Living Every Moment

hospice taranaki

2021 ANNUAL REPORT

HOSPICE TARANAKI WAIATA - TŪĪ TŪĪ

It has been our practice to welcome new staff and special visitors and also when we have special functions to sing a waiata as part of the welcome.

In 2015 following the appointment of our Nurse Paula King to a part time Kaitakawaenga (Māori liaison role) and in reviewing how we meet our responsibilities with our relationships with Māori Paula offered to create our very own waiata with input from patients, volunteers and staff. In conjunction with her husband Jack they developed a waiata which is based on Te Rangimārie (place of peace), the environment in and around the facility and also encompassing our staff, our patients and the care and support we provide.

We now have our own waiata – Tūī tūī.
It is a beautiful waiata, sung to a lovely tune and it has real meaning to us.

Tūī tūī Inumia He waihonga e Putiputi kōwhai	O Tūī tūī Sate your thirst From the nectar Of the kowhai flower	Often visit our garden Hospice symbol
He rā hōu he oranga ngākau e Living every moment I te Rangimārie	Living every moment In tranquil peace	Hospice tag line Our place of peace
Tohu wairua Ko te manu rere e	Signifying spirit In its flight	
He rā hōu he oranga ngākau e Living every moment I te Rangimārie	Living every moment In tranquil peace	
Tātou tātou e Mahi aroha	Our commitment Labours of love	Our staff & volunteers Our care and support
Tātou tātou e Mahi aroha	Our commitment Labours of love	
Tūī tūī Inumia	O Tūī tūī Drink forth	

VISION, MISSION 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

Tika – Fairness

Pono – Honesty

Puwharu – Choice

Aroha – Compassion

Whakaute – Respect

Whakawhirinaki – Trust

Whakarangatira – Dignity

Hospice Taranaki Inc.

Charities Commission 10437

OUR PEOPLE

PATRON Peter McDonald

BOARD OF TRUSTEES HOSPICE TARANAKI INCORPORATED

Mike Brooke, Chair
Neil Evetts, Deputy Chair
Dianne Bezuidenhout
Pat Bodger
Tim Coleman
Dr John Doran
Judy Drummond
Mary Lawn
Raewyn McDonald
Maria Ramsay

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

HOSPICE TARANAKI SENIOR LEADERSHIP TEAM:

Paul Lamb.....Chief Executive
Heather Koch .....Clinical Services Director
Dr Tom Reid.....Medical Director
Glenda Butturini.....Quality & Systems Manager
Lianne McElroy .....Volunteer & Hospitality Services Manager
Stacey Marshall.....Support Services Manager

HOSPICESHOP LEADERSHIP:

Jessica Sinclair.....North Group Retail Manager
Tania Brown .....South Group Retail Manager

HOSPICE TARANAKI INCORPORATED CHAIRMAN'S ANNUAL REPORT 2020/2021

How to best describe the last 12 months is, like the year itself, very difficult. How do you transition from a point where everything is out of recovery mode and back to "normal" only to be confined to various states of lockdown again? Do we face the same issues as we faced last year? Can we simply revert to the processes we had in place use them again?

That would be the expected course of action, but this year was different. For some reason the circumstances were more challenging and confusing than before. A new set of protocols was required to ensure the safety of our patients, staff and volunteers. Our CEO Paul Lamb had his hands full but, with co-operation from everyone, we have managed.

Vibrant shop sales at the start of the year put us in a good financial position, helped by the Government wage subsidy, emergency grants and wonderful community support. Projects raised significant amounts. We were looking good. We always knew that this year would bring its financial problems even if it was just "business as usual" and we have taken a substantial "hit" recently from which it will take several years to recover.

We are tapping into our "Rainy Day" investment funds as we struggle with lower retail sales. Great donations of goods. Volunteers ready to sell. But a shortage of customers is concerning.

We will survive. Our care team is outstanding, doing what they do best. Support staff and volunteers are enthusiastic. Come on customers. Where are you?

The main piece of work which had to be completed this year was our policy on The End of Life Choice Act which will have been implemented by the time you receive this report. Several of our talented Board Members prepared our board policy document to guide this work with input from our senior clinical staff. We had hoped that we would have a template to work with that had all Hospices in New Zealand arriving at the same conclusion. But that didn't happen and we have our own unique document.

Changes to the way the Government delivers Health Care to the community is also a concern to us, mainly due to the uncertainty of their proposed funding model towards Hospice Care. Hospice New Zealand are handling the approaches to the Health Minister and also extra support for the impact of wage and salary increases for care staff. We await these outcomes which we hope will be treated with urgency.

Fortunately, very fortunately, we still retain our long term supporters, Craigs Investment Partners, McDonalds Real Estate, Budget Rentals, Farmers, The Devon Hotel, BNI Group, Harcourts Real Estate, NZCT, Lion Foundation and the TOI Foundation. Saying that we appreciate your support seems inadequate but we truly do.

We recently appointed past Board Chairman, Peter MacDonald, as our Patron and he has undertaken a challenge to recruit more members for our Hospice Champions Club, our partnership programme with community businesses. The numbers are steadily increasing which is excellent news.

I would like to recognise the work done by our Past Board Member, Clare Poole. Clare started the calf scheme in South Taranaki and income has continued to increase thanks to the efforts of Clare and her helpers. A wonderful initiative.

The Board has had a busy year and they should be acknowledged for their work. Our Foundation Trustees have likewise had a difficult task and their financial expertise is appreciated. Some Board members will retire this year. Dianne Bezuidenhout has been the Chairperson of the Hospice South Taranaki Committee since it was formed and has developed and led our philosophy of palliative Hospice care in that part of our region. Her level of commitment has been an inspiration. Amazing work, Dianne.

Our Deputy Chair, Neil Evetts, is also retiring after many years of service. We will miss his knowledge and financial input and I am sorry to see him go.

And so another year ends. My sincere thanks to Paul who works tirelessly for our organisation. Also to the rest of our staff teams who have contributed so much to our organisation and its work. Back to "normal" next year? I hope so but with fingers still crossed.

Mike Brooke (QSM), Chair, Hospice Taranaki Inc

HOSPICE TARANAKI FOUNDATION CHAIRMAN'S ANNUAL REPORT 2020/2021

The Hospice Taranaki Foundation Financial report relates to the financial period 1 August 2020 to 31 July 2021, a year where Hospice Taranaki was opening up to full activity after the initial challenges of Covid 19 but a year that finished on a relatively high note with little to indicate the arrival of the Delta Variant to Covid 19 which has been challenging Hospice Taranaki over the past months. We are fortunate that the successful service programme implemented for the first outbreak has enabled a rapid rollout to manage our services over the second outbreak. Likewise, with sound and tested financial management systems in place, the Foundation is pleased to report good results for the 2020-2021 year which are summarised as follows.

OUR FINANCES

These are outlined into three sections.

- Craigs Investment Partners manage our shares and bonds and are one of our major sponsors. The years income from interest and dividends totalled $97,378 with a return from the portfolio of 14.8%
- Our banked cash held in a laddered maturing investment fund increased by $925,000 through generous bequests to $3,475,000 excluding funds held from an estate that are earmarked for a specific purpose
- The Foundation now manages assets including land, buildings, equipment, shares and bonds and this value has increased by $1,410,000

Special mention here is to the retirement of Michael Regan from the Craigs Investment Partners. Michael has spent some nine years overseeing and growing our share portfolio with some outstanding positive results as noted above. We thank Michael so much for his help at near every meeting over this period and wish him well in his retirement. Craigs have asked Christine Egarr to step into that advisory role and we are looking forward to working with her.

The above ongoing strong financial position has enabled The Foundation to assist with funding for several upgrading and capital improvements. These include the completion of stage 2 of the IT upgrade, reception remodelling, the replacement and upgrading of the heating and ventilation system and remodelling the drug room- all at Te Rangimarie. The strong financial position of the Incorporated Society, thanks to our shops, has meant that they have funded the substantial upgrade of our vehicle fleet and our major sponsors, Toi (TSB Community Trust) have provided $40,000 of funding recently to partially offset the loss of income from shops over the most recent Covid outbreak.

Last but not least the Incorporated Societies Budget for 2021-2022 indicates a projected shortfall to maintain free hospice services of $444,500. The Foundation is in a position to cover this but rather than provide a grant to balance the books, as in the past, we have now decided it is preferable to fund this deficit with a monthly contribution of $40,000 which will assist the Incorporated Society to manage their accounts in credit and have more time to focus on resourcing the services they provide so well.

PROJECTS AHEAD

In the new financial year we are now funding, or considering availability of funding for a solar panel system to offset some of our future energy costs and the possibility of purchasing a neighbouring small residential property to assist with future building and parking requirements.

Finally, a big thanks to the Hospice team lead by our CEO Paul Lamb, doctors and nursing staff, many volunteers and our small Foundation Committee of Brian Busing, Paul Bourke, Mike Brooke (Incorporated Society Chair), Tim Coleman and minute secretary Sandy Smith .

Roger Malthus, Chair, Hospice Taranaki Foundation

Foundation Board: Left to right front to back
Mike Brooke, Brian Busing,
Tim Coleman, Roger Malthus (Chair)
and Paul Bourke.

CEO REPORT

And so another financial year passes as we look towards the 30th year of our organisation's presence in Taranaki. Our 2020/21 year was one of challenge, change and accomplishment as we continued 'business as usual' in the now different times in which we live. It has been a time of careful stewardship of our resources as we moved into new work practices, new thinking for the future of the health sector and new ways of generating our revenues.

The community demand of our specialist palliative/end of life care services has continued to grow across our region with a mix of an aging population living longer with multiple illnesses. This has been particularly so with the majority of our patients choosing home based care delivery for all of the benefits this provides them and their families. Our three community care teams help provide an excellent 24/7 service, supported by our medical staff, to meet the needs of anyone/anywhere/anytime needing our support.

The past year has seen us invest in our assets to upgrade our fleet with more modern and fit for purpose vehicles to support the wide range of work our staff carry out over our communities. We have been fortunate to secure sponsorship and donations to allow care equipment to be replaced and new items added to improve care delivery for patients. Our Hospice Taranaki Foundation has generously supported improving our spaces to the benefit of our people and their working environments.

Late last year, our previous board chair, Peter McDonald joined us in the role of Patron of our Hospice Taranaki Incorporated Society. He has lent us his considerable business acumen, enthusiasm and contacts to help expand our community partnership programme that is helping us plan for a sustainable future. Our retail shop group has completed their most successful year ever contributing to over half of our community fundraising needs.

Change seems constant in our sector and our abilities to move quickly and differently have helped us keep up with the wave that has swept our way. Covid19, government policy and community expectations all contribute to this complex picture. The announced changes for new directions for the health sector including how it is funded and what its delivers will impact upon our work. This is a 'long game' piece of work over multiple years that will shape and influence how we look and work into our future.

However, overall in this past year it has been the focus, commitment and professionalism of our people that made those differences allowing those in our care to live every moment in ways that are most important to them. I am fortunate to be surrounded by staff and volunteers that make all the things happen in the great ways they do for our region. I am also excellently supported by our senior leadership team and volunteer boards, in particularly our board chair Mike Brooke who freely shares his wise counsel to the benefit of our organisation.

In closing I want to acknowledge the wonderful support of the communities that support our work in so many ways. We would not be what we have become without these partnerships and they will in turn be critical to our future.

Paul Lamb – Chief Executive

THE BIG PICTURE 2021 - 2021

88%
Average bed occupancy for Te Rangimarie in patient unit

6926
Community telephone consultations (including tele/video/ web conference)

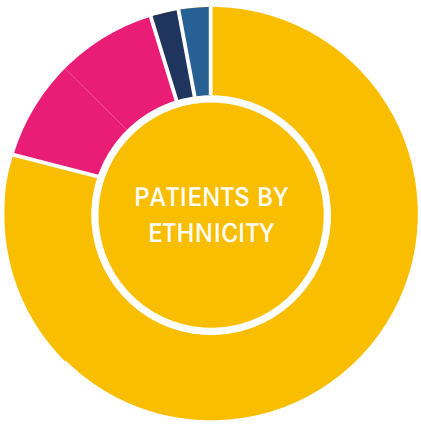
12919
Community home visits (excluding resthomes)

1565
Social Work Consultations

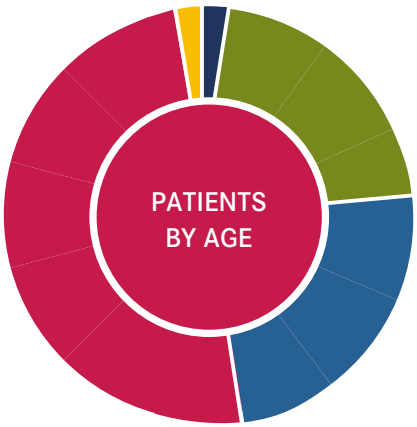
1645
Counselling Sessions

620 Referrals
342 for cancer and 278 for non cancer illnesses

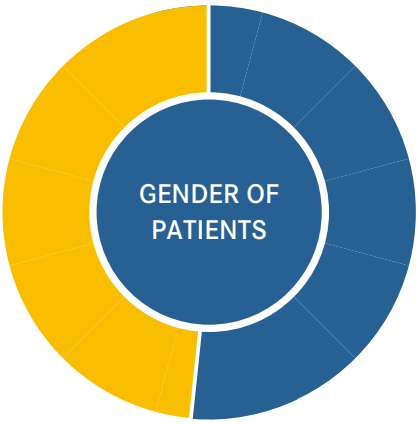
1930
Bereavement support sessions with patients & their family members



- European – 81%
- Maori – 17%
- Pacific – 1%
- Other – 1%
- Asian – 0%



- Under 40 – 3%
- 40-64 – 23%
- 65-74 – 24%
- 75-95 – 49%
- 95+ – 2%



- Female – 51%
- Male – 49%

HOSPICE CHAMPIONS - TOTALLING $41,460

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

Community business partners support the work we do by providing regular ongoing funding to assist us to look towards a more secure future for our service.

PARTNERS

- Eagars Funeral Services
- Clelands Construction
- McDonalds Real Estate
- JRI Insurance
- Jones & Sandford Joinery
- The Devon Hotel
- Wells Instrument & Electrical
- Taranaki Radiology
- Value Building Supplies
- KDH Property Group
- DairyMaster,
- Z Energy Taranaki,
- McCurdy Trucks

CHARITABLE TRUSTS GRANTS - TOTALLING $216,000

We thank the following organisations for grants during the year which are essential to our service.

- New Plymouth Club
- Toi Foundation
- Lotteries Board
- Taranaki Electricity Trust
- Lions Foundation
- New Zealand Community Trust

CLINICAL SERVICES DIRECTOR - REPORT

TRIAGING OF REFERRALS PILOT AND IMPLEMENTATION PROJECT

The pilot of this process was completed in mid-2019. The role was initially shared between the Aged Care clinical nurse specialist and Clinical Services Director. As the workload within the North Taranaki community increased, the role was re-examined and a decision for the role to become a designated position was made. Two registered nurses' job-share this position and this effectively lessened the workload in North Taranaki. The process for South and Central teams remained the same.

COMMUNITY PARTNERSHIP AND ENGAGEMENT

Hospice Taranaki Inc. became involved with WITT to support the Competency Assessment Programme (CAP) for Registered nurses wishing to enter the workforce in New Zealand. The programme facilitates international nurses and those returning to the nursing profession to attain registration with the Nursing Council of New Zealand. The programme presents an opportunity for us to gain knowledge of RNs and gives the possibility of employment at the end of the programme. HTI has employed one RN from this programme.

COVID PANDEMIC MANAGEMENT

In 2020, HTI experienced it's first lockdown period which required some fast thinking on how clinical care would be provided. The inpatient unit was temporarily closed to admissions and all care was community based with inpatient staff re-deployed to the community setting. The plan was effective and more work occurred in preparation for a repeat of the lockdown in 2021. The implementation of a new IT system allowed team meetings via screen linking all areas of the province for discussion around clinical care needs of our patients and families/whanau. This has helped during the lockdown periods in 2021 as well.

MAORI HEALTH SERVICES

In 2020, a new programme called the Māuri Mate Framework for Hospices was jointly launched by Mary Potter Hospice (Wellington) and Totara Hospice (South Auckland). In 2022, a revised programme for Health and Disability Standards will be in place and Māuri Mate has been integrated into the standards for all health services to achieve. A comparison between the framework and services currently provided by HTI was made and areas for development identified. An advisory group of HTI staff and community partners has been set up to drive implementation of the framework within the organisation. A new programme called Whanau Pae Ora was developed and launched in mid-2021 and evaluation of the programme was positive. This programme will also be included in the Māuri Mate work. The Māori community in Taranaki has been well-served by our Kaiawhina and Kaitakawaenga (Māori Liaison) team with some wonderful work being done to support patients and whanau as inpatients and in the community.

SHARED CARE WITH TDHB SERVICES

Care with TDHB services continues with our liaison with hospital inpatient teams, paediatric, mental health and oncology teams. There has been an increase in referrals for newborn babies needing palliative care and the shared care approach between hospice and paediatric teams has worked extremely well. HTI staff have gained valuable skills in caring for the needs of these babies and their families and families have valued the shared care approach taken.

RESOURCES

HTI was very fortunate to receive funding to buy new air mattresses for patient use. These have been invaluable in preventing or managing pressure areas experienced by patients. The MediMap electronic medication system has been fully integrated into clinical services and staff continue to identify opportunities for further use in the community setting.

HTI has experienced difficulty in recruitment of registered nurses as other health services have. The Covid 19 vaccination programme has impacted on RN resources within the DHB, aged care sector and now also hospice services and it has become more difficult to attract suitable staff to fill some vacancies.

Heather Koch, Clinical Services Director

*HTI – Hospice Taranaki Inc *RNs – Registered Nurses

MEDICAL DIRECTOR - REPORT

This has been another year of challenges and opportunities from a medical team perspective.

Dr Nina Bray continues to provide frequent and essential senior medical support. Nina also continues to lead the supervision of our rotating Post Grad. Year 2 doctors programme and remains heavily involved in the fine-tuning of our electronic medication management system, Medimap.

Dr Paola Valli remains a key lead on innovation. She retains her interest in paediatric palliative care and has assisted in successful collaboration with paediatric teams on a number of challenging cases already this year.

Dr Tom Bull continues to divide his palliative care practice between hospice and his role in the hospital. Tom remains integrally involved in the ongoing roll-out of the Health Quality Safety Commission's 'Shared Goals of Care' document with Base Hospital. Perhaps of most importance, Tom became a proud grandad this year much to everyones' delight.

Dr Diana Rae has transitioned out of her position as medical team leader and is now involved with the roll out of Mauri Mate – A Maori Palliative Care Framework for Hospices. Diana also retains her interest in Motor Neurone Disease, working with Dr Tom Reid as part of a National Group that is finalising *'New Zealand Best Practice Recommendations For The Care Of People With Motor Neurone Disease".*

Dr Carissa Sutherland has impressively settled into her more substantive role as a regular medical officer with the team, bringing great knowledge and skills from her previous academic and teaching roles. She is also studying for a diploma in Palliative Care with Auckland University.

Dr Tom Reid joined the medical team from the Waikato Palliative Care Service in March 2021. He has retained a similar dual role to that which he had in the Waikato Palliative Care Service, working both for community hospice and within the hospital setting. Tom also divides his time between his hospice leadership and management commitments and his direct clinical roles.

NOTABLE ACHIEVEMENTS AND ONGOING PROJECTS.
The medical group have consolidated regular peer group meetings on a two-weekly basis, allowing learning and reflective practice through group discussion of complex cases and clinical scenarios.

Substantial new work has been put in by the team, to improve our communication with GP services with whom we share care of patients. This is already paying dividends in building relationships and teaching opportunities for GP services in the Taranaki.

The hospice in-reach service has been busy increasing the efficiency and scope of our input into the hospital. This has included new electronic patient lists and electronic clinical notes on the hospital computer system, allowing our advice to be accessible to all clinical staff, including District Nursing teams and GPs that have TDHB computer access.

The medical team have joined the weekly virtual Midlands Advanced Trainee Palliative Care Education Program and now have access to the internationally recognised educational resource UpToDate. We are also initiating evening teaching at GP peer group sessions and have successfully run a structured half-day teaching program for GP trainee registrars.

The medical team have been excited by the purchase of a new Ultrasound Scanning machine, opening new opportunities to improve care for our patients. Ongoing teaching for the team has been arranged by friendly colleagues from Taranaki Base Hospital.

ONGOING CHALLENGES FOR THE MEDICAL SERVICE

THE END OF LIFE CHOICE ACT (EOLCA)

The adoption of the EOLCA into law in New Zealand presents perhaps the biggest challenge to the practice of hospice/palliative care in New Zealand since its inception. There is consensus across Palliative Care professional bodies, that Euthanasia and Voluntary Assisted Dying do not fall within the practice of Palliative Care. As palliative Care professionals our role is to support our patients with life-limiting illness, to live their remaining life as well and as meaningfully as possible, through expert management of physical symptoms and holistic social, psychological and spiritual support.

The Hospice Taranaki board have decided how Hospice Taranaki will engage around the new EOLCA legislation. The organisation is now building processes that ensure that any patients which choose to proceed with the EOLCA are still able to access optimal palliative care and face no impediment from any choices that they make.

COVID 19 PANDEMIC

Sadly, the ongoing COVID 19 pandemic will likely have huge impacts on Hospice Taranaki in the coming months and years. During this latest outbreak, the medical team have had to manage the impact of further lockdowns on clinical service provision, whilst adopting new policy that remains flexible and relevant to the real-time changes in pandemic guidance. They have done this impressively and truly worked as a team, helping to protect our staff individually and the organisation as a whole. I have no doubt that they will continue to rise to the many challenges that lie ahead.

Dr Tom Reid, Medical Director

QUALITY AND SYSTEMS

Well, 2020/2021 has been a year of changes and challenges for everyone! I have completed my first year working for Hospice Taranaki and have had to learn a huge range of new skills and sharpen some old ones! Over the year we had almost a full team change with retirements and new opportunities, meaning we have had three people join our team this year – Joanna Watson, Desirae Cameron and most recently Chryseis Phillips at reception. Annette Gall has been the central rock while we have all settled in.

While new people have joined the team, our role has remained the same. Between us we are involved in many services for the organization including (but not limited to!) Quality, Health and Safety, incident reporting, first level IT, data reporting, payroll services, privacy and complaints.

In October 2020 a mid-cycle audit was undertaken for certification where some areas were identified as requiring further work to bring them in line with the standards. Happily, this was achieved, and we are now working towards our next full audit in early 2022 with a new set of standards. We have strengthened our processes to a more robust audit system which identifies any areas for improvement and celebrates all achievement of high standards.

Part of our role is document management, so a lot of time is spent making sure we are up to date with legislation and best practice for our policies and procedures. One of the bigger pieces of work has been to ensure we have a streamlined recruitment system aligned with the recent changes to several relevant pieces of legislation. We did our first trial run starting just before the August lockdown which of course put a spanner in the works, so we are going to try again with the next new recruitment.

We have spent a lot of time honing our skills around the ever-changing requirements for the management of COVID and have a robust plan for managing the change in each level. Our current total vaccinated staff at Te Rangimarie is 98%.

Graham Moore, Equipment Officer has again had a busy year with the equipment being delivered and returned from those under our care. We have purchased several new air mattresses designed to relieve pressure wounds for those who need it and they have proved to be very comfortable. It is amazing how much equipment is lent our and how Graham knows where it all is! We have been donated various pieces of equipment as well which have been received with many thanks.

All in all it has been a very busy year with lots of new ideas and changes with a new team looking forward to next year!

Glenda Butturini, Quality and Systems Manager

SUPPORT SERVICES - REPORT

STAFF

We have had a number of staffing changes during 2021. After 12 years at Hospice, counsellor Jane Woollard left in late March to go into private practice. Registered arts therapist and counsellor Deborah French then took on this role. Due to a continued high demand for counselling, we increased our counselling staff capacity by two days per week in March.

We now have two permanent social workers. Jackie Price has reduced her hours to four days per week and Mark Wester works one day per week. This gives us greater flexibility to provide our social work cover.

During the various Covid level changes over the year our Support Services Team has worked from home when required with client appointments being done virtually or over the phone. It has been a challenge to run our various groups and gatherings during these times.

Our Bereavement Follow Up Volunteers and Biography Volunteers continue to be well utilised.

Staff professional development has largely been done virtually via online webinars and conferences this year. We are hopeful that the in-person Hospice Central Region Bereavement Care Hui planned for later this year will go ahead.

WELLNESS PROJECT

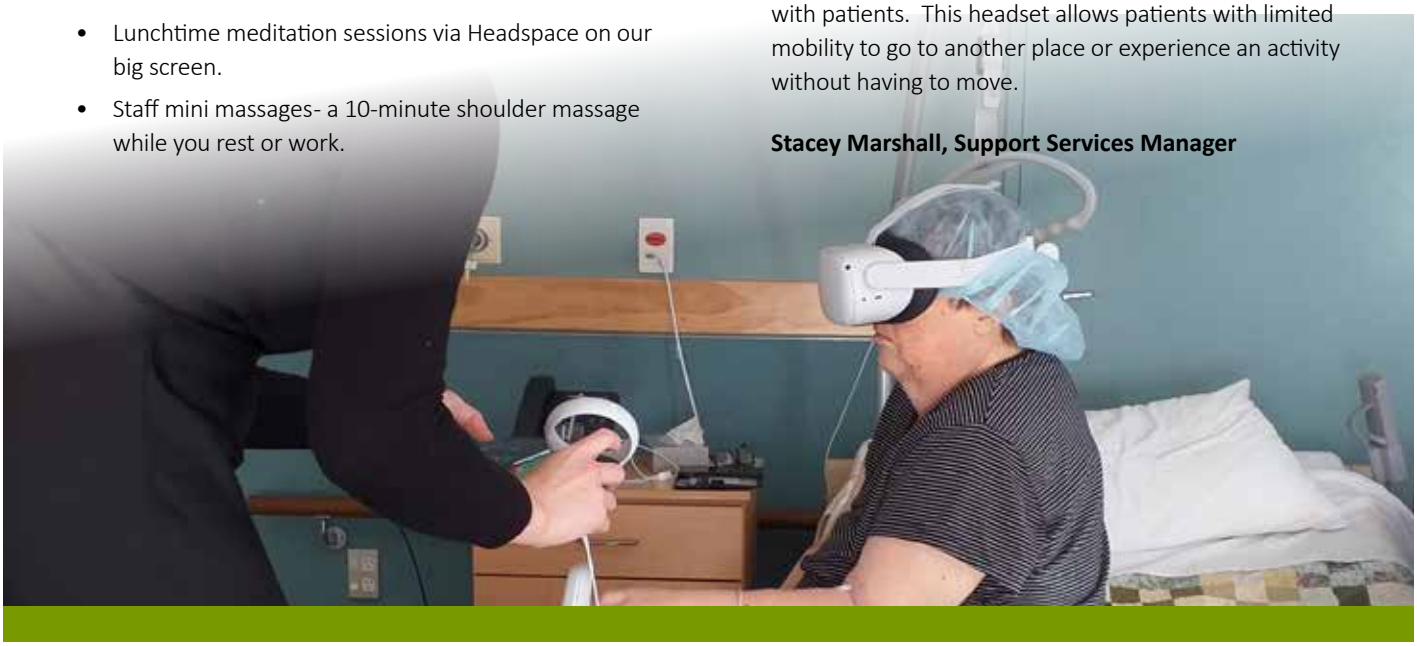
Various wellness activities at work were introduced throughout the year for staff to pick and choose what they liked. Some activities stayed and some came and went. These include the following:

- Two-minute dance parties (once a week at a certain time during the day, staff stopped, gathered, danced to one song, and then returned to work). This is also known as an 'exercise snack'.
- Lunchtime meditation sessions via Headspace on our big screen.
- Staff mini massages- a 10-minute shoulder massage while you rest or work.
- Jerusalema dance challenge- a group of staff all learning the same dance moves over a period of weeks and then filming a performance. This was led by Lisa Mourie-Hanrahan.
- Benestar, a leading global provider of employee coaching, support and wellbeing services was implemented for Hospice staff. Benestar provides staff with free external counselling support for any personal or work-related issues. Included with our Benestar membership is a free wellbeing app.
- We continue to do a monthly staff birthday draw for one staff member to win a paid day off on their birthday.
- Distributed learnings to Hospice staff from the Taranaki Chamber of Commerce Wellbeing Conference hosted in April. This had a focus on all aspects of employee wellbeing with a range of well-known presenters including Nigel Latta and Ben Warren.
- Purchase of a proper posh coffee machine for the staff room.
- During June we invited our staff, their families and various others to an evening with Dr Denise Quinlan, a resilience and wellbeing expert. Denise shared the latest research in a way that was easy to understand and implement into our daily lives. This event was put together by a number of different staff in various areas of our Hospice. As a result of our connection with Denise, The NZ Institute of Wellbeing and Resilience has given Hospice a huge discount on their new course "Coping with Loss: the helpers' guide to resilient grieving" which is being made available to staff via our Hospice Education team.

INNOVATION

With some help from a very generous financial donor, we now have a Virtual Reality (VR) unit up and running for use with patients. This headset allows patients with limited mobility to go to another place or experience an activity without having to move.

Stacey Marshall, Support Services Manager



VOLUNTEERING & HOSPITALITY SERVICES - REPORT

HOSPITALITY/KITCHEN

The kitchen has remained busy before and during lockdown levels. We have a stable workforce of three permanent staff and one casual. Ashleigh Allen is the team leader in the kitchen and is a well organised and talented cook. We have had to replace one of our smaller freezers and the kitchen sanitiser both due to age related issues. We also had an unused extra stove removed from the kitchen along with its extractor fan which made room for the new freezer. Food often remains one of the few pleasures people have at the end of life even if the serving sizes get smaller it is always lovely for the kitchen staff to be able to bring some joy into patients lives by trying to cater for a little bit of what they fancy.

DAY PROGRAMME

End of 2020 Heather Ternouth who had run the programme for 9yrs resigned and we had Kathryn Hensley start. Kathryn had worked as a nurse for hospice some years ago and was a great fit to have back in the day programme role. The existing patients adapted well to the change and it has been an easy transition except for Covid which has meant no programmes can be run onsite until level one returns. Kathryn has been having regular contact with the patients in the programme, sending activities and boredom buster type things to do. We are also looking at sending meals via our kitchen out to some that live alone and have limited support. As well as Kathryn has been meeting some for coffee on a one on one basis. If level two continues long term we will re look at how the programme is run and look at smaller gatherings in the building or elsewhere.

VOLUNTEERS

The IPU volunteers like everywhere else have had a muddled last 12 months. But around the disruptions we have a pretty steady workforce. We have had new volunteers wanting to join the team which is great, but it is always difficult to get as many as we need when we are operating at full capacity. New ways to recruit and entice volunteers here are always being tried. It is a very competitive market out there with so many agencies looking for help.

MAINTENANCE

This is an ongoing piece of work. I never know what will break down or need replacing so its never a dull moment. There has been lots of general maintenance for example the Dr's office/outpatient room was re painted along with the staff room, the old drug room and two of the public toilets. This was done by one of our handy volunteers Stuart Cottam . The front entrance counter was lowered and a wall removed to make the admin/reception area more open and visible for visitors and staff. Again tidy up paint job following this done by Stuart. The new drug room was a big job which required removing a bath and toilet. This has given the staff a lot more space and storage to work in. We used commercial painters for some outside work and on the roof. The car parking was re sprayed outside the Westown shop. Also some of the garden outside the Westown shop was concreted in to tidy up some very messy areas. As well as new purchases in the kitchen we had to purchase a new dryer as we were having ongoing issues with the existing one which was costing us money.

Lianne McElroy
Volunteer and Hospitality Services Manager

RETAIL GROUP - 2021 REPORT

The 20/21 trading year has been the most successful in our hospice history. We started the year off the back of reopening after being closed for ten-weeks during the Covid19 lockdown. All of our sites grew their local community support through significantly increased donations and customer sales across the financial year.

Our Waitara site completed its first full trading year continuing to attract great support from its community. We readjusted trading hours following last years Covid19 event on all sites which has allowed us to have more time for stock preparation and display which has been greeted positively by our customers, staff and volunteers. Several of our sites underwent partial refurbishment to upgrade signage, shop fittings and general access.

With our five sites and warehouse facility we are the largest charity goods reseller in Taranaki. The contributions that our group make towards the funding gap of providing our palliative care services cannot be underestimated. A half of all our community fundraising is now achieved from our HospiceShop network and over 450 people have donated their volunteer time – over 100,000 hours – to our work during this past year.

We have been developing the use of social media to market our shops and their services and to be able to promote more effectively some of the unique and unusual items we get donated for resale. Our Trade Me sales site has continued to develop and help us reach a wider audience than our Taranaki based shoppers. This year we have held only one central auction in New Plymouth. This was a very successful event resulting in sales in two hours equal to one weeks' worth at our largest shop – so still a very important sales option to reach our wide range of our supporters.

While we have consolidated and grown our business over this year the path ahead will not be without its challenges as we continue to operate in different ways to meet government Covid19 requirements. Retail is a variable sector to be in with many factors out of our control that can impact on our sales and successes. We will need to continue to be innovative and able to move quickly to respond to the differing needs of our market to stay ahead of the pack and continue to grow our presence.

Our retail group is only as strong as the people within it and again this past year we have enjoyed fantastic support. I thank and acknowledge our employed staff and volunteers who have been so superb in their energies, ideas and commitment to our work and are such a great window to our communities through all they do for us. The people of Taranaki are great supporters of our shops and therefore of our care services and we must continue to value and be mindful of this vital link back into our communities to help sustain our work into the future.

Paul Lamb, Chief Executive

FRIEND-RAISING - REPORT

"The road to sustainability is to engage the community in your work, to turn that community into an army of friends achieving something amazing together, spreading the roots of ownership of your mission and vision throughout the community, so the community would not dream of letting that mission die," said author and fundraiser Hildy Gottlieb.

Events for Hospice Taranaki over the past 12 months have raised our brand recognition, generated much needed revenue, raised the awareness of our services, provided sponsors with promotional opportunities and been fun. We have built new strong business relationships, partnerships and friends. It was an exceptional year of events.

A Happy Tramper worked her way from one end of the country to the other with a strong rally of family and friends. Claire Richardson regaled us with stories (via her facebook postings) of her highs and lows while steadily beating her path to the end. All the time gathering donations to support our hospice as her chosen charity. Thanks Claire and all your family, friends work colleagues for this wonderful gift.

Farmers continues to be a resourceful partnership. The wonderful team of management and staff cheerfully ask with genuine interest if customers would like to purchase a Christmas bauble or make a difference donation. Thanks to Debbie Crow, Store Manager and your wonderful team.

Maureen and Danny Bonner and Jenny Dobson worked tirelessly putting together the Riverbend Garden Degustation Dinner. Inviting support and donations of auction items and supplies from anywhere and everywhere. This is two very talented ladies who believe in making a difference to those in our care.

Comedy for a Cause, an event that Amanda Bolland with the support of the people from Taranaki BNI Chapters; Success Like No Other, Ignite and Energise successfully engaged top performers to entertain a very packed crowd all in the name of our Hospice.

Buckets shook at a Spotswood Rugby home game – it was a little more modern and the Quest PayWave compact machine was carted from game to game. Supporters emptied pockets and wallets to support our work.

Waitara was enthralled with an event- 2 Dads and Dave. This was a personal for Les Swete as he made sure to give back to his favourite charity. His community of family and friends really enjoyed the night.

A couple of artists wandered into town to share their talents with the community – we were delighted Richard and Michael Ponder bought their show – Ponder This, in our direction. Again, this was personal, as they paid it forward.

Clare Poole has worked the Calves for Hospice up over the last couple of years. This really is a networking gem. Clare, a former Trustee, offers the dairy farming community the opportunity to give up a calf for Hospice. Her own great connections are driving the growth of this very important fund raising programme.

Our sports event fundraisers during the (financial) year were golf and bowls. The Urenui and Districts Lions at Urenui Golf Club hosted a well-attended event that made a big impact. New Plymouth Bowling Club organised a well-attended bowling event with lots of fine bowlers and me. Both events are run with good spirits, well done.

Garden events – we are super pleased to be thought well of by the Camelia Cottage and Gravetye who work so hard on there gardens all year round to show them off and share this compliment with us.

The legacy event bought about by a man who just stopped by my office to tell me how much Hospice meant to him and his wife – my reply to him was to, please, use his special gifts. His special gifts are people, and he bought lots of people together to create Teeing off for Hospice. George MacArthur in memory of Marion MacArthur bought about an event that with the community army created something very special.

We do not work alone and a 'shout' of thanks with lots of aroha to: Graphix Explosion, MoreFM, Liquorland, Tony Epplett, Stone Creations, Liam Hislop, Paradise Valley Berry Farm all supporters of our HospiceShops and all those people who answered our calls for a donation.

Thank you to our very supportive Taranaki community for making the year of Friend-raising a significant success- $229,964.00 as you are all helping to make a difference and support our work across the communities of Taranaki.

Rose Whitaker, Community Partnerships Lead

CALF SCHEME $25,593

RIVERBEND GARDEN FUNDRAISER $20,000

FARMERS – TREE OF REMEMBRANCE AND CHRISTMAS BAUBLE $25,376

CLAIRE RICHARDSON'S TE ARAROA JOURNEY $22,000

TEEING OFF FOR HOSPICE $29,000


Bric-a-Brac
Clothing


HUFFER


Resene

Tika | Fairness

Pono | Honesty

Puwharu | Choice

Aroha | Compassion

Whakaute | Respect

Whakawhirinaki | Trust

Whakarangatira | Dignity

LONG SERVICE

5 YEARS

STRATFORD HOSPICESHOP
Lyn Agent
Leigh Caskey
Peter Hartley
Jim Healy
Doreen Heath
Susan Knowles
Gloria Meredith
Newton Old
Mary Ruscoe

WESTOWN HOSPICESHOP
Gail Bell
Joan Brookes
Graham Flannagon
Debbie Deller
Margie King
Jan Leighton
Carole Meredith
Leslie Ogle
Clare Reeve
John Staddon
Diane Townsend

BIOGRAPHERS/BEREAVEMENT
Sandy Smith
Judy Drummond
Elizabeth Davie
Gwen Prewet

IPU/COMMUNITY
Ian Burrell
Margaret McCall
Dee McGlone
Diane Ogle
Zarina Fakir

WAREHOUSE
Eileen Mandell

HAWERA HOSPICESHOP
Robyn Ellery
Yvonne Evans
Lois Russell
Maurice Selby
Julie Chubb

WAIWHAKAIHO HOSPICESHOP
Chris Whitmore
Judy Strong
Marise Thomson
Helen Wells
Sophie Wilson
Maureen Cornwallis
Pat Ross
Lynne McAlpine
Liz Gooch
Margaret Humphries
Allen May-Gurnick
Fay Rowe

KNITTERS
Mitch Bradley
Susan Broadhurst
Yvonne Brunton
Janice Charteris
Trischa Cozzi
Mary Eaton
Heather Jenkins
Annette Rees

10 YEARS

WESTOWN HOSPICESHOP
Susan Broadhurst
Alison Brown
Robert Bulliff
Pat Spellman

KNITTERS
Barbara Hill

IPU/COMMUNITY
Shelly Cook
Diane Trim

HAWERA HOSPICESHOP
Maree Goldsworthy
Cheryl Jamieson
Brian McLoughlin

BORRELL AVE WAREHOUSE
Richard Byrne
John Poole
Bev Hart

WAITARA HOSPICESHOP
Bev Shepherd

BIOGRAPHER/BEREAVEMENT
Cam Murray

15 YEARS

WESTOWN HOSPICESHOP
Patricia Gall
Ross Marriner

IPU/COMMUNITY
Vivienne Grigg
Jan Clegg
Allan Jellyman

HAWERA HOSPICESHOP
Cleta Clarke

WAIWHAKAIHO HOSPICESHOP
Gail Pratt (puzzles)

WAREHOUSE
Marlene Loughlin
Olga Steer

20 YRS

KNITTER
Sylvia Stokes
Doreen Terrill
Anne Walsh

WAIWHAKAIHO HOSPICESHOP
Gail O'Keeffe (puzzles)

25 YRS

IPU/COMMUNITY
Judith Jones

30 YRS

HAWERA HOSPICESHOP
Margaret McCallum

HOSPICE TARANAKI GROUP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

HOSPICE TARANAKI GROUP
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FOR THE YEAR ENDED 30 JUNE 2021

BDO TARANAKI

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 2021, 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 2021, 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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 are 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.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/.

This description forms part of our auditor's report.

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

BDO Taranaki
New Plymouth
New Zealand
3 November 2021

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Revenue			
Revenue from exchange transactions	6	6,534,366	5,657,422
Revenue from non-exchange transactions	7	1,885,350	1,328,682
Total revenue		8,419,716	6,986,104
Other Income	8	44,760	52,893
Expenses			
Wages, salaries and employee benefits	9	(5,631,277)	(5,220,961)
Property expenses		(39,852)	(31,319)
Supplies and consumables used		(127,859)	(119,264)
Depreciation and amortisation	10	(238,583)	(218,030)
Fundraising		(22,988)	(21,234)
Other expenses	11	(1,063,069)	(1,056,809)
Total expenses		(7,123,628)	(6,667,617)
Finance income		161,551	133,056
Finance expenses		-	(34,413)
Net finance costs	12	161,551	98,643
Surplus/(deficit) for the year from continuing operations		**1,502,399**	**470,023**
Other comprehensive revenue and expense			
Fair value movement on available-for-sale financial assets		441,861	174,714
(Gain) or loss on available-for-sale financial assets transferred to the profit or loss	12	(13,939)	34,413
Other comprehensive revenue and expense for the year		**427,922**	**209,127**
Total comprehensive revenue and expense for the year		**1,930,321**	**679,150**

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

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

30 June 2021	Available for sale asset fair value reserve $	Accumulated revenue and expenses $	Total net assets/equity $
Balance at 1 July 2020			
Comprehensive revenue and expense	879,546	11,087,548	**11,967,096**
Surplus for the year	-	1,502,399	**1,502,399**
Fair value movement on available for sale financial assets	441,861	-	**441,861**
(Gain)/loss on available for sale financial assets transferred to profit or loss on sale	(13,939)	-	**(13,939)**
Total comprehensive income for the year	**1,307,468**	**12,589,947**	**13,897,417**
Balance at 30 June 2021	**1,307,468**	**12,589,947**	**13,897,417**

30 June 2020	Available for sale asset fair value reserve $	Accumulated revenue and expenses $	Total net assets/equity $
Balance at 1 July 2019			
Comprehensive revenue and expense	670,419	10,617,526	**11,287,946**
Surplus for the year		470,023	**470,023**
Fair value movement on available for sale financial assets	174,714	-	**174,714**
(Gain)/loss on available for sale financial assets transferred to profit or loss on sale	34,413	-	**34,413**
Total comprehensive income for the year	**879,546**	**11,087,548**	**11,967,096**
Balance at 30 June 2020	**879,546**	**11,087,548**	**11,967,096**

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

HOSPICE TARANAKI GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 $	2020 $
ASSETS			
Current assets			
Cash and cash equivalents	13	2,449,909	1,878,239
Receivables	15	372,277	335,208
Medical consumables		896	896
Prepayments		29,133	42,225
Other investments	16	300,508	245,142
Total current assets		**3,152,723**	**2,501,710**
Non-current assets			
Property, plant and equipment	17	4,959,674	4,960,943
Capital works in progress		26,550	-
Term Investments	14	3,250,000	2,540,000
Intangible assets	18	12	18
Other investments	16	3,772,463	2,964,829
Total non-current assets		**12,008,699**	**10,465,790**
Total assets		**15,161,422**	**12,967,500**
NET ASSETS/EQUITY AND LIABILITIES			
NET ASSETS/EQUITY			
Equity at start of the period		11,967,096	11,287,947
Surplus for the year		1,502,399	470,023
Other comprehensive revenue and expenses for the year		427,922	209,127
Total net assets/equity		**13,897,417**	**11,967,096**
LIABILITIES			
Current liabilities			
Payables	19	225,882	162,780
Employee benefit liability	20	997,807	786,913
GST Payable		40,316	50,711
Total current liabilities		**1,264,005**	**1,000,403**
Total Liabilities		**1,264,005**	**1,000,403**
Total net assets/equity and liabilities		**15,161,422**	**12,967,500**

Approved for and on behalf of the Board of Trustees:

Chairperson

Trustee

3/11/2021

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 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Proceeds from:			
Goods and services provided		6,534,366	5,657,404
Grants and bequests		1,274,670	405,504
Donations and Fundraising		361,793	382,626
Proceeds from Government Grants		229,401	531,064
Payments to suppliers and employees		(6,611,397)	(6,128,738)
Net cash inflow/(outflow) from operating activities		**1,788,833**	**847,860**
Cash flows from investing activities			
Proceeds from:			
Interest and dividends received		172,029	181,351
Proceeds from disposal of property, plant and equipment		15,660	-
Proceeds from disposal of investments		342,972	228,907
Payments for purchase of property, plant and equipment		(273,715)	(231,360)
Payments for purchase of investments		(1,474,109)	(779,837)
Net cash inflow/(outflow) from investing activities		**(1,217,163)**	**(600,939)**
Net increase/(decrease) in cash and cash equivalents		571,670	246,921
Cash and cash equivalents at beginning of year		1,878,239	1,631,315
Cash and cash equivalents at end of year	13	2,449,909	1,878,239

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

HOSPICE TARANAKI GROUP
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 2021 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 3 November 2021.

(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.

(e) Goods and services tax

All amounts are shown exclusive of Goods and Services Tax ("GST"), except for receivables and payables, which are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, Inland Revenue, is included as part of receivables or payables in the statement of financial position.

The sale of donated goods from the Hospice shops are exempt from GST.

(f) Taxation

Hospice Taranaki Group is exempt from income tax.

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

(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 2021 include the following:

- Useful life, recoverable amount, depreciation/amortisation method and rate
- Determination of fair values (refer to 2(b))
- Provision for sick leave (refer 20(c))

(c) Going concern - no material uncertainty

Although the Incorporated Society has been impacted by COVID-19, the Trustees have concluded that the Society will be able to continue operating for at least 12 months from the date of signing these financial statements. That conclusion has been reached because:

- The Society has access to sufficient cash resources that, even with nil revenue, it can maintain current expenditure for at least 12 months from the date of signing these financial statements.
- The Society has two major sources of income. One is a government palliative care service agreement held with the Ministry of Health via the Taranaki District Health Board that extends for a period of one year, and income generated from its retail group activities.
- The Society controls the Hospice Taranaki Foundation and is able to access income which is generated through a portfolio of share investments, and long term cash term investments accessible on demand.
- The Society receives funding from a wide range of community organisations, corporates, philanthropic trusts, and donors.

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.

Note 4 - Basis of consolidation (continued)

(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

There have been no changes in accounting policies. All polices have been applied on bases consistent with those used in previous years.

Note 6 - Revenue from exchange transactions

	2021 $	2020 $
Sales of donated goods	3,400,480	2,811,842
Funding received - Taranaki District Health Board	2,975,010	2,787,158
Funding received - Clinical Training Agency	976	991
Funding received - ACC	11,136	4,726
Other income from exchange transactions	146,764	52,705
	6,534,366	**5,657,422**

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

Note 6 - Revenue from exchange transactions (continued)

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

	2021 $	2020 $
Bequests	1,075,396	103,940
Donations received	307,981	342,125
Sponsorship received	53,812	37,523
Grants received	453,801	311,052
COVID-19 wage subsidy	(8,400)	531,065
Other revenue from non-exchange transactions	2,760	2,978
	1,885,350	**1,328,682**

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 nonexchange 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.

Note 7 - Revenue from non-exchange transactions (continued)

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 campaigns 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 and bequests

The recognition of non-exchange revenue from *Grants, Donations 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.

(c) Government wage subsidies

Government wage subsidies received are subject to conditions and, as such, are initially recognised as a liability. When the conditions of the subsidy have been met the subsidy is recognised as revenue in other income. $8,400 of overpaid wage subsidy was repaid during the 2020/21 financial year.

Note 8 - Other Income

	2021 $	2020 $
Dividends received	44,760	52,893
	44,760	**52,893**

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

	2021 $	2020 $
Wages	5,476,439	5,080,765
Kiwi saver contribution	154,838	140,197
	5,631,277	**5,220,961**

Note 10 - Depreciation and amortisation expense

	Note	2021 $	2020 $
Amortisation	18	6	18
Depreciation	17	238,577	218,012
		238,583	**218,030**

Note 11 - Other expenses

	2021 $	2020 $
ACC levies	32,839	21,447
Accounting fees	12,787	13,177
Audit fees	27,500	19,000
Administration expenses	151,415	124,504
Occupancy expenses	324,254	305,494
Repairs and maintenance	158,326	157,387
Training	33,607	33,700
Vehicle expenses	86,623	63,792
(Profit)/loss on disposal of property, plant and equipment	(5,803)	84,597
Other expenses	241,521	233,712
	1,063,069	**1,056,809**

Note 12 - Net finance income

	2021 $	2020 $
Finance Income		
Interest income:		
Investment portfolio	12,660	11,616
Loans and receivables	134,952	121,440
Total interest: financial assets not measured at fair value through surplus or deficit	147,612	133,056
Financial assets at fair value through surplus or deficit:		
Realised fair value gain / (loss) - Investment portfolio	13,939	(34,413)
Total finance income	161,551	98,643
Finance Expenses		
Financial assets at fair value through surplus or deficit:		
Interest	-	-
Total finance expense	-	-
NET FINANCE INCOME	**161,551**	**98,643**

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.

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.

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

	2021 $	2020 $
Cash on hand	3,462	3,462
Bank deposits	47,842	252,986
Call deposits	1,908,606	1,421,791
Short term deposits	490,000	200,000
Total cash and cash equivalents	**2,449,909**	**1,878,239**

Note 13 - Cash and cash equivalents (continued)

A bequest of $200,000 was received which the donor required it to be used for staff education in the next 2 - 3 years. There are no other restrictions over any of the cash or cash equivalent balance held by the Group.

Note 14 - Term Investments

	2021 $	2020 $
Long term bank deposit	3,250,000	2,540,000
Total term investments	**3,250,000**	**2,540,000**

Per annum Interest Rates applying to Term Deposits 2021: 1% - 4.40% (2020: 2.60 - 4.40%)

Note 15 - Receivables

	2021 $	2020 $
Trade and other receivables (from exchange transactions)	291,499	275,355
RWT refund due	1,681	1,681
Accrued interest	79,097	58,171
	372,277	**335,208**

There has been no impairment of receivables from exchange transactions.

Note 16 - Other investments

	2021 $	2020 $
Endowment Fund	10,000	10,000
Held-to-maturity financial assets		
Debt securities (New Zealand corporate - private)	763,002	480,546
Available-for-sale financial assets		
Equity securities (New Zealand publicly listed)	1,294,404	1,059,200
Equity securities (New Zealand unlisted)	-	33,002
Equity securities (Australia publicly listed)	620,512	552,060
Equity securities (International publicly listed)	1,385,053	1,075,163
	4,072,971	**3,209,971**
Current	300,508	245,142
Non current	3,772,463	2,964,829
Total other investments	**4,072,971**	**3,209,971**

	2021	2020
Debt securities (corporate)	1.81% - 6.25%	3.25% - 6.25%

	2021	2020
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.

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 2020								
Cost	1,197,948	5,107,396	285,575	38,129	439,207	74,534	289,340	7,432,129
Additions	-	5,311	160,778	3,938	17,268	558	59,311	247,164
Disposals	-	-	(50,503)	(10,807)	(18,118)	(3,299)	(1,584)	(84,311)
Balance at 30 June 2021	1,197,948	5,112,707	395,850	31,260	438,357	71,793	347,067	7,594,982
Accumulated depreciation								
Balance at 1 July 2020	-	1,808,901	174,140	21,294	310,656	14,103	142,093	2,471,187
Current year depreciation	-	129,823	23,601	5,097	17,620	25,423	37,014	238,577
Less Disposals			(42,867)	(10,790)	(16,126)	(3,211)	(1,463)	(74,456)
Balance at 30 June 2021	-	1,938,724	154,874	15,601	312,150	36,315	177,643	2,635,308
Net book value								
At 1 July 2020	1,197,948	3,298,495	111,435	16,835	128,551	60,431	147,247	4,960,943
At 30 June 2021	1,197,948	3,173,983	240,976	15,658	126,208	35,478	169,424	4,959,674

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 2021 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 9.5%-40.0% (2020: 9.5% - 31.2%)
- Motor vehicles 20.0%-26.0% (2020: 9.5% - 26%)
- Fixtures and fittings 7.5%-33.0% (2020: 9.5% - 39.6%)
- Computer equipment 33.0%-40.0% (2020: 25% - 33%)
- Buildings 10.0%-15.0% (2020: 4% - 15%)

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

Note 18 - Intangible Assets

	2021		2020	
Cost	**Software**	**Total**	**Software**	**Total**
	$	**$**	**$**	**$**
Balance as at 1 July 2020	23,762	23,762	23,848	23,848
Disposals	-	-	(86)	(86)
Balance as at 30 June 2021	**23,762**	**23,762**	**23,762**	**23,762**

Accumulated amortisation and impairment	**Software**	**Total**	**Software**	**Total**
	$	**$**	**$**	**$**
Balance as at 1 July 2020	23,744	23,744	23,734	23,734
Amortisation	6	6	10	10
Balance as at 30 June 2021	**23,750**	**23,750**	**23,744**	**23,744**
Carrying value as at 30 June 2021	**12**	**12**	**18**	**18**

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% (2020: 36% - 40%)

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

Note 19 - Payables - exchange transactions

	2021	2020
	$	$
Trade payables from exchange transactions	79,571	78,553
Accruals	146,313	84,227
	225,884	**162,780**

Note 20 - Employee benefit liability

	2021	2020
	$	$
Provision for sick leave	177,116	170,661
Provision for employee leave	547,064	497,891
Provision for salary and wages	273,627	118,361
	997,807	786,913
Current	997,807	786,913
Non Current	-	-
	997,807	786,913

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 are 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.

(c) Provision for sick leave

Provision for sick leave represents the entity's best estimate of the liability arising from accrued employee entitlements as at 30 June 2021. The utilisation of sick leave could increase because of Covid-19. Therefore, significant judgement has been used to determine this provision.

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:

Note 21 - Operating leases (continued)

	2021 $	2020 $
Less than one year	632,855	327,840
Between one and five years	894,408	61,542
More than five years	-	-
Total non-cancellable operating lease payments	**1,527,263**	**389,382**

The Group has entered into operating leases 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

	Note	Loans and receivables	Available for sale	Financial assets and liabilities at amortised cost	Total carrying amount
30 June 2021					
		$	$	$	$
Subsequently measured at fair value:					
Equity securities (NZ publicly listed)	16	-	1,294,404	-	1,294,404
Equity securities (Australian publicly listed)	16	-	620,512	-	620,512
Equity securities (International publicly listed)	16	-	1,385,053	-	1,385,053
Equity securities (NZ unlisted)	16	-	-	-	-
Subsequently not measured at fair value:					
Cash and cash equivalents	13	2,449,909	-	-	2,449,909
Receivables (from exchange transactions)	15	291,499	-	-	291,499
Payables (from exchange transactions)	19	-	-	(225,884)	(225,884)
Debt securities (NZ corporate)	16	-	-	763,002	763,002
Endowment fund	16	10,000	-	-	10,000
		2,751,408	**3,299,969**	**537,118**	**6,588,495**

	Note	Loans and receivables	Available for sale	Financial assets and liabilities at amortised cost	Total carrying amount
30 June 2020					
		$	$	$	$
Subsequently measured at fair value:					
Equity securities (NZ publicly listed)	16	-	1,059,200	-	1,059,200
Equity securities (Australian publicly listed)	16	-	552,060	-	552,060
Equity securities (International publicly listed)	16	-	1,075,163	-	1,075,163
Equity securities (NZ unlisted)	16	-	33,002	-	33,002
Subsequently not measured at fair value:					
Cash and cash equivalents	13	1,878,239	-	-	1,878,239
Receivables (from exchange transactions)	15	275,355	-	-	275,355
Payables (from exchange transactions)	19	-	-	(162,780)	(162,780)
Debt securities (NZ corporate)	16	-	-	480,546	480,546
Endowment fund	16	10,000			10,000
		2,163,594	**2,719,425**	**317,766**	**5,200,785**

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 payables (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.

Note 22 - Financial instruments (continued)

(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.

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:

	Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Hospice Taranaki Foundation	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:

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 (2020: $385,200) on normal trade terms and conditions.

Grants received

During the period the Hospice Taranaki Foundation paid an operating grant of $52,515 (2020: $0) to Hospice Taranaki Incorporated.

During the period Hospice Taranaki Incorporated received a grant of $100,000 from Toi Foundation. Maria Ramsey, Trustee, is the CEO of Toi Foundation.

Advances received

Hospice Taranaki Foundation has provided a short-term advance facility to Hospice Taranaki Incorporated for $1 (2020: $1). The advance is non-interest bearing. A reconciliation of opening and closing balances with payments received and additional advances made is presented below:

	2021 $	2020 $
Opening balance 1 July	1	1
Further advances made	-	193,093
Repayments received	-	(193,093)
Balance at 30 June	1	1

Contract Works

2021: Nil. (2020: 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)

	2021		2020	
	Remuneration	Number of individuals	Remuneration	Number of individuals
Board of Trustees	-	10 people	-	10 people
Executive Team Salaries	528,102	4.8 FTEs	468,139	4.4 FTEs
Executive Team Kiwisaver	16,525		19,463	
	544,627		487,602	

Note 25 - Commitments and contingencies

(a) Commitments

There are no commitments as at 30 June 2021. (Commitments as at 30 June 2020: Nil)

(b) Contingent liabilities

At balance date the incorporation has received a claim from a former employee. The Chief Executive believes the financial impact of this is unlikely to be significant but the resolution of this litigation and the timing of any possible financial impact is currently unknown. (Contingent liabilities as at 30 June 2020: Nil)

(c) Contingent assets

There are no contingent assets as at 30 June 2021. (Contingent assets as at 30 June 2020: Nil)

Note 26 - Events after reporting date

COVID-19 pandemic

In August 2021 the country experienced a Covid 19 outbreak of the Delta Variant in Auckland and Wellington. The NZ Government ordered a lockdown for the whole country - severely restricting economic activity. During the lockdown the organisation qualified as an essential service and was able to continue to operate. Some regions of NZ are moving back down the alert levels, with expected decreasing impact on economic activity, but with active cases present in the community in Northland, Auckland and Waikato these areas remain in varying stages of level 3 lockdown while the rest of the country has moved back to level 2. During this period the organisation has experienced considerable uncertainty and have put in place strategies to enable its survival and assist its recovery.

The pandemic has also impacted a number of financial statement areas:

- Investments - The Foundations financial assets consist of traded equity and debt securities. The fair values of these investments have fallen due to the impact of COVID-19 on global financial markets. See Note 16.

- Revenue from non exchange transactions - The Incorporation has received the wage subsidy from the Government. See note 7.

To date the organisation has undertaken the following steps to reduce the impact of COVID-19 on its operations:

- Reduced expenditure in non-critical business areas. Reduced forecast education, maintenance, travel and motor vehicle expenditure

Note 26 - Events after reporting date (continued)

- Reduced previous trading hours for all shops due to less volunteers returning as they hold ongoing concerns around their health in public spaces
- Taken advantage of wage subsidies and resurgence payments made available by the New Zealand Government.