fleurieu Peninsula south of Adelaide. This is soon to be followed with the organisation's entry into the Queensland market.

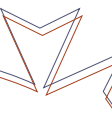
Part of our vision for growth incorporates recognising the importance of evidence

based results and to this end our Research and Strategy resource has become increasingly active in supporting the work we do. The RDNS SA Education and Training Centre has also been a focus of development. In recognising our professional expertise we have proudly built an extensive product and service offer that delivers the benefit of our experience to other healthcare providers as well as those wanting to start their career or further their specialist needs within the health and care industry.

Yet another exciting and highly enjoyable development this year has been the establishment of a partnership with the Smith Family to provide trainee scholarships to young people who ordinarily may not have had such an opportunity.

To keep pace with the amount of change across the organisation we have extended our thinking around smart solutions to health and care mobility. All nurses are now equipped with palm pilots providing immediate communications assistance for both professional advice and clinical client reference.

In closing my report, I would like to extend my sincere thanks to our dedicated and committed staff and Board and to our new Leadership Team for their dedication and drive in developing our organisation for the future.



Royal District Nursing Service Foundation of SA Inc.

Annual Report 2008/09

Financial Statements

	Note	2009 \$	2008 \$
Revenues from Ordinary Activities	3.1	7,196,781	7,894,480
Employee Entitlements		(2,200,140)	(2,542,073)
Finance Costs		(245,220)	(319,187)
Other Expenses from Ordinary Activities	3.2	(4,185,995)	(4,456,927)
Operating Surplus from Ordinary Activities		<u>565,426</u>	<u>576,293</u>

The above Statement of Comprehensive Income should be read in conjunction with the attached Notes

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash Assets	4	166,859	1,212,646
Receivables	5	1,381,923	273,565
Inventories	6	79,524	274,125
Prepayments	7	345,422	171,518
Total Current Assets		<u>1,973,728</u>	<u>1,931,854</u>
NON CURRENT ASSETS			
Plant, Equipment and Motor Vehicles	9	3,805,243	3,804,852
Land and Buildings	9	-	946,961
Investment Properties	10	11,336,937	11,336,937
Total Non Current Assets		<u>15,142,180</u>	<u>16,088,750</u>
TOTAL ASSETS		<u>17,115,908</u>	<u>18,020,604</u>
CURRENT LIABILITIES			
Payables	11	232,235	214,259
Revenue Received in Advance	12	676,064	1,485,646
Employee Entitlements	13	170,698	221,857
Interest Bearing Liabilities	14	1,300,000	2,100,000
Total Current Liabilities		<u>2,378,997</u>	<u>4,021,762</u>
NON CURRENT LIABILITIES			
Employee Entitlements	13	162,336	125,994
Interest Bearing Liabilities	14	2,000,000	2,000,000
Loan - RDNS of SA Inc.	21	3,405,356	3,261,835
Total Non Current Liabilities		<u>5,567,692</u>	<u>5,387,829</u>
TOTAL LIABILITIES		<u>7,946,689</u>	<u>9,409,591</u>
NET ASSETS		<u>9,169,219</u>	<u>8,611,013</u>
EQUITY			
Retained Funds		9,169,219	8,611,013
Total Equity		<u>9,169,219</u>	<u>8,611,013</u>

The above Statement of Financial Position should be read in conjunction with the attached Notes

1. Objectives

The Royal District Nursing Service Foundation of SA Inc. (the Foundation) operates as a fund raising body exclusively to support the Royal District Nursing Service of SA Inc. (the Service).

The Foundation has the following objectives:

To foster and encourage education, training, staff development and research.

To contribute to the provision of premises, other facilities and motor vehicles.

To promote the interests of the Foundation and the Service.

To conduct appeals for funds and to accept donations whether real or personal property, devices and bequests, which are tax deductible.

2. Statement of Significant Accounting Policies

The financial report of the Royal District Nursing Service Foundation of SA Inc. for the year ended 30 June 2009 was authorised for issue by a resolution of the Board of Directors on 22 September 2009.

This financial report is a general purpose report which has been drawn up in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the Associations Incorporation Act 1985 of South Australia.

The financial report covers the Royal District Nursing Service Foundation of SA Inc. as an individual entity. The Royal District Nursing Service Foundation of SA Inc. is an association incorporated in South Australia under the Associations Incorporation Act 1985.

The financial report, which has been prepared on an accruals basis, is based on historical cost and except where stated does not take into account current valuations of non-current assets.

Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). A statement of compliance with International Financial Reporting Standards cannot be made due to the Royal District Nursing Service Foundation of SA Inc. applying the not for profit sector specific requirements contained in AIFRS.

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, except where otherwise stated.

2.1 Non Current Assets

All items of plant, equipment and motor vehicles are brought to account at cost as separate assets where the cost exceeds \$1,000 per item. All items with the exception of buildings are depreciated over their estimated useful lives, using the straight line method, at the following annual rates of depreciation.

	2009	2008
General Equipment	25%	25%
Office Equipment	25%	25%
Computing Equipment	25%	25%
Motor Vehicles	9%	9%

The land and buildings located at Glenside, Beverley and Wayville were independently valued at the market value for the existing use basis, by Knight Frank Valuations SA in February 2007. These valuations were adopted, as at 30 June 2009, by the Board of Directors and it is believed that there has been no reduction in the market value of the land and buildings since that time.

2.2 Employee Benefits

Liabilities arising in respect of employee entitlements which are measured at their nominal amounts are wages, salaries and annual leave, regardless of whether they are expected to be settled within twelve months of balance date. Related superannuation on-costs are included. Liabilities for long service are measured by accruing long service leave entitlements for employees with five or more years of service, as an approximation of the present value of the estimated future cash flows in respect of services provided to balance date. Related superannuation on-costs are included. Sick leave entitlements have not been recognised in the financial statements because it is estimated that sick leave entitlements taken were accrued during the year.



2.3 Exemption from Income Tax

The Foundation is not liable for payment of income tax.

2.4 Receivables

Trade accounts receivable and other receivables represent the principal amounts due at balance date and less, where applicable, any unearned income and provision for doubtful debts.

2.5 Inventories

Inventories held for sale is comprised of publications which is carried at the lower of cost and net realisable value

Medical supplies for distribution to RDNS SA clients free of charge are held as inventory held for distribution at the lower of cost and net replacement cost.

At the date of distribution, the expense related to the inventory is taken to the Statement of Comprehensive Income.

2.6 Investments

Investments in bank bills and interest bearing investment accounts are stated at current cost, being market value at prevailing short-term commercial interest rates.

2.7 Payables

Payables represent the principal amounts outstanding at balance date. They are normally settled within 30 days.

2.8 Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash at banks.

2.9 Revenue

Revenue from the sale of goods is recognised when received. Revenue from the provision of services is recognised upon the provision of services. Other revenue is recognised when it is received.

Government Grants revenue is recognised when control of the contribution or right to receive the contribution is obtained.

The net gain or loss on non-current asset sales is included as revenue at the date control passes to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

2.10 Interest Bearing Liabilities

Borrowings are recognised at their principal amount. Interest expense is accrued at the contracted rate.

2.11 Borrowings

Borrowing costs are recognised as an expense when incurred except to the extent that they are directly attributable to the acquisition of a qualifying asset in which case the borrowing costs are capitalised as part of the asset.

2.12 Investment Properties

Investment properties are initially measured at cost and subsequent to initial recognition are restated at fair value. Gains or losses resulting from the revaluation of investment properties are included in the Statement of Comprehensive Income in the year in which they occur.

2.13 Recoverable Amount of Assets

At each reporting date, the Foundation assesses whether there is any indication that an asset may be impaired.

Where an indicator of an impairment exists, the Foundation calculates the recoverable amount of the asset. When the carrying amount of an asset is greater than its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

2.14 Goods and Services Tax (GST)

Revenue, expenses, assets and liabilities are recognised net of the amount of GST.

2.15 Early Adoption of Accounting Standard

The Foundation has early adopted AASB 101 Presentation of Financial Statements, which became applicable to annual reporting periods beginning on or after 1 January 2009. The revised AASB 101 and amendments supercede the previous AASB 101 and redefine the composition of financial statements including the inclusion of a Statement of Comprehensive Income. There has been no measurement or recognition impact on the Foundation.

2.16 Future Accounting Standards to be Adopted

The Australian Accounting Standards Board has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the Foundation has decided not to early adopt. A discussion of those future requirements and their impact on the Association is as follows:

- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). This Standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the group's board for the purposes of decision making. Whilst the impact of this Standard cannot be assessed at this stage, there is the potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management presently do not believe impairment will result however.

- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) detail numerous non-urgent but necessary changes to accounting standards arising from the International Accounting Standards Board's annual improvements project. No changes are expected to materially affect the Foundation.

3. Operating Revenues & Expenses

	2009	2008
	\$	\$
3.1 Revenue from Ordinary Activities		
Retail Foods - Sales	651,130	1,599,407
Other Income:		
Donations	372,099	432,139
Education Fees	497,410	385,565
Fundraising Activities	54,537	54,944
Gain on Disposal of Assets	12,237	-
Grants	457,038	511,490
Interest	7,260	15,539
Lease Income	1,661,066	1,585,583
Legacies	145,166	72,480
Lottery Sales	-	41,100
RDNS of SA Inc. Contracted Services Income	1,257,786	1,304,448
Rent Received	1,709,236	1,536,054
Sponsorships	169,467	164,443
Other Income	202,349	191,288
	<u>7,196,781</u>	<u>7,894,480</u>

Following an independent review of the Foundation Retail Foods business operation conducted in July 2008, the Foundation Board at a special meeting held on 22nd July 2008, resolved to take steps to sell the business. The sale of the Retail Foods business took place in October 2008.



	Note	2009 \$	2008 \$
3.2 Other Expenses from Ordinary Activities			
Accommodation		1,128,342	911,180
Administration Charge		104,500	172,066
Advertising & Promotion		130,435	178,728
Audit Fees	17	13,470	13,150
Bank Charges		8,007	7,126
Computing		27,481	30,058
Contribution to Breathing Space Program	19	50,345	53,088
Contribution to the Service		38,595	43,043
Cost of Goods Sold		273,001	835,462
Depreciation/Amortisation		408,555	393,833
Directors Fees		-	7,482
Finance Charges	21	143,521	163,294
Freight/Courier		10,018	6,251
Furniture & Minor Equipment		42,598	76,550
Insurance		247,871	123,515
Loss on Disposal of Assets		124,522	27,224
Lottery Prizes		-	25,909
Motor Vehicles/Travel		853,225	916,476
Other		17,062	25,489
Postage		31,050	33,944
Printing & Stationery		110,353	96,247
Contracted Services		283,487	126,749
Scholarships in the Service		22,497	29,062
Security		35,194	43,210
Staff Development		23,751	25,223
Subscriptions		38,171	56,756
Telephone		19,503	22,927
Workers Compensation		441	12,885
		<u>4,185,995</u>	<u>4,456,927</u>
4. Cash Assets			
Petty Cash		1,110	3,850
Cash at Bank - Foundation Operating Accounts		165,749	1,201,576
Cash at Bank - Branch Operating Accounts		-	7,220
		<u>166,859</u>	<u>1,212,646</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. All deposits are held in at call accounts.

5. Receivables - Current

	Note	2009 \$	2008 \$
Trade Receivables	15.3	334,167	210,907
Less: Provision for Doubtful Debts		(853)	-
		<u>333,314</u>	<u>210,907</u>
Other Debtors		986,801	56,066
		<u>1,320,115</u>	<u>266,973</u>
Receivables from RDNS of SA Inc.		61,808	6,592
		<u>1,381,923</u>	<u>273,565</u>

Other Debtors includes the sale amount of the land and buildings located at Mile End.

6. Inventories

	2009 \$	2008 \$
Inventory Held for Sale	20,145	210,828
Inventory Held for Distribution	59,379	63,297
	<u>79,524</u>	<u>274,125</u>

7. Prepayments

	2009 \$	2008 \$
Conference Expenditure	206,382	46,690
Motor Vehicle Registration	79,617	72,908
Other	59,423	51,920
	<u>345,422</u>	<u>171,518</u>

8. Movements in Non Current Assets

Movement in the carrying amount of each class of non current asset between the beginning and end of the financial year was as follows:

Plant & Equipment

	2009 \$	2008 \$
Balance at the beginning of the year	112,034	101,281
Additions	132,838	71,146
Disposals	(124,139)	(9,000)
Depreciation expense	(44,659)	(51,393)
Carrying amount at the end of the year	<u>76,074</u>	<u>112,034</u>

Motor Vehicles

	2009 \$	2008 \$
Balance at the beginning of the year	3,692,818	3,395,072
Additions	2,308,950	3,276,750
Disposals	(1,908,703)	(2,636,564)
Depreciation expense	(363,896)	(342,440)
Carrying amount at the end of the year	<u>3,729,169</u>	<u>3,692,818</u>

Land

	2009 \$	2008 \$
Balance at the beginning of the year	4,950,000	4,950,000
Disposals	(450,000)	-
Carrying amount at the end of the year	<u>4,500,000</u>	<u>4,950,000</u>

Buildings

	2009 \$	2008 \$
Balance at the beginning of the year	7,333,898	7,280,280
Additions	-	53,618
Disposals	(496,961)	-
Carrying amount at the end of the year	<u>6,836,937</u>	<u>7,333,898</u>



9. Land & Buildings, Plant & Equipment and Motor Vehicles

	Note	2009 \$	2008 \$
Plant and Equipment - at cost		236,340	260,353
Less: Accumulated depreciation		(160,266)	(148,319)
		<u>76,074</u>	<u>112,034</u>
Motor Vehicles - at cost	21	4,059,167	3,994,662
Less: Accumulated Depreciation		(329,998)	(301,844)
		<u>3,729,169</u>	<u>3,692,818</u>
Total Plant, Equipment and Motor Vehicles		<u><u>3,805,243</u></u>	<u><u>3,804,852</u></u>
Land:			
Mile End (at valuation 30/6/07)		-	450,000
		<u>-</u>	<u>450,000</u>
Buildings:			
Mile End (at valuation 30/6/07)		-	480,000
Mile End (at cost)		-	16,961
		<u>-</u>	<u>496,961</u>
Total Land and Buildings		<u><u>-</u></u>	<u><u>946,961</u></u>

The land and building located at Mile End entered into a binding contract for sale on 30 June 2009. Transfer of ownership will take place on 31 July 2009.

10. Investment Properties

	Note	2009	2008
Land:			
Glenside (at valuation 30/6/07)	2.1	1,800,000	1,800,000
Beverley (at valuation 30/6/07)	2.1	1,000,000	1,000,000
Wayville (at valuation 30/6/07)	2.1	1,700,000	1,700,000
		<u>4,500,000</u>	<u>4,500,000</u>
Buildings:			
Glenside (at valuation 30/6/07)	2.1	2,300,000	2,300,000
Beverley (at valuation 30/6/07)	2.1	640,000	640,000
Wayville (at valuation 30/6/07)	2.1	3,800,000	3,800,000
Glenside (at cost)		72,182	72,182
Beverley (at cost)		9,695	9,695
Wayville (at cost)		15,060	15,060
		<u>6,836,937</u>	<u>6,836,937</u>
Total Investment Properties		<u><u>11,336,937</u></u>	<u><u>11,336,937</u></u>

11. Payables - Current

	Note	2009 \$	2008 \$
Trade Creditors and Accruals		<u>232,235</u>	<u>214,259</u>

12. Revenue Received in Advance

	Note	2009 \$	2008 \$
Conference Income		121,297	-
Contracted Services - to the Service		-	1,000,000
Grants		96,690	-
Education Fees		251,681	264,466
Research Project Income		163,533	141,147
Specialist Project Income		12,476	27,149
Other		30,387	52,884
		<u>676,064</u>	<u>1,485,646</u>

13. Employee Entitlements

	Note	2009 \$	2008 \$
Current			
Long Service Leave		6,000	29,025
Annual Leave		164,698	192,832
		<u>170,698</u>	<u>221,857</u>
Non Current			
Long Service Leave		162,336	125,994
		<u>162,336</u>	<u>125,994</u>
Number of Full Time equivalent Employees at Year End		<u>26</u>	<u>31</u>

14. Loans from Commonwealth Bank of Australia

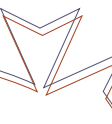
In November 2005, the Foundation Board approved the signing of a contract with the Commonwealth Bank of Australia (CBA) for a loan facility of \$5,300,000 to finance the purchase and refurbishment of the property at 44 Greenhill Road, Wayville. The loan is secured by a first mortgage over the properties at 44 Greenhill Road, Wayville and 31 Flemington Street, Glenside.

The loan facility has been structured as follows:

	\$
- Fixed portion at 5.99% per annum over the 5 year term of the loan	2,000,000
- Capped portion at prevailing bill rate, but no more than 6.65% per annum	1,300,000
- Balance of loan at prevailing bill rate	2,000,000
	<u>5,300,000</u>

The loan can be reduced at any time without penalty, with the exception of the fixed proportion of \$2,000,000 which the CBA has guaranteed at a fixed rate of 5.99% per annum. A facility fee equal to 1% of the total value of the loan facility is also payable.

As at 30 June 2009, \$3,300,000 of the loan facility, had been advanced by the CBA to the Foundation.



15. Financial Instruments

The Foundation's principal instruments comprise receivables, payables, cash, and a loan facility. The main risks arising from the Foundation's financial instruments are interest rate risk, liquidity risk and credit risk. Senior management, in conjunction with the Board, reviews and agrees policies for managing each of these risks.

15.1 Interest Rate Risk

The Foundation does not engage in any significant transactions which are speculative in nature and exposure to interest rate risks on financial assets and liabilities is limited to a loan facility with the Commonwealth Bank of Australia for the purchase of the property at 44 Greenhill Road, Wayville. The associated levels of debt are disclosed in Note 14.

At balance date, the Foundation had the following mix of financial assets and liabilities exposed to variable interest rate risk:

	2009 \$	2008 \$
Financial Assets		
Cash Assets	<u>166,859</u>	<u>1,212,646</u>
Financial Liabilities		
Interest Bearing Liabilities	<u>3,300,000</u>	<u>4,100,000</u>

15.2 Liquidity Risk

The Foundation's objective is to maintain a balance between continuity of business funding and flexibility through the use of credit facilities and borrowings.

The Foundation minimises liquidity risk by ensuring that it has sufficient cash and equivalents as well as access to the use of credit facilities including trade creditors and loan facilities. The Foundation manages cash on a daily basis by monitoring anticipated inflows and outflows and has in place a rigorous debt recovery process.

Maturity Analysis of Financial Assets and Liabilities:

	Total	0-30 Days	31-90 Days	+91 Days	1-5 Years
2009					
Financial Assets					
Cash and cash equivalents	166,859	166,859	-	-	-
Trade and other receivables	<u>1,381,923</u>	<u>1,286,389</u>	<u>46,174</u>	<u>49,360</u>	<u>-</u>
	<u>1,548,782</u>	<u>1,453,248</u>	<u>46,174</u>	<u>49,360</u>	<u>-</u>
Financial Liabilities					
Trade and other payables	232,235	232,235	-	-	-
Interest bearing loans	<u>3,300,000</u>	<u>1,300,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
	<u>3,532,235</u>	<u>1,532,235</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Net Maturity	<u>(1,983,453)</u>	<u>(78,987)</u>	<u>46,174</u>	<u>49,360</u>	<u>(2,000,000)</u>
2008					
Financial Assets					
Cash and cash equivalents	1,212,646	1,212,646	-	-	-
Trade and other receivables	<u>273,565</u>	<u>201,277</u>	<u>23,656</u>	<u>48,632</u>	<u>-</u>
	<u>1,486,211</u>	<u>1,413,923</u>	<u>23,656</u>	<u>48,632</u>	<u>-</u>
Financial Liabilities					
Trade and other payables	214,259	214,259	-	-	-
Interest bearing loans	<u>4,100,000</u>	<u>2,100,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
	<u>4,314,259</u>	<u>2,314,259</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Net Maturity	<u>(2,828,048)</u>	<u>(900,336)</u>	<u>23,656</u>	<u>48,632</u>	<u>(2,000,000)</u>

15.3 Credit Risk

The maximum exposure to credit risk, is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Comprehensive Income and notes to the financial statements.

The Foundation does not have any material credit risk exposure to any single debtor or group of debtors. Receivable balances are monitored on an ongoing basis thus ensuring that the Foundation's exposure to bad debts is minimised.

At balance date the aging analysis of trade receivables is as follows:

	Total	0-30 Days	31-60 Days Past Due Not Impaired	61-90 Days Past Due Not Impaired	+91 Days Past Due Not Impaired	+91 Days Impaired
2009	334,167	238,633	33,168	13,006	48,507	853
2008	210,907	138,619	21,417	2,239	48,632	-

The provision for doubtful debts is calculated by reviewing all individual outstanding debtor balances on a monthly basis. After all reasonable steps have been taken to determine the status of an outstanding debt, a determination is made as to whether the debt is doubtful.

Receivables from the Service do not contain impaired assets and are not past due. These amounts will be received when due.

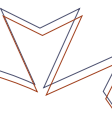
16. Related Party Disclosure

16.1 Compensation received by key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the Foundation, including members of the Foundation Board and senior management was as follows:

	2009 \$	2008 \$
Short Term Benefits	422,274	615,115
Post Employment Benefits	32,814	40,697
Other Long Term Benefits	<u>32,205</u>	<u>40,743</u>
	<u>487,293</u>	<u>696,555</u>

16.2 The following were members of the Foundation Board during the reporting period:

- Mr Tony Higginbottom, OAM, President (until 7 October 2008)
- Ms Anne Skipper, AM, Chair
- Ms Alison Adair
- Mr Stephen Connor (from 7 October 2008)
- Mr Geoffrey J Doyle
- Mr Dick Fidock, AO
- Mr Russell Gallman (until 7 October 2008)
- Ms Terri Gibson
- Ms Kathy Gramp (from 7 October 2008)
- Mr Richard Hearn
- Mr David Meldrum (until 7 October 2008)



16.3 Certain members of the Foundation Board receive fees at a rate determined by the Board, in relation to their time and responsibilities. The remuneration for the years ending 30 June were as follows:

Number of Directors		Band
2009	2008	\$
3	7	0 - 10,000
7	-	10,001 - 20,000

17. Auditors Remuneration

	2009	2008
	\$	\$
Audit Review of Financial Reports	10,600	10,150
Other Services	2,870	3,000
Total Remuneration	13,470	13,150

18. Royal District Nursing Service of SA Inc.

While membership of the Boards of both the Service and the Foundation as at 30 June 2009 is comprised of the same members, the Royal District Nursing Service of SA Inc. is a separate incorporated body and as a result, the financial results and position of the Service are not consolidated in the accounts of the Foundation.

19. Breathing Space Program

During September 2004, the Foundation Board approved the establishment of the Breathing Space Program. The Program is designed to address significant and immediate needs of RDNS SA clients that do not have access to other charitable programs, by offering assistance that delivers the best possible outcome for a clients health and well being. The value of assistance provided for the years ending 30 June were as follows:

	2009	2008
	\$	\$
Direct Assistance	50,345	53,088
Other Related Expenses	1,773	834
Totals	52,118	53,922

20. Retained Funds and Branches Statement of Income & Expenditure

Branch	Balance 1/7/2008	Income						Expenses					Balance	Cash at Bank	Investment	Local Funds Balance 30/6/2009	Total Central Funds	Total Funds	
		Fund	Interest	Govt Grant	Donations	Sundry	Total Income	Fund/r Exp	Transfers Donations	Region	Sundry	Total Exp							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Henley & Grange	5,999	-	-	-	-	-	-	-	5,999	-	-	-	5,999	-	-	-	-	-	-
Magill - Campbelltown	1,221	-	-	-	-	-	-	-	1,221	-	-	-	1,221	-	-	-	-	-	-
Totals	7,220	-	-	-	-	-	-	-	7,220	-	-	-	7,220	-	-	-	-	-	-

Foundation Central Fund Brought Forward from 2007/2008

8,603,793

Add: Surplus from Statement of Comprehensive Income

565,426

RETAINED FUNDS BALANCE AS AT 30 JUNE 2009

9,169,219

RECONCILIATION TO STATEMENT OF CHANGES IN EQUITY

\$

Total Balance of Branch Accounts Brought Forward as at 1 July 2008

7,220

Total Balance of Branch Accounts Carried Forward as at 30 June 2009

-

Net Change Branch Funds

7,220

21. Purchase of Motor Vehicle Fleet from the Service

The Service fleet of 179 vehicles was purchased on 1 July 2001 for the written down value of \$2,553,217. This created a debt to the Service which is indexed annually and is payable twelve months after demand for repayment has been served on the Foundation, or at other such time as may be agreed in writing between the Foundation and the Service. During the year this debt was increased by \$143,521 to \$3,405,356 using a compounded ABS Wage Cost Index of 4.4%. The \$143,521 increase in the value of the debt, is recognised as a Finance Charge in the accounts of the Foundation.

22. Commitments

Future non-cancellable operating lease rentals not otherwise provided for in the financial statements and payable:

Not later than one year	248,731	263,517
Later than one year but not later than five years	525,545	310,469
Later than five years	-	-
Totals	774,276	573,986

The commitments relate to property leases contracted for but not capitalised in the financial statements. Increase in lease commitments may occur in line with CPI.

23. Economic Dependency

The Foundation is dependent on the Royal District Nursing Service of SA Inc. as the principal lessee of the Foundation's building and motor vehicle assets.

24. Segment Reporting

The Association operates only within the business of fundraising to support the Royal District Nursing Service of SA Inc. and within the geographical segment of South Australia.

25. Association Details

The principal place of business of the Association is:

Royal District Nursing Service Foundation of SA Inc.

44 Greenhill Road

Wayville SA 5034

Note	2009	2008
	\$	\$
Retained Funds Balance as at 1 July		
General Reserves	8,451,013	7,875,180
Building Asset Revaluation Reserve	160,000	160,000
Opening Retained Funds Balance	8,611,013	8,035,180
Operating Surplus from Ordinary Activities for the Period	565,426	576,293
Net Increase/(Decrease) in Branch Funds	20 (7,220)	(460)
Transfer of Building Asset Revaluation Reserve to General Reserves	(160,000)	-
Increase in General Reserves	160,000	-
Retained Funds Balance as at 30 June	9,169,219	8,611,013
Represented by:		
General Reserves	9,169,219	8,451,013
Building Asset Revaluation Reserve	-	160,000
Closing Retained Funds Balance	9,169,219	8,611,013

The transfer of the Building Asset Revaluation Reserve relates to the sale of the building located at Mile End.

CASH FLOWS FROM OPERATING ACTIVITIES

Notes	2009	2008
	\$	\$
Revenue	5,271,581	8,302,795
Interest Received	7,260	15,539
GST Received	453,001	566,704
Payments to Employees	(2,214,957)	(2,566,380)
Payments to Suppliers	(3,392,248)	(3,962,247)
Interest on Loans	(245,220)	(319,187)
Transfers to the Service	(38,595)	(43,043)
Contribution to Breathing Space Program	(52,118)	(53,088)
GST Paid	(453,001)	(566,704)

NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES 2 (664,297) 1,374,389

CASH FLOWS USED IN INVESTING ACTIVITIES

Net Increase/(Decrease) in Branch Funds	(7,220)	(460)
Payments for Plant and Equipment	(2,441,788)	(2,553,156)
Payments for Land and Buildings	-	(53,618)
Proceeds from the Sale of Plant and Equipment	1,920,556	1,823,600
Proceeds from the Sale of Land and Buildings	946,962	-

NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES 418,510 (783,634)

CASH FLOW FROM FINANCING ACTIVITIES

Net Proceeds from (Repayment of) Borrowings (800,000) (500,000)

NET CASH USED IN FINANCING ACTIVITIES (800,000) (500,000)

NET INCREASE IN CASH HELD (1,045,787) 90,755

Cash at the Beginning of the Financial Year 1,212,646 1,121,891

CASH AT THE END OF THE FINANCIAL YEAR 1 166,859 1,212,646

Notes:

1	Cash is represented by :-		
	Cash at Bank	165,749	1,208,796
	Petty Cash	1,110	3,850
		<u>166,859</u>	<u>1,212,646</u>

2 Reconciliation of Net Cash Provided by / (Used In) Operating Activities to Operating Surplus

Operating Surplus	565,426	576,293
Depreciation/Amortisation	408,555	393,833
Loss on Disposal of Assets	112,285	27,224
Change in Assets and Liabilities:		
Decrease/(Increase) in Receivables	(1,108,358)	(3,640)
Decrease/(Increase) in Inventories	194,601	11,448
Decrease/(Increase) in Other Current Assets	(173,904)	(17,083)
Increase/(Decrease) in Creditors and Accruals	161,497	(14,854)
Increase/(Decrease) in Revenue Received in Advance	(809,582)	427,494
Increase/(Decrease) in Employee Entitlements	(14,817)	(26,326)
Net Cash Provided By / (Used In) Operating Activities	<u>(664,297)</u>	<u>1,374,389</u>

The above Statement of Changes in Equity should be read in conjunction with the attached Notes

The above Statement of Cash Flows should be read in conjunction with the attached Notes

In the opinion of the Board of Directors of the Royal District Nursing Service Foundation of SA Inc.

- the financial statements set out in pages 8 to 23 are drawn up so as to present fairly the results of the Foundation for the financial year ended 30 June 2009 and the state of affairs of the Foundation at 30 June 2009.
- at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

In accordance with the requirements of Sections 35(5)(a) and 35(5)(b) of the Associations Incorporation Act 1985 as amended, the Royal District Nursing Service Foundation of SA Inc. Board of Directors reports that for the financial year ended 30 June 2009 no officer, being a director of the Royal District Nursing Service Foundation of SA Inc. Board of Directors or officer of the Royal District Nursing Service Foundation of SA Inc., or firm of which an officer is a member and no body corporate in which the officer has a substantial financial interest has received, or become entitled to receive, any payment or other benefit other than the following:

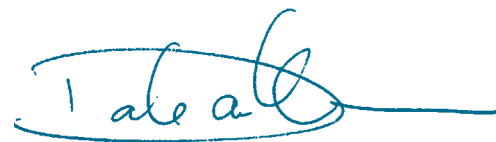
- remuneration as an employee of the Foundation.
- remuneration as a director of the Foundation as disclosed in the notes to the financial statements for the year ended 30 June 2009.

Dated at Adelaide this 22nd day of September 2009

Signed in accordance with the resolution of the Royal District Nursing Service Foundation of SA Inc. Board of Directors.



ANNE SKIPPER
DIRECTOR



DALE CLEAVER
CHIEF EXECUTIVE OFFICER

TO THE MEMBERS OF THE ROYAL DISTRICT NURSING SERVICE FOUNDATION OF SA INC.

Report on the Financial Report

We have audited the accompanying financial report, being a general purpose financial report, of the Royal District Nursing Service Foundation of SA Inc, which comprises the statement of financial position as at 30 June 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Board of Directors.

The Board of Directors' Responsibility for the Financial Report

The Board of Directors of the association are responsible for the preparation and fair presentation of the financial report and have determined the accounting policies described in Note 2, which form part of the financial report, are appropriate to meet the requirements of the Associations Incorporation Act 1985 and the organisations constitution and are appropriate to meet the needs of the members. The Board of Directors' responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 2, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards.

These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board of Directors financial reporting requirements under the Associations Incorporation Act 1985 and the organisation's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Professional Ethical Pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in accordance with the accounting policies described in Note 2 to the financial statements, the financial position of the Royal District Nursing Service Foundation of SA Inc as at the 30 June 2009 and its performance for the year then ended.



PKF
Chartered Accountants



I J Painter
Partner



Chartered Accountants
& Business Advisers

Signed at Adelaide this 22nd day of September 2009

