ANNUAL REPORT

2012/13

Western Health

OUR VISION

Together, caring for the West,
our patients, staff, community and environment.

OUR PURPOSE

Working collaboratively to provide quality health and well-being services for the people of the West.

OUR VALUES

Compassion - consistently acting with empathy and integrity.
Accountability - taking responsibility for our decisions and actions.
Respect - for the rights, beliefs and choice of every individual.
Excellence - inspiring and motivating innovation and achievement.
Safety - prioritising safety as an essential part of everyday practice.

OUR PRIORITIES

Safe and effective patient care
People and culture
Community and partnerships
Research and learning
Self-sufficiency and sustainability

Acknowledgement of Traditional Owners

Western Health respectfully acknowledges the traditional owners of the land on which its sites stand as the Boon Wurrung and the Wurundjeri people of the greater Kulin Nation.

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Message from the Chair of the Board

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Western Health for the year ending 30 June 2013. It is pleasing to be able to look back on the past year and see some major achievements across Western Health - in particular, the official opening of the wonderful new Acute Services Building – a $90.5 million project funded by the Victorian Government. With the opening of this building, we have finally been able to accommodate our sickest newborns in a modern, well-equipped Special Care Nursery and provide new Paediatric and Adult Specialist Clinics. Our older patients on the new wards 3E and 3F are also enjoying the bright and welcoming spaces.

This year was however, a very challenging one for Western Health and indeed, for all health services in Victoria. A review of Budget funding by the Commonwealth Government in late 2012 resulted in the amount of previously increased health funding to the States being substantially reduced and this reduction was proportionately passed on to the health services. This reduced Western Health's budgeted funding for 2012/13 by $6.5 million, which was extremely difficult to manage, especially coming, as it did, in the middle of the Financial Year.

The Board and our Executive team were left with no alternative other than to seek major expenditure reductions in the second half of the Financial Year. In determining these reductions, we were concerned to minimise both detriment and inconvenience to our patients and negative implications for our staff. A service reduction program was eventually devised, which necessarily impacted particularly on our elective surgery program. Then, no sooner had we begun implementing this reduced service plan than the Commonwealth restored the funding! So again we had to revise our approach to restore – as far as possible – the original service plan.

All of this represented a substantially added workload for the Board, our Executive team and managers at all levels of the organisation. On behalf of the Board, I would like to express our sincere thanks and gratitude to all who worked so co-operatively to help us through this very difficult period.

As a footnote to this unfortunate episode, it was extremely gratifying to end the year, despite this major disruption to our activities, with us having nevertheless met all the new national standards for elective surgery, made good progress towards meeting the very challenging National Emergency Access Targets, and provided 6% more in-patient services than we had budgeted for, yet finishing the year with an operating surplus of $4.2 million, well above our Budget surplus target of $400,000. These were indeed commendable outcomes which reflect great credit on our health service and in which all of us at Western Health can take considerable pride.

The Board has placed considerable emphasis in recent months on the importance of the patient experience. In June, the Board hosted an Open Access Meeting where the focus was on the voice of the patient. It was very helpful to have the input of a number of Western Health patients, who joined us to share their views and experiences. A common theme that emerged was the positive impact when staff see the 'person in the patient' and the Board will support a range of related initiatives across Western Health.

The year 2012/13 has seen a significant transition for Western Health, with a change of Chief Executive. I would like to acknowledge our former Chief Executive, Ms Kathryn Cook, for her outstanding contribution over the five years she was with us. Both our financial and our operational performance considerably improved under the guidance of Kath Cook and gave us a sound basis for our growth as a health service. In the years Kath was with us, there were three major new buildings completed: the Western Centre for Health Research and Education; the Sunshine Hospital Radiation Therapy Centre and the Sunbury Day Hospital. Each of these was delivered well within budget.

The Better Health Plan for the West was another initiative which received consistent and strong support from Kath and we are now seeing the benefits of that collaboration. On behalf of the Board, I would like to extend my sincere thanks to Kath for her contribution.

In October 2012, Western Health welcomed its new Chief Executive, Associate Professor Alex Cockram, who joined us after an extended period as Acting Chief Executive of Melbourne Health. A/Prof Cockram has outstanding credentials and a broad range of experience across the health sector. She has already proven to be an asset to Western Health and the Board appreciate the expertise, commitment, and vision she brings to the role.

This year also saw the retirement from the Board of long-standing director, Juliann Byron. Juliann was appointed to the Board in July 2004 and has been Chair of the Board's Audit and Risk Committee and the Governance and Remuneration Committee for most of that time. Juliann was a highly valued member of the Board and enjoyed the respect of all who worked with her. On behalf of the Board, I wish to sincerely thank Juliann for her very positive contribution to Western Health.

The Hon Ralph Willis, AO
Chair of the Board
Western Health

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Message from the Chief Executive

Since joining Western Health, I have enjoyed being amongst staff committed to providing the best possible healthcare to the people served by our organisation. There's an energy and determination which I very much appreciate and a clear understanding among staff of the important role played by Western Health within its communities.

How patients experience healthcare in an organisation is incredibly important and the community has clear expectations in this regard. It is wonderful to have the wholehearted support of the Board of Western Health as we strengthen our focus on enhancing the patient experience over the next 12 months. We know that the clinical outcomes are related to the level of recognition of the patient as a person, as an individual. We are developing several initiatives to specifically support this focus.

Accountability is extremely important to me as the leader of a health service with a substantial budget and a large workforce, responsible for providing healthcare to several hundred thousand patients each year. Accountability must exist on many levels – it's about us as individuals being accountable to deliver what we have committed to achieve. The community also expects us to be fully accountable. If we join together and share responsibility across the organisation, we can achieve far more for our patients and provide the best care, while maintaining transparency.

During the year, it was pleasing to see more than 1,700 staff voluntarily complete a detailed questionnaire called the SAFECARE Survey, which has since provided indicators of where we can enhance the elements which contribute to a culture of safe care for our patients.

The challenges ahead for 2013/14 are set out for us clearly in our Business Plan. During the year, we will also be concentrating on enhancing clinical standards and guidelines; ICT infrastructure and e-Health initiatives such as the electronic medical record and support systems; and service planning and future program development.

Access to emergency, bed based and ambulatory services will continue to be a top priority, as well as the extension of our partnerships with our community, other health providers and academic institutions.

We have a strong and capable workforce who are innovative in their approach - a great health service is based on a well-trained, high performing workforce who can conduct their work in a safe and healthy workplace. A range of measures will be implemented in 2013/14 to support these objectives.

We were pleased to be able to open the fantastic new Acute Services Building at Sunshine Hospital during the 2012/13 year and this is providing a valuable base for the development of services on the site. Overall, the sustainability of our infrastructure continues to be a challenge and we will work closely with the Department of Health to plan for additional capital works.

All of our priorities must be addressed while maintaining a sound financial position and minimising our impact on the environment.

I would like to thank all of the community and government partners who make our work so much easier, including the financial donors who support our Western Health Foundation and the hundreds of volunteers who contribute their time and energy each year.

As Chief Executive, I am proud of the diligence and commitment of our staff, who either provide care to our patients or who support the provision of that care indirectly. Every person's role is important and appreciated.

I look forward to an exciting 2013/14.

Associate Professor
Alex Cockram
Chief Executive
Western Health

005 About Western Health

WESTERN HEALTH MANAGES THREE ACUTE PUBLIC HOSPITALS: WESTERN HOSPITAL AT FOOTSCRAY; SUNSHINE HOSPITAL AT ST ALBANS; AND THE WILLIAMSTOWN HOSPITAL. IT ALSO OPERATES THE SUNBURY DAY HOSPITAL, A TRANSITION CARE PROGRAM AT HAZELDEAN IN WILLIAMSTOWN AND A RESIDENTIAL AGED CARE FACILITY AT REG GEARY HOUSE AT MELTON. A WIDE RANGE OF COMMUNITY BASED SERVICES ARE ALSO MANAGED BY WESTERN HEALTH, ALONG WITH A LARGE DRUG HEALTH AND ADDICTION MEDICINE SERVICE.

Services are provided to the western region of Melbourne, which has a population of approximately 800,000 people.

Western Health provides a comprehensive, integrated range of services from its various sites; ranging from acute tertiary services in areas of emergency medicine, intensive care, medical and surgical services, through to subacute care and specialist ambulatory clinics. Western Health provides a combination of hospital and community-based services to aged, adult and paediatric patients and newborn babies.

Employing more than 6,100 staff, Western Health has a strong philosophy of working with its local community to deliver excellence in patient care.

Western Health has long-standing relationships with health providers in the western region of Melbourne and strong affiliations with numerous colleges and academic institutions. We continue to develop academic partnerships with the University of Melbourne and Victoria University, making full use of the state of the art facilities we have jointly developed at the Sunshine campus.

OUR COMMUNITY:

- is growing at an unprecedented rate
- is among the fastest growth corridors in Australia
- covers a total catchment area of 1,569 square kilometres
- has a population of approximately 800,000 people
- has high levels of cancer, heart disease, stroke and mental illness, with diabetes and depression also significant population health issues
- has a diverse social and economic status
- is one of the most culturally diverse in the State
- speaks more than 100 different languages/dialects
- provides a significant number of our staff
- has a strong history of working collaboratively with Western Health to deliver excellence in patient care.

WESTERN HEALTH'S CATCHMENT INCLUDES THE FOLLOWING LOCAL GOVERNMENT MUNICIPALITIES:

- Brimbank
- Hobson's Bay
- Maribyrnong
- Melton
- Moonee Valley
- Moorabool
- Hume
- Wyndham

Western Health provides a range of higher level services to the patients who are also serviced by health services such as Werribee Mercy and Djerriwarrh at Bacchus Marsh.

Josh Blundell and Courtney Hiam and two-week-old twins Cooper and Jai, who were the first babies to arrive in the new Special Care Nursery.

006 Our Facilities

WESTERN HOSPITAL

Western Hospital is an acute teaching hospital with approximately 360 beds. It provides the majority of acute elective and acute emergency services for Western Health. Patients are provided with a range of inpatient and outpatient services including acute general medical and surgical, intensive and coronary care, sub-specialty medicine, surgical services, and related clinical support. Research covering a range of medical, surgical and specialty areas is also conducted at the hospital.

Western Health maintains strong partnerships with a number of lead universities including the University of Melbourne, La Trobe, Monash, RMIT and Victoria Universities for medical, nursing and midwifery and allied health training.

SUNSHINE HOSPITAL

Sunshine Hospital is a teaching hospital in Melbourne's outer-West with 426 beds. Sunshine Hospital has a comprehensive range of services including women's and children's services, surgical, medical, mental health, aged care and rehabilitation services. Sunshine Hospital's Emergency Department, incorporating a paediatric service, is one of the busiest general Emergency Departments in the state.

Birthing services at Sunshine Hospital continue to grow to meet the increasing demand within the community. During 2012/13, Sunshine Hospital had the second highest number of births of any single hospital in the state, with 5,284 births.

SUNSHINE HOSPITAL RADIATION CENTRE

The Sunshine Hospital Radiation Centre, a partnership between Western Health and the Peter MacCallum Cancer Centre, provides a state-of-the-art radiation planning system and two linear accelerators to deliver treatment to patients with a range of cancers. Two additional bunker spaces have been included to provide for projected future growth.

WILLIAMSTOWN HOSPITAL

Williamstown Hospital is a 90 bed facility providing emergency services, surgical services, rehabilitation and geriatric evaluation and management services, renal dialysis services, and community rehabilitation and transition care services.

SUNBURY DAY HOSPITAL

The Sunbury Day Hospital has been treating patients for more than two years. The Day Hospital provides day medical, day surgical, day chemotherapy and haemodialysis treatment and a number of specialist clinics.

DRUG HEALTH AND ADDICTION MEDICINE

Drug Health and Addiction Medicine Services provide a diverse range of services for individuals and their families affected by drug and alcohol related problems. Drug Health Services is a community based program of Western Health which offers innovative and client centred recovery programs that include specialist programs for Adults, Women and Children's Services, Youth and Family and Residential Withdrawal Services. Addiction Medicine provides inpatient treatment for complex drug and alcohol patients and toxicology services.

WESTERN CENTRE FOR HEALTH RESEARCH AND EDUCATION

Located at Sunshine Hospital, the Western Centre for Health Research and Education provides a range of purpose-built, state-of the-art teaching and research facilities. The Centre is run in partnership with the University of Melbourne and Victoria University and plays a pivotal role in staff and student education and research activities. Available within the Centre is a 200 seat auditorium, a 100 seat lecture theatre, library facilities, simulation centres and a number of seminar and tutorial rooms. The Centre is home to the Western Clinical School of Medicine and School of Physiotherapy, in partnership with the University of Melbourne and also houses researchers, academics and educators from Western Health, Victoria University and the University of Melbourne. The Centre has enabled a number of collaborative projects and opportunities researching diseases that affect our local communities and has placed Western Health as a centre of excellence in academic and research fields.

REG GEARY HOUSE

Established in 1994, Reg Geary House is one of the key providers of residential aged care within the Melton community, providing 30 high care beds.

HAZELDEAN TRANSITION CARE

Hazeldean Transition Care is located close to the Williamstown Hospital. The Transition Care Program provides goal oriented, time limited and therapy focused care to help older people at the conclusion of their hospital stay.

007 Our Communities

THE POPULATION ACROSS OUR PRIMARY AND SECONDARY CATCHMENTS HAS NOW REACHED APPROXIMATELY 800,000 – AROUND 20,000 (3%) HIGHER THAN ESTIMATED THROUGH EARLIER POPULATION PROJECTIONS.

We are also now treating a higher proportion of the increased population of our catchment areas, compared with two years ago.

In the Western suburbs of Melbourne, the areas primarily served by Western Health, 38% of the population speak a language other than English at home. Around 51% of our inpatients are born overseas.

There is limited access to health and community services in outer metropolitan Melbourne, due to the pressures of rapid population growth. The region also contains significant clusters of socio-economic disadvantage, with high rates of chronic disease such as drug and alcohol abuse, mental illness, cancer, diabetes and renal and respiratory disease.

DURING 2012/13, OUR COMMUNITIES ONCE AGAIN ACCESSED OUR SERVICES IN GREAT NUMBERS ONCE AGAIN:

- 122,830 EMERGENCY DEPARTMENT ATTENDANCES
- 172,540 OUTPATIENT VISITS
- 108,881 INPATIENT ADMISSIONS
- 121, 812 COMMUNITY AND CARE CO-ORDINATION SERVICE APPOINTMENTS

In each case, the numbers represented an increase on the previous year and in total, represent more than half a million occasions of patient service just in these four areas of service alone.

SIGNIFICANT DEMAND FOR SERVICES

- 15.4% growth in births in 12/13 compared with the previous 12 month period, with 5,284 births during the period
- The number of patients treated was 6% above budgeted activity
- 22% growth in medical outpatients in the four years to the end of 2012/13
- 11% increase in Non Same Day inpatient separations in the four years to end of the 2012/13 FY.

One of Western Health's care coordinators visits a client in her home.

008 Planning Ahead

A comprehensive master planning process was undertaken for all Western Health sites supported by the Department of Health. This provides a staged guide to the capital development program for Western Health sites over the coming years.

Sunshine Hospital has been endorsed to expand into a 'tertiary' level hospital - a hospital with a full range of services, including cardiac and intensive care which is able to take referrals from smaller health providers. The Master Plan is based around a growth in the Sunshine site to close to 1,000 beds, as well as additional ambulatory services. Fortunately land is available on the site to accommodate such growth.

A major priority for the 2013/14 year is the commencement of the capital works to support the establishment of critical care services on the Sunshine site.

There will also be capital works to upgrade the kitchens at Sunshine Hospital.

The next priority for development at the Sunshine Hospital will be to review the mental health facilities and commence planning for a Women's and Children's precinct building.

At Western Hospital in Footscray the first priority is planning for a new Emergency Department and associated short stay and assessment beds.

This planning work and subsequent business case submissions for capital funding will be worked on collaboratively by Western Health and the Capital Branch of the Department of Health.

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On a Typical Day at Western Health

894
Patients are cared for overnight (acute, sub-acute and residential care)

454
Patients see a doctor in an outpatient clinic

336
Patients attend one of our three Emergency Departments

58
Surgical operations take place

303
Patients are discharged

479
Clinical services are provided to patients by community and care co-ordination services

100
Patients require the services of an interpreter

40
Patients are visited at home by our Hospital in the Home program

137
Volunteers provide a range of services including patient comfort and basic administrative support

15
Babies are welcomed into the world at our Sunshine site

3,027
Meals are served

010 Statement of Priorities

EACH YEAR, WESTERN HEALTH IDENTIFIES HOW IT WILL CONTRIBUTE TO THE PRIORITIES IN THE VICTORIAN GOVERNMENT'S HEALTH PRIORITIES FRAMEWORK 2012-2022. THE FOLLOWING TABLE LISTS OUTCOMES AGAINST DELIVERABLES FOR 2012/13 AGREED BETWEEN OUR HEALTH SERVICE AND THE MINISTER FOR HEALTH.

PRIORITY	ACTION	WESTERN HEALTH DELIVERABLE	OUTCOME
Developing a system that is responsive to people's needs	Contribute to area based planning initiatives that consider health care across the continuum	In collaboration with partner agencies, support the implementation of the Better Health Plan for the West (BHPW) initiative.	COMPLETED & ongoing BHPW formally launched and released, with collaborative projects underway including Health Literacy, Partners in Recovery, Mental Health HARP, Service Navigation, Workforce Innovation
	Align service mix and distribution to address the health needs of the local population	Progress the WH Service Plan vision to transition Sunshine Hospital to the level of a tertiary referral hospital.	COMPLETED Acute Services Building opened at Sunshine Hospital, with critical care and maternity services construction underway
Improving every Victorian's health status and experiences	Identify service users who are vulnerable to poor health, and develop interventions that improve their outcomes relative to other groups, for example, Aboriginal people and people affected by mental illness	Establish an Aboriginal Health Strategy that builds on the recommendations from Closing the Gap project.	COMPLETED Strategy developed and Closing the Gap Statement of Intent signed in the presence of the Board.
	Use existing service capability frameworks, patient pathways and clinical guidelines to support better health outcomes	Progress redesign and review of systems to support improved timeliness of emergency care Progress review/development of systems to comply with targeted elective surgery throughput	COMPLETED Systems redesigned and supporting improved timeliness of emergency care and elective surgery throughput. To be consolidated and further developed in 2013/14
Expanding service, workforce and system capacity	Build workforce capability and flexibility to meet service requirements, and be accountable for professional education process	Progress the WH Education Strategy, focusing on accredited training programs, clinical placement and simulation & virtual learning	COMPLETED Strategy implementation has resulted in continued growth in accredited training offer, significant increase in simulation training and review of clinical placement systems
	Identify opportunities to address workforce gaps by optimising workforce capability and capacity, and exploring alternative workforce models	Consolidate the WH workforce planning framework	COMPLETED WH Workforce Planning Unit developed to integrate Directorate and Professional Workforce Plans

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PRIORITY	ACTION	WESTERN HEALTH DELIVERABLE	OUTCOME
Identify opportunities for efficiency and better value service delivery	Increase the system's financial sustainability and productivity	Implement and deliver savings against 2012/13 WH Business Improvement initiatives	COMPLETED $12M in operating improvement delivered against implementation of the 2012/13 WH Business Improvement Plan
	Examine and reduce variation in administrative overheads	Undertake an Establishment Review to identify potential administrative and operational efficiencies	COMPLETED Framework developed and activity completed to identify WH Establishment figures
Implementing continuous improvements and innovation	Develop and implement improvement strategies that better support patient flow and the quality and safety of hospital services	Complete development and implementation of a governance framework to support compliance with National Safety and Quality Health Service Standards	COMPLETED Governance framework developed and implemented, supporting review and compliance with National Standards
	Develop and implement strategies that support service innovation and redesign	Progress development of the Intelligent Patient Journey System Proof of Concept	COMPLETED Significant progress achieved against Project Plan milestones during first year of two year Proof of Concept Project.
Increasing accountability & transparency	Increase transparency and accountability in reporting of accurate and relevant information about the organisation's performance	Implement and configure Microsoft SharePoint technology platform	COMPLETED First phase of SharePoint technology platform deployment went live with the launch of the updated WH intranet in May 2013.
Improving utilisation of e-health and communications technology	Maximise the use of health ICT infrastructure	Deploy Patient Context Switching in the new Sunshine Hospital Acute Services Building	SIGNIFICANTLY PROGRESSED Work nearing completion for integration of four WH Information System bridges to enable patient context switching and single sign on. Go live will occur in early 2013/14.
	Trial, implement and evaluate strategies that use e-health as an enabler of better patient care	Explore the next phase of development for existing e-health enablers of quality patient care	COMPLETED Out-bound message gateway pilot to commence in early 2013/14. Business case prepared to explore on-line ordering of diagnostic tests.

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Safe & Effective Patient Care

Improving the Environment of Care for our Smallest Patients

March 2013 saw the opening of a new purpose built Special Care Nursery at Sunshine Hospital. Babies were transferred from the old Special Care Nursery to the new area in a carefully orchestrated plan. The opening of this unit was a key development for the maternity and neonatal services at Sunshine.

In recent years, there has been a rapid increase in the number of babies being cared for in the Special Care Nursery at Sunshine Hospital. Whilst quality care was provided in the old nursery, it lacked physical space and the resources to ideally support both babies and parents. The new nursery addresses the needs of all and provides a much better environment for staff to provide care, while also enabling parents to bond with their babies before going home, something that was a real challenge in the old facility.

The Unit also has expansion space available for the future. Up to 26 cots for babies and parents can be provided in individual rooms. Six of these cots are of a higher care level so that we can support sicker babies, help keep families closer to home and improve the experience for all.

Improving Access to Emergency Care

A number of pieces of work have been undertaken with the staff of Western Health's Emergency Departments (EDs) to improve the timeliness of emergency care.

National Emergency Access Targets (NEAT) provide set parameters around the timeframes for patients to receive care and treatment in the Emergency Department. Two major areas of practice have been reviewed within 2012/13 which will support improved timeliness of emergency care:

- Fast Track / streaming
- Emergency Observation Units

FAST TRACK AND STREAMING

The introduction of a Rapid Assessment Zone (RAZ) model in December 2012 has supported more timely access to care. The aim of the RAZ model is for patients to be assessed by a senior doctor as early as possible in their journey through the Emergency Department. This supports the timely ordering of tests, diagnoses and referrals to inpatient units if required. Senior emergency staff have significant experience and expertise, enabling faster triaging of patients to the right care pathways.

All patients in the triage category who do not need immediate care in the ED, irrespective of their likelihood of admission, go through RAZ. We aim to see all patients within one hour of arrival in the ED. Patients are then further streamed into fast track, Emergency Observation Unit or discharge. The introduction of the RAZ model has resulted in an overall increase in performance against National Emergency Access Targets.

EMERGENCY OBSERVATION UNITS

In the 2012-13 financial year, the number of Emergency Observation Unit (EOU) beds increased at both Sunshine and Western Hospitals. The increased number of beds available for Emergency doctors to admit into allows further treatment to be continued for patients that fit the EOU criteria thus freeing up ED cubicles which in turn contributes and helps the flow of patients through the departments.

Over the last 10 months there has been an increase in the number of patients being admitted to EOU and an increase in the percentage of those patients admitted in less than four hours.

A comparison of 2011-12 to 2012-13 financial year Emergency Department key performance indicators and activity has been undertaken with the following key results.

- Bypass has reduced by 0.7%
- Presentations have increased by 2821
- Number of admitted pts has increased by 5502
- % admitted has increased by 19%
- Admitted pts with LOS < 4 hrs has increased by 12.4%
- Non admitted pts with LOS < 4 hrs has increased by 4.1%
- Patients within a LOS > 24 hrs has decreased by 39 pts

Improving Access to Elective Surgery

We continue to strive to improve access to elective surgery, which is closely linked to managing demand for emergency surgery. Over the last 12 months there has been a significant effort placed on decreasing surgery outside of normal business hours. However in the final quarter, there was a significant increase in emergency surgery outside of normal business hours, due to the loss of theatre capacity arising from the Williamstown theatre closure for redevelopment. Surgery conducted after midnight has significantly reduced as have hospital initiated postponements. A number of initiatives have helped drive these improvements, one of which is the establishment of the Sunshine General Surgery Unit, that is a consultant driven model of care. This has facilitated improved access for all patients requiring surgery, decreased cancellations of elective surgery, decreased waiting time and reduced the rates of emergency surgery being undertaken after-hours.

After-Hours Emergency Surgery

Year	Emergency Surgery 5.30pm - midnight	Emergency Surgery after midnight	Hospital Initiated Surgery Postponements
2010 - 2011	175	42	7.5%
2011 - 2012	165	26	6.7%
2012 - 2013	211	18	4.9%

To support ongoing improvement, elective and emergency surgery will be separated into two streams across the health service. Wide ranging discussions have been undertaken with all clinical units utilising theatre sessions to reach agreement in separating elective and emergency surgery in 2013/14.

As a result of the redevelopment of the theatre at Williamstown Hospital, it will become the adult elective surgery hub and centre of excellence for Western Health.

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Safe & Effective Patient Care (cont.)

National Safety & Quality Health Standards

In November 2010 the Australian Health Ministers endorsed the National Safety and Quality Health Service Standards. The Standards provide a nationally consistent and uniform set of measures against which the safety and quality of care can be measured. They also provide evidence based improvement strategies in areas of clinical practice that affect a large number of patients.

The Standards address the following areas:

1. Governance for Safety and Quality in Health Service Organisations
2. Partnering with Consumers
3. Preventing and Controlling Healthcare Associated Infections
4. Medication Safety
5. Patient Identification and Procedure Matching
6. Clinical Handover
7. Blood and Blood Products
8. Preventing and Managing Pressure Injuries
9. Recognising and Responding to Clinical Deterioration in Acute Health Care
10. Preventing Falls and Harm from Falls.

Following a successful survey in December 2011 Western Health was awarded Accreditation for a four year period that expires on 28 April 2016. In December 2012 the Board agreed to participate in the ACHS EQuIPNational program of accreditation, which includes the ten National Safety and Quality Health Services Standards plus five EQuIP-content Standards that focus on the performance of service delivery processes, provision of care and non-clinical system as part of a comprehensive organisation wide assessment. The five EQuIP standards also support the implementation of the National Standards through their focus on the health service systems that support the delivery of safe and quality patient care.

To support the implementation of the National Standards into clinical practice across Western Health, a number of activities were undertaken in 2012/13:

- Review of the Clinical Committee structure
- Re-alignment of the Quality Team
- Revision of the Riskman incident management tool to support better data capture
- Enhancement of framework to support the investigation and review of clinical incidents
- Introduction of an organisation-wide clinical audit framework to support the collection of reliable information about the safety and quality of the care we provide
- Introduction of a nursing bedside audit tool to evaluate care at the bedside
- Development of an online audit tool to capture and report audit data
- Review of the consumer feedback system, with a focus on accountability at the point of care for consumer feedback
- Recruitment of a consumer representative to the Clinical Governance Committee
- SAFECARE Survey to measure staff attitudes to the patient safety climate.

Progressing Best Care For Older People Initiatives

Better Care for Older People (BCOP) has been a very successful program run over a two year period and thoroughly embraced by staff across Western Health. Two main events were held as a showcase for the work done by the 15 BCOP Champions. Guest speakers and members of staff participated in the events with members of the senior leadership and executive team participating in the "Great Debate" as a means of highlighting key themes.

The work of staff taking part in the program has been transformational and patients have benefited tremendously as a result of the program. Projects have focused on areas such as patient focused pre-operative management, staff knowledge of delirium and continence management. Nine months of development and support has made this a huge success and staff are already moving onto new projects and initiatives to enable the outcomes to be sustained.

Some of the presenters from the BCOP showcase event held in 2012.

Aquabalance

A NEW APPROACH TO BALANCE RETRAINING AT COMMUNITY BASED REHABILITATION: THE AI CHI AQUATIC THERAPY GROUP "AQUABALANCE"

Community Based Rehabilitation (CBR) at Western Health (WH) provides an interdisciplinary service to over 3200 patients each year with over 750 of these patients being referred with conditions affecting their balance. These patients, depending on clinical need, participate in individual therapy and/or land-based balance group retraining programs.

As a result of emerging international evidence to support aquatic therapy for balance rehabilitation, a new water-based physiotherapy program was introduced to this cohort of patients. This initiative, which is part of an overall CBR balance program, provided aquatic group therapy based on Ai Chi - an aquatic based interpretation of Tai Chi.

For patients with painful joints, compromised balance and fear of falling, this program created an ideal therapeutic avenue. Buoyancy supported painful joints, provided added stability and minimised loss of balance within a safer environment than land based therapies for selected patients. The program therefore allowed more comprehensive treatment of patients for whom land based balance exercise posed difficulty.

The goals of the program were to reduce the number of falls that the patient experienced and to improve balance. Over 14 months, a study of 30 participants demonstrated positive trends in balance outcomes, reduction in falls and high patient satisfaction. These short term positive outcomes support the benefits of this new and innovative service that continues to operate at Sunshine Hospital CBR.

OrthoAnswer

The Orthopaedic Unit won the silver award at the Victorian Public Healthcare Awards in the category of "Optimising health care through e-health and telecommunications technologies" by creating a system/product called OrthoAnswer. This is a website that aims to inform and educate patients in simple to understand non medical terminology about what will happen to them and is backed by drawings, illustrations and written material.

The development of OrthoAnswer has been so successful that Western Health is now the e-learning centre for the Australian Orthopaedic Association. The Western Health Orthopaedic Unit is a clear leader nationally in involving consumers in developing education information which in turn leads to improved health outcomes.

Virginia Plunkett, Phong Tran, Yew Ming Chong and Claire Culley pictured with the Silver award.

Safe & Effective Patient Care (cont.)

Reg Geary Accreditation

Reg Geary House is a 30 bed residential facility for aged care services located in Melton. As with all Health Services, there is a need to ensure that Western Health is providing aged care services to the highest standards. To this end, residential services and facilities are assessed and accredited formally by the Aged Care Standards and Accreditation Agency Ltd.

The accreditation process is a two day inspection on site reviewing four standards, which are as follows:-

Standard 1 – Management Systems, staffing and organisational development

Standard 2 – Health and personal care

Standard 3 Resident Lifestyle

Standard 4 Physical environment and safe systems

Within each of these areas are 44 expected outcomes and the team at Reg Geary passed all 44 of these expected outcomes. This is a fantastic achievement and a great testament to the hard work and dedication of staff at Reg Geary.

SAFECARE Survey

In September and October 2012, Western Health undertook the SAFECARE Survey - known within other health services as the Safety Climate Survey - in order to gain an understanding of staff perceptions and experiences of patient safety. The purpose of the survey is to uncover ways to minimise patient harm which may result from the processes of healthcare delivery. All staff were invited to complete the survey and a response rate of 30.8% (full-time and part-time staff) was achieved.

The results showed that Western Health staff are clearly aware of and engage in elements that contribute to a culture of patient safety, with the results indicating that staff:

- are aware of the process for reporting incidents
- feel encouraged and are comfortable reporting incidents
- have confidence in their colleagues and that people support each other
- feel comfortable and are encouraged to speak up and ask questions.

In terms of areas to work on, staff indicated that improvement is most needed in the areas of:

- communication, information and managerial support,
- fostering a sense of being part of a large family and connectedness across the organisation, and
- creating an increased focus across the organisation on patient care.

The Western Health Board, Executive and Clinical Governance Committee have spent considerable time reviewing the SAFECARE survey results and considering the implications for Western Health. It is clear that the methods of communication must improve and the development of strategies that promote positive communication is a key focus for 2013/14.

The survey will be repeated in 2014 and we look forward to once again hearing from our staff about the safety climate at Western Health.

> Positive Patient Experience

Renal Dialysis plays a key part in a growing number of our patients' lives, and Western Health is pleased to be able to provide new and improving facilities to meet the needs of these patients. Williamstown and Sunshine Hospital provide a large number of dialysis chairs (as renal patients sit or recline in chairs, not beds, to receive dialysis). Inpatient and a small number of outpatient chairs are located Western Hospital at Footscray.

Dialysis is a relentless process and requires three attendances per week for four and half hours each attendance. Maureen has been undergoing dialysis for more than four years. In her forties she was diagnosed with diabetes. Ten years later it had affected her kidneys, until the point they failed. At this point the dialysis commenced and Maureen began receiving treatment at Williamstown Hospital. She is very complimentary about the staff in the unit stating that "they have a very good balance of being professional and being friendly". Maureen is also fond of the staff, especially as she, like many patients, sees the same faces often. She says they "have developed relationships that keep us motivated and our morale up".

Whilst the treatment and time taken has meant Maureen can no longer undertake certain activities she used to take for granted, it has meant that life is no longer as fast paced as it once was, providing the chance to stop and appreciate things much more. Key to this has been the ability to spend more time with her dog "Betty".

018 People & Culture

Executive Director of Nursing and Midwifery, A/Prof Denise Patterson with Kathy Kirby.

Team Innovation Award, HESTA Nursing Awards

Western Health clinical nurse consultant Kathy Kirby and her team have claimed top honours in the Team Innovation category at this year's HESTA Australian Nursing Awards.

They received the award for their work training non-clinical hospital staff and volunteers on how to communicate with patients with dementia.

The Team Innovation Award honours a nursing profession-led team that 'demonstrates innovation by initiating a product, service or system that benefits patients and/or the community, and that shows willingness to share the knowledge – contributing to a healthier future for all Australians.'

After receiving a dementia grant through the Victoria and Tasmania Dementia Training Study Centre in November, 2012, Ms Kirby and her team established the Understanding Dementia program to improve non-clinical staff knowledge about dementia and established a volunteer team to support patients with a cognitive impairment.

'Dementia is a serious health issue with the number of Victorians with the disease expected to increase by 400 per cent to 94,000 by 2050,' Ms Kirby said.

'Patients coming into hospital with dementia and delirium are at a high risk of experiencing adverse clinical events as a result of their cognitive impairment.

'We wanted to ensure all staff in our health service were trained and confident in communicating with patients with dementia.

'We looked at our data and realised that, although 44 per cent of our total workforce are nurses, 22 per cent is made up of non-clinical staff.

'Personal service attendants, cleaners, porters and ward clerks have daily contact with patients as often as nurses do,' Ms Kirby said.

A pre-education survey identified that 43 per cent of staff had prior informal education or information regarding dementia, related to family members being diagnosed with dementia.

The post education evaluation demonstrated that 97 per cent of staff found the education useful with 74 per cent sharing the information with other work colleagues or family and friends.

Western Health Chief Executive Alex Cockram praised Kathy and her team for their innovative approach to improving patient care at Western Health.

'Congratulations to Kathy, the volunteer co-ordination team and ward staff who contributed to this excellent approach to supporting patients with dementia,' Associate Professor Cockram said.

'Winning this award is an exceptional honour and confirms that Western Health is at the forefront of nursing innovation in many ways.'

The winners of the HESTA Australian Nursing Awards were announced at an awards dinner, where Kathy accepted a $10,000 development grant for the program.

Leadership Development

The Western Health Leadership Development program 2012/13 continued to build on past work to ensure ongoing development of leadership capability of individuals and to promote and facilitate effective collaborative working between members of the wider senior leadership teams who work across all sites and service areas.

Responding to needs identified within the leadership group and working with The Global Leadership Foundation, members of the Executive and Senior Leadership teams participated in a range of developmental events in 2012. The Program focus was on building communication capability and leadership engagement within a One Western Health framework.

The program commenced in April 2012 with the formulation of an agreed set of Leadership Behaviours which support the crucial role of leaders in building an enabling culture and provide guidelines for modelling the values of Western Health in leadership practice. Starting with the Executive, three streams of senior leadership then undertook a structured development program, which built on a foundation of enabling insights into personal style and offered participants opportunities to enhance communication and engagement skills and strategies. The program completed with a full day planning event in July for the 50 senior leaders who had participated in the program.

People & Culture (cont.)

Safe Together – One Western Health Strategic Plan

Western Health cares for the safety and wellbeing of its employees, contractors, volunteers, patients and visitors. During the year, Western Health's Strategic OHS Plan for 2012 – 2015 was endorsed by the Board.

The Plan is known as ***Safe Together – One Western Health*** and promotes Western Health's safety vision.

The Plan was formulated with input from OHS and WorkCover staff, the Western Health OHS Committee and other key staff. The strategies listed are aligned to a framework developed by the Department of Human Services – Public Hospital Sector Occupational Health and Safety Management Framework Model and will provide a pathway to systematically address the opportunities for improvement identified and assign objectives, responsibilities, key measures of success and timelines to relevant stakeholders.

The framework consists of the following key OHS objectives:

- Policy and Commitments
- Responsibilities
- Consultation
- Training
- Procedures
- Contractor Management
- Performance Indicators and Targets
- Risk Management Processes
- Inspection, Testing and Corrective Action
- Incident Reporting and Emergency Response
- Injury Management and Return to Work
- Document Control
- Performance Review
- Auditing
- Continuous Improvement

Health and Safety Champions Rewarded

A key strategic priority for Western Health is People and Culture. Maintaining a safe and healthy workplace is an essential part of valuing staff. In recognition of the importance of OHS, Western Health acknowledges the contribution made by staff each year in providing a safe and healthy workplace, with two awards presented at the Western Health Annual Meeting.

The winner of the 2012 OHS Team Award was the Physiotherapy and Occupational Therapy team at Williamstown Hospital. "This project involved the review of equipment store rooms and completion of OH&S risk assessment. The team removed unnecessary and excess equipment from store rooms and created guidelines for equipment storage," Chief Executive, Associate Professor Alex Cockram explained. "This has increased awareness and safety and reduced the risk of manual handling injury to staff", she added.

The 2012 OHS individual Award went to Carolyn Boyden from Oncology Hospital in the Home, Western Hospital. Carolyn identified that staff were required to pull a heavy trolley with items, including chemotherapy and chemo bins, for a long distance over bumpy terrain.

"She organised a designated car spot close to the hospital, a new style of trolley to push rather than pull and arranged for boxes of appropriate supplies to be stored in staff cars to avoid the need to move them around as much", A/Prof Cockram said. "This is a simple solution which reduces the risk of manual handling injury to staff."

L-R Board member and Chair of the Audit & Risk Committee, Juliann Byron and Philip Steele from Allianz present Brooke McGrady with the OHS Team Award for 2012.

Anaesthetist Dr Rick Horton

Clinicians at the Helm

Clinicians at the Helm is a leadership development program which enables senior clinicians to participate in a range of leadership experiences and opportunities, including accessing leadership theory developed by the Harvard Business School.

This year, more than 40 senior clinicians, comprising doctors, nurses and allied health practitioners completed the course. This takes the total number of graduates to 90, with another 35 commencing the course across the 2013/14 financial year.

Graduates identify key projects that would improve the patient experience and have the opportunity to work together to realise these benefits.

In 2012/13, an Alumni Series was launched to enable graduates to come together to continue to learn and apply their experiences in a consolidated manner to improve the leadership capability across the organisation. Fred Lee, author of If Disney Ran Your Hospital and former health care senior executive in the United States, presented to more than 200 of Western Health's senior clinicians and leaders in February 2013, as part of the launch of the Alumni series. Various Alumni events will be held throughout each year.

A Post Graduate Course for Clinicians At the Helm also commenced in May 2013, and all graduates of the program to date will have the opportunity to complete the Post Graduate series.

Excellence Awards

EXCEPTIONAL WORK RECOGNISED AT WESTERN HEALTH AGM

Celebrating exceptional work was a focus of the Western Health Annual General Meeting, with an outstanding field of entrants recognised in the 2012 SGE/Western Health Excellence Awards.

The SGE/Western Health Excellence Awards Program is an enhancement of the successful Excellence in Innovation Awards, presented in previous years. The Program now aims to recognise and reward achievements across three of Western Health's Strategic Priority Areas.

Two Special Acknowledgement Awards were presented on the night to Jo Spence and Laureen Rae for the Volunteer Driver Program and Melissa Hewitt for Aquabalance a new approach to balance retraining.

In the Safe and Effective Patient Care category, Phong Tran and his project OrthoAnswer claimed top honours.

"This is an initiative with a core focus on supporting patients to be active participants in their care, a particularly important factor in being able to deliver excellent health care", Western Health Chief Executive Associate Professor Alex Cockram said.

In the Community and Partnerships category, Rachel Smith was announced the winner for the Global Mealtime Guide, which was developed to provide a culturally sensitive approach to parent education in food modification.

"This is a terrific example of where our staff have recognized the importance of understanding our patients' cultural needs and acted in a meaningful way to meet these needs," A/Prof Cockram said.

In Research and Learning, the winner was Dr Nicholas Cox for Improved Door-to-Reperfusion (Balloon) Times, a series of initiatives to reduce treatment times for patients with myocardial infarctions.

"The quality of clinical programs at Western Health is incredibly important to me and this initiative strongly demonstrates the commitment of the Cardiology team to provide high quality clinical care." A/Prof Cockram said.

Surgeon Graeme Thompson

> CARES Awards

THE WESTERN HEALTH CARES AWARDS CELEBRATE MEMBERS OF STAFF WHOSE EVERYDAY PRACTICE EXEMPLIFIES THE WESTERN HEALTH VALUES OF COMPASSION, ACCOUNTABILITY, RESPECT, EXCELLENCE AND SAFETY.

Western Health celebrated the important contributions made by CARES Award recipients in 2012.

Working in a variety of roles including nursing, surgery, physiotherapy, occupational therapy, technical and clinical management, eight individuals were recognised as inspirational role models to their colleagues by working inclusively, and with a focus on improving patient and staff experience and outcomes.

The following examples illustrate the leadership difference made by CARES recipients:

In the surgical area: Senior surgeon Graeme Thompson, who has spent 22 years with Western Health, sharing his passion for ensuring patient safety and quality of care, especially via teaching and mentoring of junior medical staff. Also Wes Hartley, senior theatre technician, leading by encouraging teamwork, ensuring technical expertise, caring for patient safety and comfort.

In Allied Health: Occupational Therapist Karen Kessner and Physiotherapist Bernie Sexton, role modelling compassion, advocacy and excellent patient care, alongside mentoring and development of junior staff.

In Radiology: Jasmin Navarro, Nurse Unit Manager, whose colleagues say: “She encourages us to be accountable and thoughtful in our actions; she is compassionate, respectful and fair. She works hard, so we do too. Everyone would be happy at work if they had a manager like Jasmin.”

023

Community & Partnerships

Open Access Board Meeting

More than 50 people joined the Western Health Board on 19 June for our 2013 Open Access Board Meeting. The purpose of these meetings is to provide an opportunity for members of the community to learn more about key areas of focus for the Board and have an input into Board plans and decisions.

The theme of this meeting was listening and responding to the voice of the patient.

The evening involved hearing from a panel of consumers who have experienced the services of Western Health, either directly or through family and friends. The panel answered questions regarding their 'voice of the patient' experiences and how we could improve the way we listen.

Attendees also had the opportunity to talk with Board Members in small groups about their own experiences and suggestions for how we could improve the way we listen and respond to patients and carers.

A strong message from the night was the importance of "seeing the person in the patient". This message will be a key focus of planned activity over the next year to develop and implement a new strategy to improve the patient experience of care at Western Health called "See Me".

The Hon Ralph Willis, Board Chair, reflected that "We, as Board members need to take heed of the fact that sometimes it is the smallest things that are the most important for our patients and their families. The time taken to listen at the bedside; refilling the water jug; moving a tray closer to the bed so the meal is within reach; even a smile can make a difference. Listening and communicating – time and again, we are informed about the importance of these elements if we are to continuously improve the way we do things in a major health service."

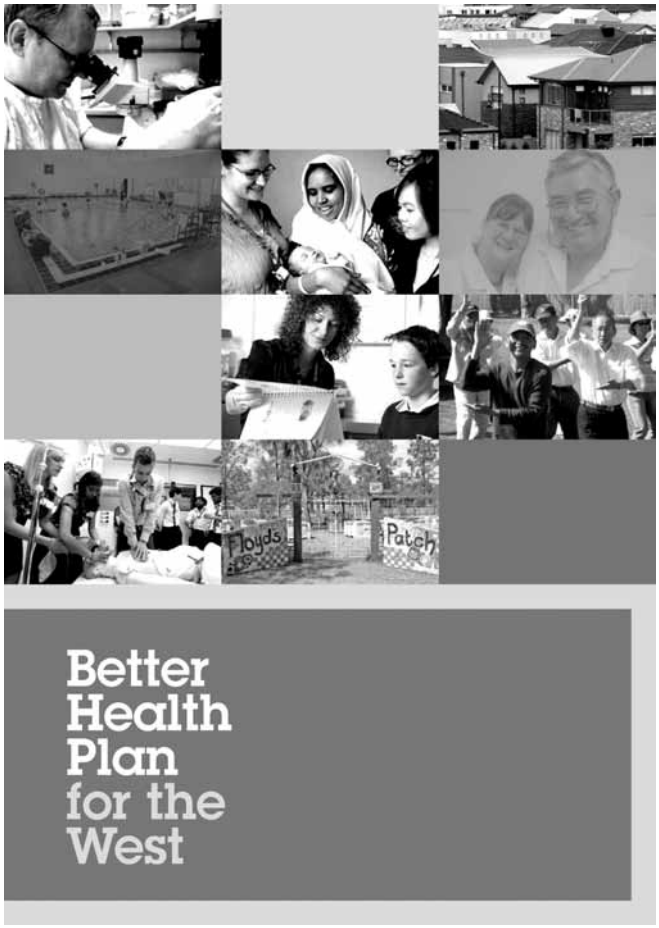
Attendees were invited to complete an evaluation questionnaire, with a positive response on the value of the meeting as shown by the following feedback:

- 95% of respondents thought the focus of the meeting ("listening to & responding to the voice of the patients") was good or excellent
- 100% of respondents thought that the way the meeting was structured (consumer panel, presentation, group discussions) was good or excellent
- 89% of respondents rated their opportunity to contribute to discussions or share their thoughts as good or excellent.

Volunteer June Hansen speaks with Board Director Bob Mitchell at the Open Access Board Meeting.

Three consumers take part in a panel discussion at the Open Access Board Meeting.

024 Community & Partnerships (cont.)



Better Health Plan for the West

The Better Health Plan for the West (BHPW) is a ten year health plan for the western metropolitan region of Melbourne. The BHPW was developed through 2011/12 and launched in August 2012. Through its conception and development the Plan brought together over 20 stakeholders with a commitment to develop a region wide health plan and consistent set of health priorities for the West. These stakeholders included local government authorities, acute health services, community health services, Divisions of General Practice, LeadWest, HealthWest, the Department of Health and Regional Development Australia - Western Melbourne.

The aim of the BHPW is to address the complex needs of one of Australia's fastest growing and most diverse regions, by providing a consistent planning framework for the health services within the Western Region of Melbourne, using an agreed set of health planning priorities and broad directions for future service delivery.

The overarching goal of the BHPW is healthy and engaged communities in the West, with the focus on three high priority health issues:

1. Mental Health
2. Cardiovascular disease; Obesity; Diabetes
3. Cancer.

The BHPW identifies seven objectives that are fundamental to supporting the goal of "healthy and engaged communities in the West". These objectives include: improve health literacy; deliver services that are inclusive and culturally appropriate; provide services that are well coordinated, easy to access and navigate; attract, grow and share outstanding staff in the West; optimise current resources and attract new resources to meet the current and future need of communities; develop a research program with a focus on health priority areas and utilise e-health and communications technology.

Over the last 12 months a Steering Committee has been driving and overseeing the Plan.

The formal launch and release of the BHPW was held in August 2012 at the Western Centre for Health Research and Education, with more than 70 people attending, including representatives from the Department of Health, Board and Executive members of partner agencies and key representatives from not for profit organisations. The Plan is available publicly on the Western Health internet. There continues to be strong interest in the Plan from a wide variety of stakeholders, in particular Universities and other public health service providers who are considering a similar initiative.

A number of collaborative projects are underway to progress the Plan's implementation. These cover the following areas:

- Health Literacy
- Partners In Recovery
- Mental Health HARP
- Service Navigation
- Workforce Innovation.

Aboriginal Health Strategy

This year has been a significant one for Western Health as it moves to improve its care for Aboriginal and Torres Strait Islander patients. Western Health continues to participate in the Department of Health led Improving Care for Aboriginal and Torres Strait Islander Patients (ICAP) program. During the year Western Health also became a signatory to the Closing the Gap statement of intent, which outlines a range of commitments including developing a long-term plan of action that addresses the existing inequities in health services.

In addition to developing the first Aboriginal Health action plan for Western Health, other initiatives have included:

- Establishment of an Aboriginal community-led reference group
- Projects focusing on maternity services and chronic kidney disease
- Participation in various Aboriginal community events including supporting a Melton Community Day with more than 200 community members in attendance
- Development of an Aboriginal employment strategy
- On-going work with a range of local service providers including working collaboratively on projects such as improving patient pathways

Signing the Close the Gap Statement of Intent: (left to right) Western Health Chairman of the Board, The Hon Ralph Willis, A/Prof Alex Cockram and Lorraine Parsons, Manager Programs, Aboriginal Health Branch Department of Health.

Community Workforce Project

FUNDING FOR CARE COORDINATION WORKFORCE INNOVATION

In July 2012, Western Health was successful in securing funding from Health Workforce Australia to undertake a project targeting workforce innovation and reform to better prepare the care coordination workforce for the challenges associated with an ageing population with chronic and complex needs. Care Coordinators provide short term transitional services, coordinating care for clients moving from hospital care to the community. The specific services providing care coordination at Western Health include the Immediate Response Service; Hospital Admission Risk Program; Aged Care Assessment Service; Post Acute Care Service; and Community Based Transitional Care Program.

The Care Coordination Workforce Integration and Innovation project aims to improve coordination of service provision for patients with complex needs in our region, design a flexible workforce to meet client needs, actively involve patients in designing the care they receive, and increase the productivity of health practitioners. Project activities include:

- Implementation of evidence based workforce reform, including initiatives such as competency based role redesign and workforce reconfiguration.
- Promotion of regional workforce initiatives across service and sector boundaries.
- Engagement of consumers through the implementation of Experienced Based Co-Design to gain a better understanding of how clients with multiple and complex needs flow through and experience the service.

It is hoped that the project will result in a care coordination service and workforce that is consumer influenced and better able to meet client needs.

The project will be evaluated and will contribute to the evidence base for national workforce reform.

Community & Partnerships (cont.)

Volunteer Driver Program

This program operates out of the Community Based Rehabilitation Unit at the Williamstown Hospital. The program was introduced to enhance the experience of patients who required regular trips to hospital for appointments. The program has also enabled Western Health to improve the use of resources. An additional benefit has been the engagement with the local community.

Allied Health vehicles are shared with the community based Volunteer Driver Program and schedules are created by staff for volunteer drivers to pick up and return patients home and to their rehabilitation appointment at the Williamstown Hospital. The volunteers undergo training in patient support, first aid skills, communication strategies and basic manual handling and support. The volunteers offer a door-to-door service and also provide feedback to the staff about the patient's well being, the physical surrounds of the patient's home and a general update of how the volunteers engage with the patients on a weekly basis. The volunteers provide an opportunity for more information to be gathered about these vulnerable members of the community.

The program has experienced an increase in patient attendance at the scheduled appointments and also received feedback from families indicating that they feel more comfortable with their family members being taken to and from their appointment with a "smiling faced punctual and friendly person". The volunteers have also felt that they are really assisting their local health service and also now support the unit with basic administration, vehicle maintenance and medical aides returns.

The value of this program is outstanding on many levels. The person centred approach of offering opportunities for our community to be engaged with patient care is of a high value. The support given to the volunteers both in written and verbal form is of an excellent standard and achieves all of the outcomes of easiness to read, relevancy and appropriateness. The volunteers are seen as ambassadors of the organisation and in taking on this role the program is enhanced through their involvement.

Global Mealtime Guide

Babies and young children with significant swallowing problems are at risk of malnutrition, dehydration, choking and compromised development. This can be stressful for families as they learn to manage their child's specialised needs through appropriate food modification.

Western Health speech pathologists recognised additional challenges for families from diverse cultural backgrounds in assimilating prescribed dietary changes into their home cuisine.

The Global Mealtime Guide was developed to provide a culturally sensitive approach to parent education in food modification.

The Guide is highly regarded by parents and clinicians for its applicability, usability and respect for patient diversity.

The Global Mealtime Guide is a professionally produced visual reference that pictorially describes appropriate food modifications for common foods in the most frequently serviced cultural groups of:

- Burmese
- Ethiopian
- Indian
- South Sudanese
- Vietnamese

Presented as a spiral-bound book, it is divided into the cultural sections with each displaying foods typically eaten by children of that culture. Additionally, there is an extensive fresh food section. Each page contains a food displayed photographically in three different consistencies of 'pureed', 'mashed' and 'normal', representing different food textures that may be prescribed to assist with swallowing problems. The name of the food is written in the most frequently used language of that culture, with a description of the food and phonetic transcription of the word to assist clinician's pronunciation.

(L to R) Edna Roe, one of Western Health's longest-serving volunteers, with Manager of Volunteers, Jo Spence.

The project was led by Paediatric Speech Pathology with assistance from LaTrobe University Speech Pathology students.

Key stakeholders were:

- CALD families
- Western Health
  - Speech Pathology staff
  - Interpreting Services
- External
  - LaTrobe University
  - CALD community groups
  - Victorian Cooperative on Children's Services for Ethnic Groups (VICSEG)

Western Health Foundation

The Foundation was established by Western Health in 2012 to increase philanthropic support, to engage our regional and wider communities and to increase awareness of our medical research programs and the world class healthcare provided across our health service.

A major focus of the Foundation is the engagement of major donors, from both philanthropic and corporate sectors with our vision for healthcare, medical research and health education in the western region of Melbourne. In a short time, the Foundation has creating strong momentum in these areas, with significant gifts received from individual and corporate donors during the year.

Several key fundraising events engaged thousands of supporters and generated significant funds. It was a "full house" at the annual BreastWest Yum Cha in October, and 500 guests attended the BreastWest Fashion Parade at Moonee Valley in June. BreastWest provides support to women receiving care through Western Health's Breast Services Clinics and assists in the purchase of equipment used in breast care.

Major donors and business partners came together for the Western Health Community Race Day at Flemington in December, and 'teed off" at Eynesbury Golf Club in April for the Western Health Golf Classic. With the support of Dr Susan Alberti AO, the Foundation was the Match Day Partner for the Bulldogs Vs Kangaroos game at Etihad Stadium, where more than 100 staff and friends donned their hospital 'scrubs' and shook tins and sold wristbands.

The Foundation plays a significant role in key events within Western Health, securing support and sponsorship for Research Week, (October), Nursing Education and Celebration Week (May) and Allied Health Week (June).

The Foundation has worked closely with Western Health to identify key projects and healthcare initiatives which will add significantly to the quality of care we can provide for our patients. These include a much needed clinical upgrade to the Children's Ward at Sunshine Hospital and support for the newly created Maternal Foetal Medicine Unit at Sunshine Hospital.

We move into our second year with a major focus on our $1m Children's Ward Appeal. Our plan also includes the launch of Western Health Champions, which will engage health service staff, a Health Powerhouse series of business breakfasts and the inaugural Walk West community event.

028 Research & Learning

Western Health experienced an exciting and successful year of research during 2012.

183
Seminar and Conference Presentations

273
Published Journal Articles

$2.08M
Income from Commercially Sponsored Clinical Trials

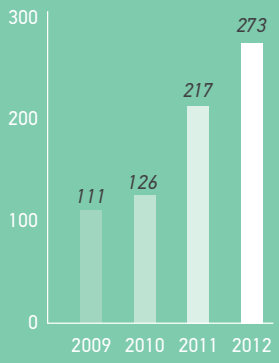
180
Research Projects Approved

$24.56M
Awarded or held for Research Grants during 2012*

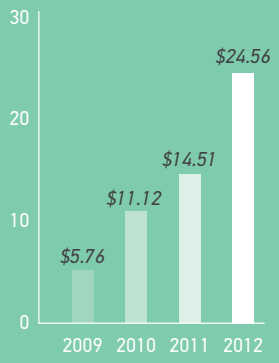
8
Published Book Chapters

** Total awarded for the duration of the grants to our researchers and their collaborators*

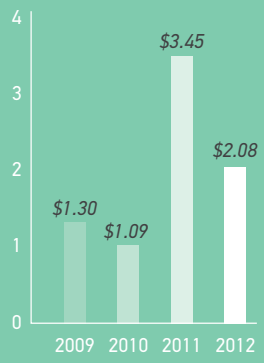
Publications



Grants ($m)



Clinical Trials ($m)



Research Support 2012

13,620 paper medical records supplied to researchers by Health Information Services

186 literature searches performed by Library Services to support research development

48 protocols reviewed and 1650 dispensations by Pharmacy for clinical trials

180 research projects approved by the Low Risk Ethics Panel and Office for Research

900 unique email queries received and replied to by the Office for Research

148 research consultation meetings were held by the Office for Research

19 research seminars were organised by the Office for Research

All of these numbers represent an increase on the previous year, reflecting the ongoing growth of the research effort at Western Health.

RESEARCH WEEK 2012

RESEARCH WEEK AT WESTERN HEALTH IS A SIGNIFICANT ANNUAL EVENT IN WHICH WE CELEBRATE THE ACHIEVEMENTS OF OUR WESTERN HEALTH RESEARCH COMMUNITY. WHILE THIS EVENT IS DESIGNED TO SHOWCASE THE DEPTH AND BREADTH OF RESEARCH DONE HERE AT WESTERN HEALTH, IT IS ALSO AN IMPORTANT FORUM FOR BRINGING PEOPLE TOGETHER TO TALK ABOUT RESEARCH IDEAS, PROJECTS, COLLABORATIONS AND OPPORTUNITIES ACROSS A RANGE OF ACADEMIC AND CLINICAL DISCIPLINES.

In 2012 Research Week had a number of distinguished key note speakers, and we were extremely fortunate to have the Governor of Victoria, His Excellency, the Honourable Alex Chernov AC QC, formally open the proceedings.

Research Week continues to grow, reinforcing not only the importance of research but also the strong involvement that Western Health staff have in conducting quality research across a range of disciplines. This year a record 120 abstracts were submitted – a remarkable increase on last year's 80 and the previous year's 20, highlighting the vast amount of quality research occurring at Western Health.

Six major prizes and two runner-up prizes were awarded in different categories and we would like to take this opportunity to thank the sponsors of these prizes. Without their generosity and support we would not be able to present these awards. We congratulate all the researchers at Western Health whose achievements and contributions were celebrated during Research Week. We would also like to thank the hard work and dedication of the members of the Western Health Low Risk Ethics Panel, whose tireless efforts continue to support and sustain the research effort at Western Health.

We look forward to ongoing development and expansion of clinically-focused, patient-centred research at Western Health. The Western Centre for Health Research and Education was established in 2011 and is now delivering real benefits in research collaboration. The Centre houses the Australian Institute for Musculoskeletal Science (AIMSS) which focuses on health issues of significant importance to the Western Health community. With the hard work, commitment and enthusiasm of our staff, Western Health's research efforts will continue to grow.

LOW RISK ETHICS PANEL MEMBERSHIP

Chairperson
Tissa Wijeratne, *MBBS (Hons) FRACP FAHA Consultant Neurologist (From September 2010)*

Deputy Chairperson
Debra Kerr, *RN MBL PhD Senior Lecturer, Faculty of Nursing, Victoria University* (From September 2010)

Lawyer
Paula Shelton *BA LLB Practice Group Leader – Medical Law Group Slater & Gordon Lawyers*

Review Members
Angela Mellerick *RN Oncology Research Nurse* (From September 2010)

Anne Marie Southcott *MBBS FRACP Director, Respiratory & Sleep Disorders Medicine*

Elizabeth Hessian *MBBS FANZCA Consultant Anaesthetist*

Harin Karunajeewa *MBBS FRACP PhD Director, Clinical Research – Division of Medicine*

Jenny Schwarz *MBBS FRACP GradDip Ed GradDip Pall Med Consultant Physician/Clinical Associate Professor in Geriatric Medicine*

Julian Choi *MD FRACS Consultant Surgeon*

Lei Ching Yeoh *B.Pharm Clinical Trials Manager*

Keri Chater *PhD M.Nurs BSocSc RN Clinical Coordinator, Westgate Aged Care Facility*

Sathyajith Velandy Koottayi *MBBS MD FJFICM Intensivist*

Terence McCann *PhD MA RMN RGN DipNurs(Lon.) RNT,RCNT Professor of Nursing, Faculty of Nursing – VU*

Manager
Tam Nguyen *PhD BSc BE (Biomed) Manager, Office for Research*

Note: Further detail on Western Health's research activities are contained in the Western Health Research Report – a partner document to this Annual Report.

Research & Learning (cont.)

Education Strategy – Accredited Training Programs, Clinical Placement, Simulation & Virtual Learning

The Western Health Education Strategy 2011/2015 moved into the second year of implementation and the focus for Western Health this year was: "Together, engaging talent and empowering best practice through world class teaching and research".

We did this by focusing on three key areas of education:

- simulated learning
- formal and accredited training programs
- clinical placement activities where we provide support for local students wishing to work in the various health professions.

The 2012/ 13 year has been a successful year for our staff and our diverse education. More staff than ever before have been supported and have achieved a formal qualification in both clinical and non-clinical areas. Western Health has supported more than 50,000 clinical placement days for 17 different health disciplines.

Our early graduate programs continue to be a success for nursing, midwifery and medicine and we are delighted in the interest and engagement we have seen in this early workforce. We are confident that we are positioning ourselves to support the needs of our community well into the future.

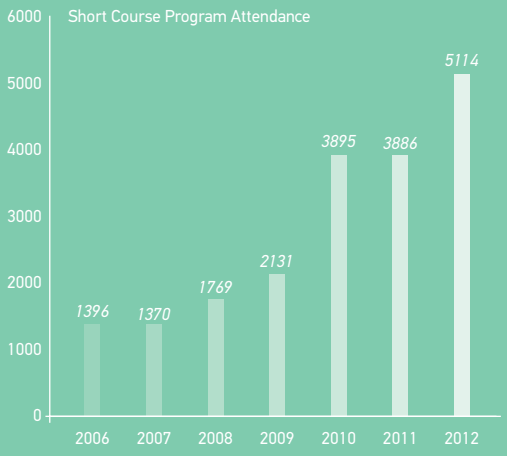
Western Health has received continued acknowledgements and support for its innovative approach to learning. In 2012 Western Health was nominated as the lead for the State Department of Health's Rural Midwifery training program – 'Maternity Connect'.

Funding was also received from Health Workforce Australia to continue the support for training students and early graduates using simulated learning activities within the Western suburbs. Dr Richard Horton, one of our consultant anesthetists was awarded a leadership award for the training program developed by the anesthetic department. This program is now leading the way for anaesthetic training across Australia. Orthopaedic surgery training is another area of strength for Western Health and has also received industry recognition and is a very competitive and highly regarded program.

Our partnerships have continued to flourish and we have expanded the number of collaborative projects in research and education. One such program is the Western Alcohol Reduction Program, which is a program supporting students at Copperfield College and Essendon-Keilor College to understand the impacts of alcohol abuse. This project has been funded by the School Focused Youth Service and brings together the police, school nursing, ambulance services, drug and alcohol services and Western Health's Emergency Department at Sunshine Hospital to deliver an interactive day for school aged children. Western Health has also been nominated as a finalist in the Victorian Training Awards for its collaboration with Victoria University TAFE for our Enrolled Nursing Transition Program and Victoria University Business School for the 'custom made' Graduate Certificate in Management (Healthcare Leadership) program.

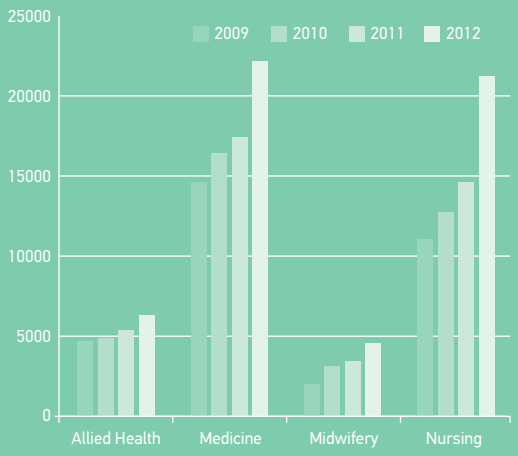
SHORT COURSE ACTIVITY TREND

These are the courses that are coordinated and facilitated directly by the Centre for Education by the Continuing Professional Development Pillar (previously known as Continuing Nurse and Midwifery Education Program). A number of the programs are multi –disciplinary, however the majority of attendees still come from nursing and midwifery.



WESTERN HEALTH CLINICAL PLACEMENT DAYS

The graph outlines the growth in clinical placement activity across the last 3 years 2009 – 2012

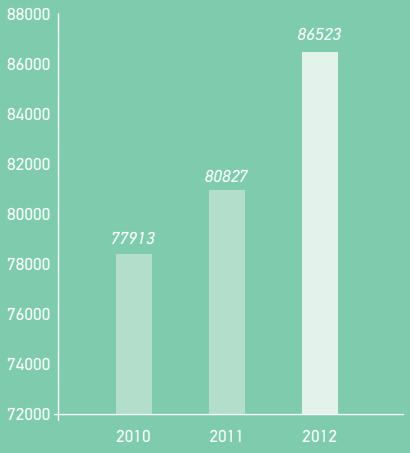


SNAPSHOT:

- A total of 558 Continuing Education Programs were offered in 2012
- In-service education sessions - approx 252 - with 3,656 attendees

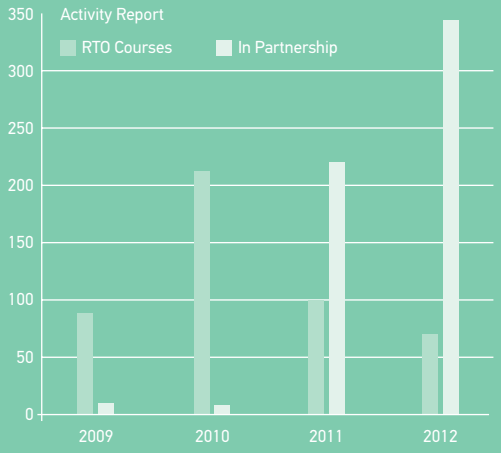
LIBRARY TRANSACTION TRENDS

This includes print book loans, document delivery, acquisitions, librarian literature searches, cataloguing, reference queries, borrower registrations, and training & orientation.



ACCREDITED TRAINING AND REGISTERED TRAINING ORGANISATION ACTIVITIES

Western Health's Registered Training Organisation (RTO) delivers cost-effective training through the development of partnerships and by harnessing internal training capacity. Western Health RTO in collaboration with Victoria University & SWC Training has supported 20% of Western Health staff to acquire a nationally recognised qualification.



Research & Learning (cont.)

L-R WH Board Chair, The Hon Ralph Willis and Chair of the Quality and Safety Board Committee and Chair of the Research and Education Board Committee, Associate Professor Cassandra Szoeke present Dr Nicholas Cox with his award.

Improved Door-To-Reperfusion

Western Health Cardiac Catheterisation Laboratory provides a 24-hour response service for patients suffering a heart attack because short and long term survival is directly related to the duration of time there is a lack of blood flow to the heart.

The Western Health cardiology service, led by Dr Nicholas Cox in partnership with Ambulance Victoria, has developed and introduced a set of guidelines and pathways aimed at reducing the time from patient arrival to hospital (door time) to the time the patient receives the balloon angioplasty treatment to open the blood vessels to the heart (balloon time). A range of work has been completed including rapid movement of the patient through the Emergency Department and electronic pre-notification by the Ambulance Officers when a heart attack patient is in transit to Western Health.

This work has led to an improvement in door-to-balloon times, which in turn has led to improved survival for patients having a heart attack in the Western Metropolitan Region of Melbourne. The door-to-balloon times for Western Health continue to be measured on a monthly basis and currently the door-to-balloon time is below the time recommended by internationally recognised clinical standards.

This initiative was an Award Winner at the 2012 SGE/ Western Health Excellence Awards.

Western Clinical School Graduates

The past year was a memorable and highly successful one for the Western Clinical School. In this year, the first students in the new graduate medical course at The University of Melbourne began their clinical studies at Western Health through the Masters level course. The students benefit from a dedicated foundation to orient them to clinical studies and closer relationships with clinical units and the community.

We were also delighted to see our first graduates from the first full cohort from the School in 2012. Of the 35 graduates who began their clinical studies with us, six students were awarded Honours. The Western cohort as a whole also achieved the highest scores in the final year exams. Their efforts were rewarded by achieving their first preference for internship for nearly all students.

Another highlight for the School and The University of Melbourne as a whole was the awarding of a Rhodes Scholarship to Dr Jenny Tran, a graduate of the Clinical School in 2012.

The Rhodes Scholarships support students who demonstrate a strong propensity to emerge as 'leaders for the world's future' and the scholars are selected on the basis of four criteria:

- Literary and scholastic attainments
- Energy to use one's talents to the full
- Truth, courage, devotion to duty, sympathy for and protection of the weak, kindliness, unselfishness and fellowship
- Moral force of character and instincts to lead, and to take on interest in one's fellow beings

Director of Medical Education at the Western Clinical School, Associate Professor Stephen Lew, says that Dr Tran is destined to make a difference to the communities she serves.

Jenny has been inspired to undertake further studies in global health, beginning at Oxford University in 2014.

Other prize winners from this Western Clinical School cohort include:

1. Women's and Children's Prize: Emily Butler
2. Specialty Health Rotations Prize: Jess Schaink
3. Georgiou Prize in surgery: Marian Giles
4. Julie Holland Medical Student Prize for professionalism, contribution to school, community focus: Jenna Pyper
5. Neville Yeomans Medical Student Prize (for top student in the clinical years): Emily Butler

By any measure, the graduating year of 2012 performed at an exceptional level and we hope this sets a high and abiding standard for all those to follow.

In recognition of the range of outstanding achievements, Dr Jenny Tran and A/Prof Lew joined his Excellency the Honourable Alex Chernov AC QC, Governor OF Victoria, for an Australia Day celebratory afternoon tea.

A/Prof Lew said 2012 was a great year for the Western Clinical School all round.

"Our students have performed exceptionally well this year, and we are increasingly finding that they are highly sought after across the broader Victorian public health system.

"This year more students than ever have been offered internships at The Alfred and St Vincent's where they will be able to train in specialties like trauma and burns, which are not offered at all hospitals.

"I am also delighted to announce that 18 graduates are returning to Western Health as interns."

Professor Peter Ebeling, Chair, NorthWest Academic Centre, University of Melbourne and Western Health Head of Endocrinology with Rhodes Scholarship winner, Dr Jenny Tran.

034 Self-Sufficiency & Sustainability

Opening of the Acute Services Building

FOR THE WESTERN HEALTH CAPITAL PLANNING AND DEVELOPMENT TEAM, FOUR AND A HALF YEARS OF METICULOUS PLANNING AND DEDICATION CAME TO FRUITION WITH THE OPENING OF THE ACUTE SERVICES BUILDING AT SUNSHINE HOSPITAL DURING THE YEAR. THE FIRST CLINICAL SERVICES BEGAN IN THE NEW BUILDING IN FEBRUARY 2013, WITH AN OFFICIAL MINISTERIAL OPENING HELD IN JUNE 2013.

The opening of the Acute Services Building – a $90.5 million project - has seen the fruition of many years' hard work and planning and represents a major step forward in preparing Sunshine Hospital to become a tertiary centre for the West of Melbourne.

The building was officially opened in June by the Hon David Davies, MLC, Victorian Minister for Health and Minister for Ageing.

The new four level building includes 128 inpatient beds, new outpatient clinic rooms, a 26 cot special care nursery, 30 same day medical beds, along with diagnostic labs and clinical support offices, and is now home to the Adult and Paediatric Specialist Clinics, the Special Care Nursery, 16 new maternity beds along with wards 3E and 3F (formally wards 1B, 2A and 2B).

The brightness of the space within the new building is considered a highlight, with patients in the clinical areas around the perimeter of the building having access to large windows, plenty of light and external views.

The building boasts a range of energy efficient and environmentally friendly features, including: chilled beam air conditioning; rainwater harvesting for flushing toilets and landscape irrigation; solar panels to supplement domestic hot water heating; along with sensor lighting.

There is also a lot of space for waste collection in the building to allow for a higher proportion of recycling.

For Ward 3F Nurse Unit Manager, Annie Carr, the transition has been as smooth as possible.

“It’s an intelligent environment”, Annie said of her new ward.

“I think patient care has really improved because of the easy access to machinery, equipment and utilities, which are all centralised.

“The feedback from patients and relatives has also been really positive, they love the big rooms and the bright, fresh environment”.

Patient Nellie Baker, who was brought into Sunshine Hospital and accommodated in one of the new wards, said she and her family had been pleasantly surprised by the new state-of-the-art facility.

“It’s never nice to be sick but I have to say, it has been a pleasant stay in this nice, new building,” she said.

“I’ve been (to Sunshine Hospital) before and this is certainly a big improvement”.

The first patient on ward 3E, Martin McCracken, cuts the ribbon to officially open the ward as staff watch on.

The additional capacity provided by the Acute Services Building is an essential foundation for Western Heath to prepare Sunshine Hospital to better serve the wider Western Melbourne region and enable provision of healthcare closer to home.

The next phase is the creation of critical care capacity on the Sunshine campus to better support the growing patient numbers and complexity of care provided. Now in the final design phase, the critical care project – funded by the State Government of Victoria and the Commonwealth under the national partnership agreement - will move to construction in November 2013 once enabling works are complete.

Once opened, the new facilities will include:

- Capacity for up to 13 ICU beds
- A new stand-alone dialysis unit
- 5 additional Labour Delivery Rooms
- Refurbished and expanded Pregnancy Day Stay Unit
- A consolidated and improved ultrasound department
- The basis for the subsequent development of Cardiac Catheter Labs

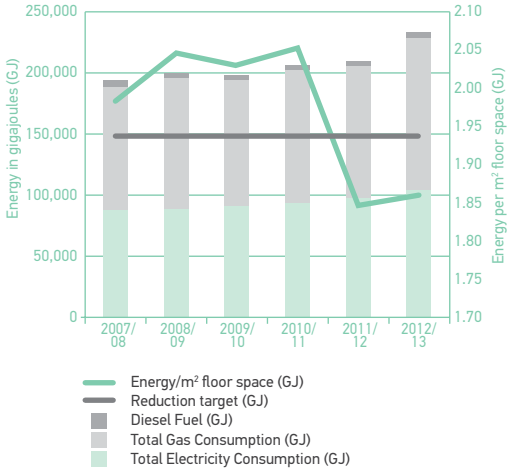
Self-Sufficiency & Sustainability (cont.)

Environmental Sustainability

Western Health is making significant progress in its drive to improve sustainability across its hospitals. All hospitals generate significant environmental health impacts, both as result of providing services to patients, through the natural resources and products such as essential services consumed, as well as through the waste generated.

Western Health acknowledges that it has a significant role to play in the health sector's mandate to reduce that impact where able and to support the community in the wider sustainability agenda. We are committed to transparent voluntary reporting on additional metrics of cost and progress against organisational targets to demonstrate these commitments as a corporate citizen.

Figure 1 – Progress on energy reduction target



As can be seen from figure 1, we are now below the target even though we are a bigger hospital service than we once were. This is a great effort backed by staff and the sustainability committee, in driving this work as it shows a 9% reduction in energy usage per square meter of floor space.

Divisional Director of Health Support Services, Christin Neumann, with the waste management team.

Figure 2 – Progress on greenhouse reduction target

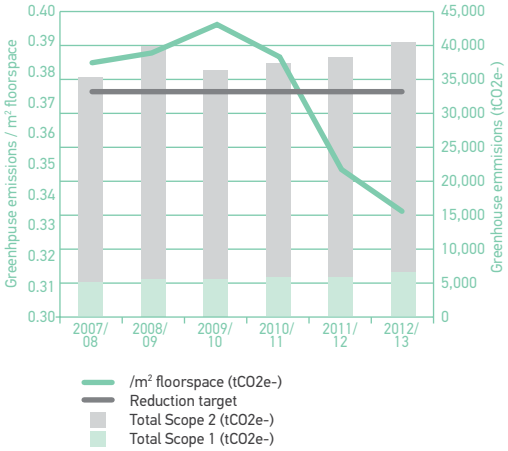


Figure 2 shows the progress made on greenhouse gas reductions and again Western Health is making great progress and is under the target set and continuing to improve for the third year in a row.

The Sustainability Committee is continuing to drive innovation and has been looking at new novel technologies to support this. Theatre plastic, medical glass recovery and recycling are all progressing well and we are also supporting a cool roof pilot with Dulux, to reduce cooling loads in buildings.

Silver Certificate in Waste Wise Business Efficiency

Western Health was recently awarded silver certification in the Waste Wise Business Efficiency Program by the Melbourne Waste Management Group (MWMG). The award represents recognition of Western Health's efforts toward waste minimisation and the efforts of all staff to engage in recycling across the organisation.

Silver accreditation is a new benchmark for any hospital or healthcare service in the program. This excellent result reflects the actions of all staff at Western Health engaging in the different opportunities to minimise and recycle waste in different areas.

Victorian Minister for Health, the Hon David Davis and the Western Health Chief Executive, A/Prof Alex Cockram, with a patient in the new Acute Services Building at Sunshine Hospital.

> New ICT Strategy – 2012-17 WH ICT Strategic Plan

ENHANCING OUR TECHNOLOGY TO SUPPORT CLINICAL CARE AND IMPROVE PATIENT OUTCOMES AND THE PATIENT EXPERIENCE, HAS BEEN A KEY FOCUS FOR WH ICT SERVICES THROUGHOUT THE 2012-13 YEAR. THE YEAR BEGAN WITH A REFRESH OF THE ICT STRATEGY 2012-17, WHICH HAS A FIRM FOCUS ON BUILDING UPON THE CONSIDERABLE PROGRESS ACHIEVED OVER THE LAST THREE YEARS, THROUGH USE OF E-HEALTH TECHNOLOGIES TO ENABLE TIMELY AND WELL INFORMED CLINICAL CARE DELIVERY.

SIGNIFICANT ICT ENHANCEMENTS - SUPPORTING PROGRESSION OF E-HEALTH ACROSS THE WH NETWORK

WH Digital Medical Record: Significant progress has been made in providing relevant clinical information at the right time and in the right place, through the well-established Digital Medical Record (DMR). The DMR is continually being improved by the introduction of electronic discharge summaries; development of electronic medical documentation forms; and expanded integration with departmental clinical systems. Development currently in progress includes the implementation of a central clinical alerts management system and the development of functionality to capture internal outpatient appointment referrals.

WH Cardiology Post Acute Care services (PACs) and Cardio Vascular Information System: A new Cardiology PACS system replaced a legacy system to enable fast reliable access to cardiology images throughout the Western Health hospitals network. Further development work in partnership with Fujifilm will allow for a state-of-the-art cardiovascular Information System (CVIS), providing invaluable decision support information to assist clinicians in provisioning safe and effective patient care across the WH community.

Renal and Oncology Clinical Systems: Other new systems that are being introduced within Western Health include a renal system that collects clinical information for dialysis patients; and an oncology system that assists in the coordination of multidisciplinary meetings; as well as other clinical information such as chemotherapy prescribing.

WH Monitoring and Performance Reporting (MaP) System: Development of the MaP system continued with the addition of financial data to the data warehouse and the development of a financial reporting suite, the development of a sub-acute care scorecard, an expansion of the workforce scorecard and the addition of non-admitted patient access reporting. During the year the MaP software platform was upgraded when Microsoft approached Western Health as a leader in the health business intelligence sector in Australia, to seek our support to upgrade to the most recently released version of their product.

Total Care Patient Billing Solution: Accurate and timely billing to patients is a critical function for the Finance and Revenue teams which have historically managed these tasks through labour intensive and paper reliant based processes. The introduction of a Diagnostic / Enterprise Billing & Insurance solution has seen a significant improvement in the turnaround for patient billing and the resulting revenue being collected.

Self-Sufficiency & Sustainability (cont.)

Developing One Western Health (Capital Developments)

SUNSHINE HOSPITAL PAPU

The State Government funded a number of Psychiatric Assessment and Planning Units (PAPUs) in Victoria. Sunshine Hospital was selected as the first in a trial of a new model for the provision of acute psychiatric services. The project will deliver an additional four beds with "swing" capabilities to be integrated into the facility.

WESTERN HOSPITAL PAPU

Similar in nature to the Sunshine PAPU, funding was provided for another Psychiatric Assessment and Planning Unit to be located at the Western Hospital, Footscray site. It is proposed to redevelop the former "Banksia Unit" to provide a 12 bed adult acute inpatient unit with an integrated four bed Psychiatric Assessment and Planning Unit (PAPU).

This will provide a 16 bed inpatient mental health service in total. The new unit will be managed by Mercy Health and will provide care to mental health consumers in South Western Melbourne.

WILLIAMSTOWN HOSPITAL, ADDITIONAL THEATRE & CSSD UPGRADE

The Federal Government, in partnership with the Victorian Government, are funding an expansion to Williamstown Hospital. The expansion includes construction of a fourth theatre to enable more surgery to take place. The development also includes an upgrade of the Central Sterile Supply Department (CSSD). The project is currently under construction and should be completed in Quarter 2 of the 2013/14 Financial Year.

MINOR CAPITAL WORKS

2012/13 was the first year of the revised Department of Health Medical Equipment and Infrastructure Replacement Program (MEIRP). Under the new program, funding is provided to health services under a Special Purposes Capital Grant for items under $300,000 and through a State-wide prioritisation process for items over this amount.

Key items progressed for Western Health in the 2012/13 year for the category of more than $300,000, include:

- Western Hospital, Footscray - Uninterruptable Power Supply (UPS) Upgrade
- Fire and Egress upgrade for both Sunshine and Western Hospitals
- Nuclear Medicine – Installation of new Gamma Cameras at both Sunshine and Western Hospitals
- Western Hospital Footscray – Early Warning Intercommunication System (EWIS) Panel

Both the Capital and Engineering teams are in the process of delivering these projects following final scope agreement with the Department of Health.

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Western Health Management

EXECUTIVE

Kathryn Cook
Chief Executive (until October 2012)

Associate Professor Alex Cockram
Chief Executive (from October 2012)

Dr Arlene Wake
Acting Executive Director Operations (until March 2013); Executive Director Community Integration, Allied Health & Service Planning (from April 2013)

Russell Harrison
Executive Director Operations (from February 2013)

Juliette Alush
Executive Director People, Culture and Communications

A/Prof Denise Patterson
Executive Director Nursing and Midwifery (from February 2013)

Dr Mark Garwood
Executive Director Medical Services

Russell Jones
Corporate Counsel

Mark Lawrence
Executive Director Finance and Performance

Silvio Pontonio
Executive Director Community Integration and Partnerships (until March 2013)

Natasha Toohey
Acting Executive Director Community Integration and Partnerships (February – April 2013)

Jason Whakaari
Executive Director Information Technology and Commercial Contracts

DIVISIONAL DIRECTORS

Claire Culley
Divisional Director Perioperative and Critical Care Services

Susan Gannon
Divisional Director Women's and Children's Services

Christine Neumann-Neurode
Divisional Director Health Support Services

Sue Race
Divisional Director Subacute and Aged Care

Sally Taylor
Divisional Director Allied Health and Clinical Support (until April 2013)
Divisional Director Clinical Support and Specialist Clinics (from May 2013)

Jenny Walsh
Divisional Director Emergency, Medicine and Cancer Services (until September 2012)

Rhonda Beattie-Manning
Divisional Director Emergency, Medicine and Cancer Services (from November 2012)

CLINICAL SERVICES DIRECTORS

Associate Professor Trevor Jones
Clinical Services Director Perioperative and Critical Care Services

Dr Ian Kronborg
Clinical Services Director Allied Health and Clinical Support

Associate Professor Garry Lane
Clinical Services Director Emergency, Medicine and Cancer Services

Associate Professor Glyn Teale
Clinical Services Director Women's and Children's Services

Dr Richard Whiting
Clinical Services Director Sub Acute and Aged Care

DIVISIONAL DIRECTORS OF NURSING

Wendy Calder
Acting Executive Director of Nursing and Midwifery (until February 2013) and Director of Nursing Western Hospital and Women's & Children's Services (until April 2013)

Wendy Davis
Director of Nursing Sunbury, Perioperative and Critical Care Services

Douglas Mill
Director of Nursing Williamstown, Subacute and Aged Care

Wendy Watson
Director of Nursing Sunshine, Emergency, Medicine and Cancer Services

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Western Health Management (cont.)

SENIOR MANAGEMENT

Bianca Bell
General Practice Integration Co-ordinator

Scott Bennett
Director Service Planning and Development

Suellen Bruce
Director Workforce Planning & Development

Sharon Desmond
Group Manager Drug Health Services (until November 2012)

Leanne Dillon
Director Clinical Governance and Medico-Legal

Sean Downer
Director Health Information Management

Colette Geaney
Manager Medical Workforce Unit

Leonie Hall
Director People Services

Ian Higgins
Director Western Health Foundation (until October 2012)

Robyn Jackson
Acting Group Manager Drug Health Services (from November 2013)

David Jones
Acting Director Western Health Foundation (from January 2013)

Wendy Lacey
Director of Nursing Reg Geary

Andrew Leong
Chief Technology Officer

Bruce MacIsaac
Director Capital Development (until May 2013)

Jacqui McKenzie
Manager Aboriginal Health Policy, Planning & Implementation (until June 2013)

Louise McKinlay
Director Education and Learning

Assunta Morrone
Manager Community Participation & Cultural Diversity

Debbie Munro
Acting Director Allied Health (until February 2013); Director Community Services (from February 2013)

Dr David Newman
Director Office for Research

Dr Tam Nguyen
Manager Office for Research

Steven Parker
Director OHS, Wellbeing and Emergency Management Services

Vanessa Raines
Director Clinical Innovation and Service Improvement

Alison Rule
Director Corporate Governance and Planning

Arnold Roxas
Manager Contracts & Commercial Relationships

Nicholas Russell
Director, Finance (from April 2013)

Najla Sarkis
Acting Director Capital Development (from May 2013)

Cathy Sommerville
Director Stakeholder Relations and Public Affairs

Natasha Toohey
Director Allied Health (from February 2013)

Jacqueline Watkins
Manager Aboriginal Health Policy, Planning & Implementation (from June 2013)

Jennifer Williams
Director of Nursing Hazeldean Transition Care

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Western Health Services

EMERGENCY, MEDICINE AND CANCER SERVICES

Acute Ambulatory Care

Addiction Medicine

Dermatology

Endocrinology & Diabetes

Emergency Medicine

Gastroenterology

General Medicine

Geriatric Medicine – acute

Haematology

Hospital In The Home

Immunology

Infection Disease

Medical Oncology

Migrant Screening Program

Nephrology

Neurology

Renal Dialysis

Respiratory and Sleep Disorders

Rheumatology

Palliative Care

Stroke Service

PERIOPERATIVE AND CRITICAL CARE SERVICES

Anaesthetics and Pain Management

Centre for Cardiovascular Therapeutics (incorporating Cardiology Services)

Colorectal and General Surgery

Elective Booking Service

General, Breast and Endocrine Surgery

Intensive Care Services (incorporating ICU Liaison)

Neurosurgery

Ophthalmology

Orthopaedic Surgery

Otolaryngology, Head, Neck Surgery

Paediatric Surgery

Plastic, Reconstructive and Facio-Maxillary Surgery

Preadmission Service

Thoracic Surgery

Upper Gastro Intestinal and General Surgery

Urology Surgery

Vascular Surgery

SUBACUTE AND AGED CARE SERVICES

Aged and Complex Care Access Service

Best Care for Older People Program

Geriatric Evaluation and Management

Rehabilitation

Restorative Care

Palliative Care (inpatient service)

Hazeldean Transition Care

WOMEN'S AND CHILDREN'S SERVICES

Gynaecology

Maternity Services

Maternal Fetal Medicine

Special Care Nursery

Paediatric Medicine

ALLIED HEALTH

Aboriginal Liaison Service

Audiology

Language Services

Nutrition and Dietetics

Occupational Therapy

Pastoral Care

Physiotherapy

Podiatry

Psychology

Social Work

Speech Pathology

CARE COORDINATION

Aged Care Assessment Service

Immediate Response Service

Hospital Admission Risk Program

CLINICAL SUPPORT AND SPECIALIST CLINIC SERVICES

Specialist Clinics (Adult)

Interventional Radiology

Medical Imaging

Pathology

Pharmacy

COMMUNITY & AMBULATORY CARE SERVICES

Aboriginal Health, Policy and Planning

Cognition, Dementia and Memory Services

Community Based Rehabilitation

Community Transition Care Program

Continence Clinic

Falls Clinic

GP Integration Unit

Parkinson's Disease Service

Post Acute Care Program

DRUG AND HEALTH SERVICES

Youth and Family Services

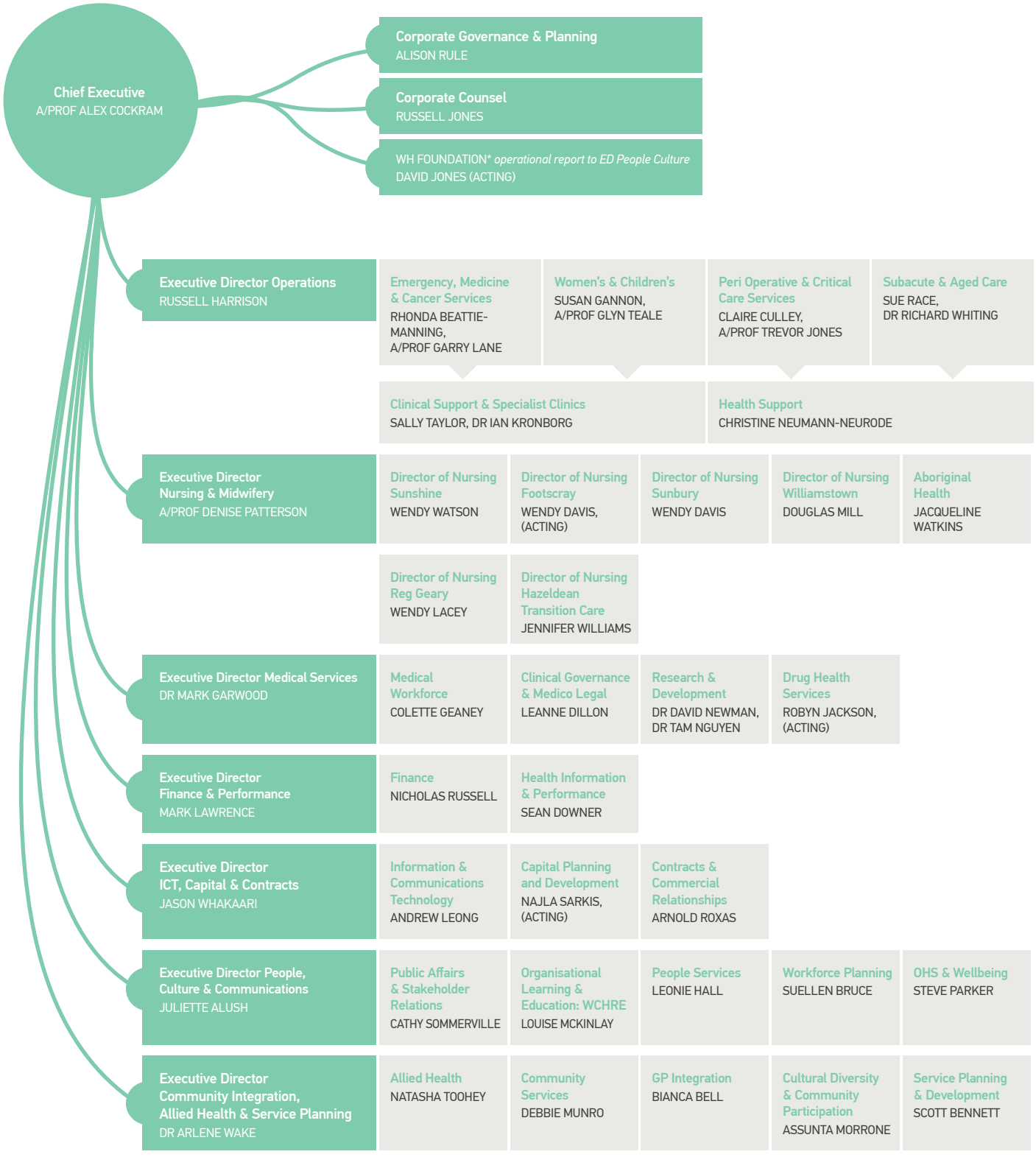
Adult and Specialist Services

Community Residential Withdrawal Services

RESIDENTAL AGED CARE

Reg Geary House

042 Organisational Structure



043 Corporate Governance

THE BOARD OF WESTERN HEALTH CONSISTS OF INDEPENDENT NON-EXECUTIVE MEMBERS FROM A RANGE OF BACKGROUNDS AND WITH LOCAL TIES TO MELBOURNE'S WEST. THE BOARD CONSISTS OF NINE DIRECTORS. EACH DIRECTOR ALSO HAS A ROLE ON ONE OR MORE BOARD COMMITTEES.

Western Health is incorporated as a metropolitan health service pursuant to the Health Services Act 1988 (VIC). Western Health operates under the authority of the Act and its own by-laws.

Western Health is governed by a Board of Directors appointed by the Governor in Council on the recommendation of the Minister for Health. The Board's role is to govern the health service, consistent with applicable legislation and the terms and conditions attached to the funds provided to it.

The Board is responsible to the Minister for Health for setting the strategic direction of Western Health, within the framework of government policy, and ensuring that the health service:

- is effective and efficiently managed
- provides high quality care and service delivery
- meets the needs of the community; and
- meets financial and non-financial performance targets.

For the period 1 July 2012 to 30 June 2013 the Board comprised of nine members, including the Chair.

THE HON RALPH WILLIS, AO
BCOM CHAIR

Ralph Willis is a life-long resident of Melbourne's West and represented the seat of Gellibrand in the Federal Parliament for 26 years. For 13 of those years, he was a Cabinet Minister in the Hawke and Keating Government, holding the portfolios of Employment and Industrial Relations, Transport and Communications, Finance and Treasurer.

Mr Willis is also a Director of Victoria University Foundation and Trustee of the Stan Willis (Charitable) Trust. He was previously Chair of the Construction and Building Industry Superannuation Fund (CBUS) and Chair of LeadWest, a regional representative body for the western suburbs of Melbourne.

Mr Willis is a member of Western Health's Finance Committee, Governance and Remuneration Committee, Quality and Safety Committee and the Primary Care and Population Health Advisory Committee. In 2011, Mr Willis was awarded an Honorary Doctorate by Victoria University.

Appointed July 2004

MRS ELLENI BEREDED-SAMUEL
MED, GRAD DIP COUNSELLING, BA (FOREIGN LANGUAGES AND LITERATURE AND ENGLISH AS A SECOND LANGUAGE)

Elleni Bereded-Samuel was born in Ethiopia and is now a resident of the Western suburbs of Melbourne. Mrs Bereded-Samuel has focused her life's work on strengthening education, training and employment for Culturally and Linguistically Diverse (CALD) communities in Australia. Her dynamic leadership has resulted in new solutions for community to access and participate in society. Mrs Bereded-Samuel is the Community Development Manager at Victoria University.

From 2005-2011 Mrs Bereded-Samuel served as the first African born Commissioner appointed to the Victorian Multicultural Commission. For six years she served on the Board of Directors of The Women's Hospital and chair of the Community Advisory Committee. Mrs Bereded-Samuel also served for three years as the inaugural member of the Australian Social Inclusion Board and is a current Director of the SBS Board.

Mrs Bereded-Samuel is one of 40 Australian champions independently selected as the People of Australia Ambassadors appointed by the Prime Minster. Late last year Mrs Bereded-Samuel was recognized as one of the hundred most influential African Australians and named 2012 Living Legend.

Mrs Bereded-Samuel is Chair of the Cultural Diversity and Community Advisory Committee and Member of the Education, Research and Development Committee.

Appointed July 2011

Corporate Governance (cont.)

MS JULIANN BYRON
BCOM, GRAD DIP (CORP MGT), FCPA, FAICD, CTI, ACIS

Juliann Byron has extensive experience as a Director, having a background in Finance and Company Secretarial roles with public and private companies. She is currently a consultant in the areas of financial management, corporate governance and company secretarial matters.

Ms Byron is also the Treasurer of the Victorian Cytology Service and Chair of the Bendigo Community Bank in Canterbury, Surrey Hills, Ashburton and Balwyn.

Ms Byron was Chair of the Audit and Risk Committee and Chair of the Governance and Remuneration Committee.

Appointed July 2004

Term Completed 30 June 2013

PROFESSOR COLIN CLARK
BBUS, DIP ED, MBA, PHD, FCPA, FCA, FIPAA, FAICD

Colin Clark is Dean of Business and Professor of Accounting at Victoria University. Colin is a resident of the Western suburbs of Melbourne.

He has been active within CPA Australia having been a member of the Victorian Council, including as State President, and also a member of the board of CPA Australia including serving as Vice President. He has undertaken a number of research and consulting projects including international projects. His area of specialisation is public sector accounting and corporate governance.

Professor Clark is Chair of the Finance and Resources Committee.

Appointed July 2010

MR ROBERT MITCHELL
LLB, MPHIL, GRAD DIP TAX, MTHST, GRAD DIP THEOL

Robert (Bob) Mitchell has been a solicitor for 25 years, and was a Tax Partner at PricewaterhouseCoopers for 14 years. He has served on boards of several not-for-profit organisations including BlueCare, The Timor Children's Foundation, World Relief, and the PwC Foundation.

Mr Mitchell has a strong interest in international development work and justice issues. He has served as the Director of Legal Risk and Governance, and the Chief of Mission at World Vision Australia, and has been appointed CEO of Anglican Overseas Aid.

Mr Mitchell is also an ordained Anglican Minister, and has served as a member of the Federal Attorney-General's International Pro Bono Advisory Group.

Mr Mitchell is a member of the Audit and Risk Committee and Cultural Diversity Committee.

Appointed July 2010

MS VIVIENNE NGUYEN
BCOM, MAPPLFIN

Vivienne Nguyen is a business leader, company director, and community leader. She holds a Master of Applied Finance and a Bachelor of Commerce from Melbourne University.

Outside work, she is a keen advocate for community participation, particularly youth leadership in non-English speaking communities. Vivienne lives in the Western suburbs.

Ms Nguyen is a member of the Finance and Resources Committee and the Governance and Remuneration Committee.

Appointed July 2009

MRS PATRICIA VEJBY
JP, MAICD, CMC

Patricia (Trish) Vejby is an alternate member of Heritage Victoria and has previously held Board positions which include a member of the Board of Directors, Manor Court Aged Care Hostel for over 15 years (Life Governor), Commissioner to Board of the Legal Aid Commission of Victoria, and Director, Royal Victorian Association of Honorary Justices Board. Trish is a long-time resident of Werribee and the western suburbs.

She is currently a Justice of the Peace and is a founding Chairperson of the Royal Victorian Association Honorary Justices, Wyndham Branch. Memberships include Australian Institute of Company Directors, Biznet Wyndham, Women's Health Service Western Region, the Swedish Church Abroad, Melbourne and she is involved in various community activities.

Mrs Vejby enjoys her role as a Civil Celebrant/ Commonwealth Authorised Marriage Celebrant

Mrs Vejby is Chair of the Primary Care and Population Health Advisory Committee and is a Member of the Quality and Safety Committee.

Appointed July 2011

ASSOCIATE PROFESSOR CASSANDRA SZOEKE
PH.D, FRACP, MBBS, BSC (HONS)

Associate Professor Cassandra Szoeke is a practicing neurologist with an honours degree in Genetics and Pharmacology, MBBS and FRACP with specialisation in Neurology and subspecialisation in Epileptology. She completed her PhD thesis in Epidemiology examining women's healthy ageing and her postdoctoral studies conducted between Stanford University and Duke University focused on cognition. She has been in clinical research for over a decade and is a reviewer for national and international journals and funding bodies.

Cassandra is the Director of the Women's Healthy Ageing Project and Chair of the Vascular Stream in the Australian Imaging Biomarker and Lifestyle study of Ageing. She led the research program in Neurodegenerative Diseases, Mental Disorders and Brain Health at the Australian Commonwealth Science and Industry Organisation (CSIRO) and then became a Clinical Consultant to the CSIRO.

Associate Professor Szoeke is Chair of the Quality and Safety Committee and Chair of the Education, Research and Development Committee

Appointed August 2012

MR MALCOLM PEACOCK AM
MAICD

Malcolm Peacock is a life long resident of the Melton City where he was a farmer for many years.

He served as a Councillor for 10 years and was Shire President for 2 years. He has held many positions and demonstrated leadership in agribusiness in restructuring of organisations to meet the new business environment.

Malcolm was an active Director in the Private & Public sector. This included the Djerriwarrh Health Services, Animal Health Australia, Australian Animal Health Laboratory (Geelong), International Egg Commission (Financial Controller), Victoria University of Technology (Melton Campus).

At present he is the Operations Officer for Emergency Services in the Western Suburbs for the Australian Red Cross.

Mr Peacock is a member of the Audit & Risk Committee.

Appointed October 2012

14.1.1 BOARD COMMITTEES

The Board has established several standing committees to assist it in carrying out its responsibilities.

Audit and Risk Committee

The Audit and Risk Committee is responsible for ensuring that the financial and related reporting systems produce timely, accurate and relevant reports on the financial operations of the health service and that sufficient resources are allocated to identifying and managing organisational risk.

Cultural Diversity and Community Advisory Committee

The role of the Cultural Diversity and Community Advisory Committee is to advise the Board on relevant structures, processes, key priority areas and issues to ensure effective consumer and community participation at all levels of service planning and delivery. It also advises the Board on matters involving access and equity for patients and their families from culturally and linguistically diverse backgrounds.

Finance and Resources Committee

The Finance and Resources Committee is responsible for advising the Board on matters relating to financial strategies and the financial performance, capital management and sustainability of Western Health.

Governance and Remuneration Committee

The role of the Governance and Remuneration Committee is to advise the Board and monitor matters involving organisational governance and administration, and executive and senior staff recruitment, remuneration and performance.

Primary Care and Population Health Advisory Committee

The Primary Care and Population Health Advisory Committee provides advice and recommendations to the Board on health issues affecting the population served by Western Health.

Quality and Safety Committee

The Quality and Safety Committee is responsible for ensuring that quality monitoring activities are systematically performed at all levels of the organisation and that deviations from quality standards are acted upon in a timely and effective manner.

Corporate Governance (cont.)

Education, Research and Development Committee

The role of the Education, Research and Development Committee is to oversee the development of plans and strategies that enable staff education and training to be linked with workforce needs, and the integration and alignment of these needs with patient care. It also oversees and monitors the development of strategy and activities which encourage, promote and support research across all levels of the organisation.

14.1.2 ATTESTATION ON DATA INTEGRITY

I, Alex Cockram, Chief Executive certify that Western Health has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. Western Health has critically reviewed these controls and processes during the year.

Associate Professor Alex Cockram
Chief Executive
16 August 2013

14.1.3 ATTESTATION FOR COMPLIANCE WITH MINISTERIAL STANDING DIRECTION 4.5.5.1 - INSURANCE

I, Alex Cockram, Chief Executive certify that Western Health has complied with Ministerial Direction 4.5.5.1 – Insurance.

Associate Professor Alex Cockram
Chief Executive
16 August 2013

14.1.4 ATTESTATION FOR COMPLIANCE WITH THE AUSTRALIAN/NEW ZEALAND RISK MANAGEMENT STANDARD

I, Alex Cockram, Chief Executive certify that that Western Health has risk management processes in place consistent with the AS/NZS ISO 31000:2009 and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. Western Health verifies this assurance and that the risk profile of Western Health has been critically reviewed within the last 12 months.

Associate Professor Alex Cockram
Chief Executive
16 August 2013

14.1.5 THE FREEDOM OF INFORMATION ACT

The Freedom of Information (FOI) Act (Vic) 1982 grants the public a legally enforceable right to access documents in the possession of Government agencies, including clinical and non-clinical records. Western Health processes all requests for access to documents in accordance with the provisions of the FOI Act.

Total Requests	1412
Full Access	1080
Partial Access	14
Access Denied	0
Applications Withdrawn	255
No Documents	0
Applications Not Processed	0
VCAT Appeal	0
Appeal Withdrawn	0

14.1.6 OCCUPATIONAL HEALTH AND SAFETY 2012/13

To minimise risk and promote staff health and wellbeing, the following programs and activities were provided:

- Regular reports provided to the Western Health Board of Directors and the Occupational Health and Safety Committee detailing OHS and WorkCover performance.
- Mandatory OHS training courses for managers and supervisors – as part of the Diploma of Management (OHS unit) – Ensure a Safe Workplace.
- OHS training provided to Patient Services Assistants trainees
- Efficient and effective staff rehabilitation and return to work processes embedded into organisational standard practice. Enhancements to the "Back 4 Life" (No Lift) program with strategies progressively introduced to address the risks associated with patient and general manual handling and to foster a safe working culture.
- Maintaining staff competencies for the "Back 4 Life" program, which included ward in-services, refresher and "Train the Trainer" training sessions.
- Education provided to staff in relation to managing risks i.e. general manual handling, workstation ergonomics, gas cylinder storage and handling, hospital danger tags, chemical handling storage, ChemAlert chemical data base, and Hazstop chemical information folder training.
- The ongoing development of a comprehensive intranet site to facilitate an easy reference source for obtaining information on OHS, wellbeing and emergency management for staff.
- A proactive approach adopted and maintained to minimise and control risks by management, in conjunction with staff Health and Safety representatives (HSRs).
- Ongoing support for staff Health and Safety Representatives including initial 5 day and annual refresher training and the development of a resource package to support newly elected representatives.
- The use of a HSR monthly report card, which is designed to encourage a proactive risk management approach working with management to ensure a safe working environment for staff in designated work areas.
- Ensuring dangerous goods and hazardous substances manifests and information are readily available and up to date.
- Introduction and revision of OHS related policies and procedures to ensure systematic standardised and effective processes.
- Continuation of the annual OHS staff Award which acknowledges significant contributions in improving the health, safety or well-being by individuals and groups.
- Psychological support made available to staff offering critical incident stress management, employee assistance programs and counselling services.

14.1.7 WORKCOVER CLAIMS AND WORKSAFE NOTIFIABLE INCIDENTS

Eleven (11) standard WorkCover claims (3 Western Hospital, 8 Sunshine Hospital), five (5) minor claims and six (6) rejected standard claims were received for the year. Note: the outcome of some of the rejected claims has not been fully determined.

Eighteen (18) standard claims were registered by WH's insurer, which were the standard claims received and minor claims converting to standard claims from previous years.

There were nine (9) Notifiable Incidents [where either the injury or event is deemed as serious defined from section 38 (3) OH&S Act 2004 and regulation 904 Equipment (Public Safety) Regulations 2007]. These incidents and other WorkSafe reviews resulted in seven (7) Improvement Notice issued by WorkSafe Victoria. Suitable actions were taken by Western Health and the issue was resolved.

4.1.8 OPEN ACCESS BOARD MEETING

An Open Access Board Meeting was held in June 2013 at Club Italia in St Albans, with the theme of listening to and responding to the voice of the patient. Refer to a feature article on this meeting on page 23 of the Annual Report.

4.1.9 STATEMENT OF MERIT AND EQUITY

Further to the requirements of the Public Sector Administration Act 2004, Western Health has established that the organisational values of caring, accountability, respect, excellence and safety align with the public sector values of responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Western Health is committed to the application of the public sector employment principles and has reviewed employment processes to ensure that employment decisions are based on merit. All employees are treated fairly and reasonably, equal employment opportunity is provided and employees are afforded a structured grievance procedure for redress against unfair or unreasonable treatment.

Western Health has an established Code of Conduct, which aligns with and supports the public sector employment principles.

Corporate Governance (cont.)

14.1.10 BUILDING ACT 1993

Western Health fully complied with the building and maintenance provisions of the Building Act 1993 for the period 1 July 2012 to 30 June 2013. Where applicable, the appropriate Building Permits and Certificates of Occupancy were obtained in line with the requirements of the Building Act 1993.

14.1.11 VICTORIAN INDUSTRY PARTICIPATION POLICY

Western Health complies with the intent of the Victorian Industry Participation Policy Act (Vic) 2003 which is to encourage, where possible, local industry participation in the supply of goods and services to government agencies.

14.1.12 NATIONAL COMPETITION POLICY

Western Health has implemented, and continues to comply with, the National Competition Policy and the requirements of the Victorian Government's Competitive Neutrality Policy.

14.1.13 ADDITIONAL INFORMATION

In compliance with the requirements of FRD 22C Standard Disclosures in the Report of Operations, details in respect of the items listed below have been retained by Western Health and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

(a) A statement of pecuniary interest has been completed;

(b) Details of shares held by senior officers as nominee or held beneficially;

(c) Details of publications produced by the Department about the activities of Western Health;

(d) Details of changes in prices, fees, charges, rates and levies charged by Western Health;

(e) Details of any major external reviews carried out on Western Health;

(f) Details of major research and development activities undertaken by Western Health that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations;

(g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;

(h) Details of major promotional, public relations and marketing activities undertaken by Western Health to develop community awareness of Western Health and its services;

(i) Details of assessments and measures undertaken to improve the occupational health and safety of employees;

(j) General statement on industrial relations within Western Health and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations;

(k) A list of major committees sponsored by Western Health, the purposes of each committee and the extent to which the purposes have been achieved;

(l) Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

049 Key Performance Statistics

Financial Performance

WIES ACTIVITY PERFORMANCE	TARGET	2012/13 ACTUALS
WIES (public and private) performance to target (%)	100%	106.4%

Access Performance

EMERGENCY CARE	TARGET	WESTERN	SUNSHINE	W/TOWN
Percentage of operating time on hospital bypass	3.0%	2.8%	1.2%	n/a
Percentage of ambulance transfers within 40 minutes	90%	80%	89%	99%
NEAT – Percentage of emergency patients to physically leave the emergency department for admission to hospital, be referred to another hospital for treatment, or be discharged within four hours (July – Dec 2012)	70%	43%	54%	92%
NEAT – Percentage of emergency patients to physically leave the emergency department for admission to hospital, be referred to another hospital for treatment, or be discharged within four hours (January – June 2013)	75%	48%	58%	93%
Number of patients with length of stay in the emergency department greater than 24 hours	0	15	36	n/a
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended times	80%	76%	68%	88%

ELECTIVE SURGERY	TARGET	2012/13 ACTUALS
Percentage of Urgency Category 1 elective patients treated within 30 days	100%	100%
NEST – Percentage of Urgency Category 2 elective surgery patients treated within 90 days (July – December 2012)	75%	86%
NEST – Percentage of Urgency Category 2 elective surgery patients treated within 90 days (January – June 2013)	80%	81%
NEST – Percentage of Urgency Category 3 elective surgery patients treated within 365 days (July – December 2012)	93%	97%
NEST – Percentage of Urgency Category 3 elective surgery patients treated within 365 days (January – June 2013)	94.5%	93.4%
Number of patients on the elective surgery waiting list	4,409	4,891
Number of Hospital Initiated Postponements per 100 scheduled admissions	8.0	6.4

Service Performance

ELECTIVE SURGERY	TARGET	2012/13 ACTUALS
Number of patients admitted from the elective surgery waiting list – quarter 1	3,200	3,273
Number of patients admitted from the elective surgery waiting list – quarter 2	3,045	3,060
Number of patients admitted from the elective surgery waiting list – quarter 3	2,550	2,564
Number of patients admitted from the elective surgery waiting list – quarter 4	2,293	2,475

CRITICAL CARE	TARGET	2012/13 ACTUALS
Number of days below agreed Adult ICU minimum operating capacity	0	0

050 Key Performance Statistics (cont.)

QUALITY AND SAFETY	TARGET	2012/13 ACTUALS
Health service accreditation	Achieved	Achieved
Residential aged care accreditation	Achieved	Achieved
Cleaning standards	Achieved	Achieved
Submission of data to VICNISS	Achieved	Achieved
Hospital acquired infection surveillance	No outliers	No outliers
Hand Hygiene (rate)	70%	82%
SAB rate per occupied bed days	2/10,000	0.86/10,000
Victorian Patient Satisfaction Monitor (OCI)		
– Western Hospital	73	71.5
– Sunshine Hospital	73	71.0
– Williamstown Hospital	73	78.8
Consumer Participation Indicator		
– Western Hospital	75	75.5
– Sunshine Hospital	75	74.9
– Williamstown Hospital	75	79.0
People Matter Survey	Achieved	Achieved

MATERNITY	TARGET	2012/13 ACTUALS
Percentage of women with prearranged postnatal home care	100	96%

Activity and Funding

FUNDING TYPE	2012/13 ACTIVITY ACHIEVEMENT
Acute Admitted	
WIES Public	66,860
WIES Private	5,279
Total PPWIES (Public and Private)	72,139
WIES Renal	2,512
WIES DVA	934
WIES TAC	261
WIES TOTAL	**75,845**
Subacute Admitted	
CRAFT Public	472
CRAFT Private	64
Rehab L1 Public	1,597
Rehab L2 Public	693
Rehab L2 DVA	204
GEM Public	26,950
GEM Private	3,823
GEM DVA	1,676
Palliative Care Public	3,875
Palliative Care Private	339
Palliative Care DVA	52
Restorative Care	3,802

FUNDING TYPE	2012/13 ACTIVITY ACHIEVEMENT
Subacute non-admitted	
Transition Care – Beddays	10,725
Transition Care – Homeday	10,836
SACS	37,139
SACS DVA	64
Post Acute Care	4,442
Post Acute Care DVA	183
Aged Care	
Aged Care Assessment Service	4,760
Residential Aged Care	10,319
Mental Health and Drug Services	
Drug Services	n/a
Primary Health	
Community Health / Primary Care Programs	n/a

052 Disclosure Index

The annual report of Western Health is prepared in accordance with all relevant Victorian legislation.
This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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053 Financial Snapshot

Workforce Full Time Equivalent (FTE) Per Annual Accounts

LABOUR CATEGORY	JUNE AVERAGE FTE 2013	JUNE AVERAGE FTE 2012	YEARLY AVERAGE FTE 2012/13	YEARLY AVERAGE FTE 2011/12
Nursing	1,833	1,820	1,817	1,683
Administration and Clerical	558	567	567	547
Medical Support	329	344	339	331
Hotel and Allied Services	305	313	306	305
Medical Officers	110	97	104	92
Hospital Medical Officers	383	390	385	367
Sessional Clinicians	72	72	72	68
Ancilliary Staff (Allied Health)	325	329	331	312
Total	**3,915**	**3,932**	**3,921**	**3,705**

Financial Snapshot

$'000	2012/13	2011/12	2010/11	2009/10	2008/09
Total Revenue	571,686	585,579	566,530	511,627	453,741
Total Expenses	592,161	570,352	523,254	482,653	433,125
Net Result for the Year (inc. Capital and Specific Items)	**(20,475)**	**15,227**	**43,276**	**28,974**	**20,616**
Transfer to accumulated surplus	(571)		3		
Share of joint venture accumulated surplus		59			
Retained Surplus/(Accumulated Deficit)	71,667	92,713	77,427	34,148	5,174
Total Assets	640,413	658,515	629,085	572,014	541,267
Total Liabilities	122,814	120,441	106,297	92,490	90,729
Net Assets	**517,599**	**538,074**	**522,788**	**479,524**	**450,538**
TOTAL EQUITY	**517,599**	**538,074**	**522,788**	**479,524**	**450,538**

054 Financial Snapshot (cont.)

Financial Analysis of Operating Revenues & Expenses

$'000	2012/13	2011/12
Revenues		
Services Supported by Health Services Agreements		
Government Grants	493,085	469,027
Indirect Contributions by Department of Health	1,684	1,322
Patient Fees	16,480	15,044
Recoupment from Private Practice	15,931	13,974
Interest	2,311	2,772
Other Revenue	15,343	13,388
	544,834	**515,527**
Services Supported by Hospital & Community Initiatives		
Private Practice Fees	138	149
Donations and Bequests	913	4,207
Property Income	333	328
Other Revenue	7,496	5,587
	8,880	**10,271**
	553,714	**525,798**
Expenses		
Services Supported by Health Services Agreements		
Employee Benefits	397,948	380,223
Non Salary Labour Costs	8,172	10,780
Supplies and Consumables	76,001	75,916
Other Expenses	61,279	56,945
	543,400	**523,864**
Services Supported by Hospital & Community Initiatives		
Employee Entitlements	3,043	1,779
Non Salary Labour Costs	99	0
Supplies and Consumables	532	441
Other Expenses	2,414	1,394
	6,088	**3,614**
	549,488	**527,478**
Surplus/(Deficit) for the Year Before Capital Purpose Income & Depreciation	**4,226**	**(1,680)**
Capital Purpose Income	17,115	57,220
Depreciation	(41,816)	(40,313)
Surplus for the Year	**(20,475)**	**15,227**

Financial Performance

OPERATING RESULT	TARGET	2012/13 ACTUALS
Annual Operating result ($'m)	$0.4	$4.2

CASH MANAGEMENT / LIQUIDITY	TARGET	2012/13 ACTUALS
Creditors (days)	60	21
Debtors (days)	60	54

Consultancies

Over $10,000

NAME	PARTICULARS	TOTAL PROJECT FEES (EXCL GST)	AMOUNT INCURRED (EXCL GST)	FUTURE COMMITMENTS (EXCL GST)
1 IHR Australia	Independent workplace investigation	$10,200	$10,200	$0
2. Nikki Levant (trading as Levanr's Home Maintenance)	Ergonomics and OH&S Strategic Plan	$10,500	$10,500	$0
3. Directioneering Victoria Pty Ltd	Career transition planning	$10,800	$10,800	$0
4. Alignment Australia Training and Development Pty Ltd	Leadership development	$11,692	$11,692	$0
5. The Trustee for the Robbins Group Trust	Robbins Group Formal Grievance Investigation	$17,000	$17,000	$0
6. DW Bowe	OH&S Stress Hazard Assessment	$32,893	$32,893	$0
7. Northeast Health	Physician training and workshops	$25,000	$25,000	$0
8. Mercer Consulting (Australia) Pty Ltd	Review of Staffing Levels	$38,150	$38,150	$0
9. Victoria University	WH Workforce innovation	$30,909	$30,909	$0
10. Deloitte Touche Tohmatsu	Review of outpatient billing process and system	$56,474	$56,474	$0
		$243,618	$243,618	$0

Under $10,000

In 2012-13, Western Health engaged 23 consultants where the total fees payable to the consultants were less than $10,000, with a total expenditure of $102,517 (excl. GST).

056 Financial Snapshot (cont.)

Revenue Indicators

Average Collection Days

	2012/13	2011/12
Private	73	73
Transport Accident Commission	117	86
Victorian Workcover Authority	112	101
Other Compensable *	26	27
Nursing Home	47	45

Debtors Outstanding as at 30 June 2013

$'000	UNDER 30 DAYS	31 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	TOTAL 2011
Private	752	280	47	702	1,781
Transport Accident Commission	50	25	56	125	256
Victorian Workcover Authority	165	109	51	516	841
Other Compensable *	448	64	37	428	977
Nursing Home	48	5	27	-	80
Total	**1,463**	**483**	**218**	**1,771**	**3,935**

** Excluding overseas visitors*

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Financial Statements & Accompanying Notes

FOR THE YEAR ENDED 30TH JUNE 2013

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Board Member's, Accountable Officer's and Chief Finance & Accounting Officer's Declaration

The attached financial statements for Western Health have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement Of Changes In Equity, Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2013 and the financial position of Western Health at 30 June 2013.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.

Ralph Willis
Board Chairperson

Melbourne
19th August 2013

Associate Professor Alex Cockram
Chief Executive Officer

Melbourne
19th August 2013

Mark Lawrence
Chief Finance Officer

Melbourne
19th August 2013

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Comprehensive Operating Statement

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 $'000	2012 $'000
Revenue from Operating Activities	2	551,385	523,026
Revenue from Non-operating Activities	2	2,329	2,772
Employee Expenses	3	(400,991)	(382,002)
Non Salary Labour Costs	3	(8,271)	(10,780)
Supplies & Consumables	3	(76,533)	(76,357)
Other Expenses From Continuing Operations	3	(63,693)	(58,339)
Net Result Before Capital & Specific Items		**4,226**	**(1,680)**
Capital Purpose Income	2	17,934	58,631
Assets Received Free of Charge	2	38	1,150
Expenditure using Capital Purpose Income	3	(857)	(2,561)
Depreciation and Amortisation	4	(41,816)	(40,313)
NET RESULT FOR THE YEAR		**(20,475)**	**15,227**
Other comprehensive income		**-**	**-**
COMPREHENSIVE RESULT FOR THE YEAR		**(20,475)**	**15,227**

This Statement should be read in conjunction with the accompanying notes.

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Balance Sheet

AS AT 30TH JUNE 2013

	NOTE	2013 $'000	2012 $'000
CURRENT ASSETS			
Cash and Cash Equivalents	5	23,158	36,868
Receivables	6	15,466	12,800
Other Financial Assets	7	25,126	15,000
Inventories	8	1,446	1,479
Other Current Assets	9	669	947
Total Current Assets		**65,865**	**67,094**
NON-CURRENT ASSETS			
Receivables	6	7,120	6,266
Property, Plant and Equipment	10	565,635	582,544
Intangible Assets	11	1,793	2,611
Total Non-Current Assets		**574,548**	**591,421**
TOTAL ASSETS		640,413	658,515
CURRENT LIABILITIES			
Payables	12	21,098	23,128
Provisions	13	92,551	88,950
Total Current Liabilities		**113,649**	**112,078**
NON-CURRENT LIABILITIES			
Provisions	13	9,165	8,363
Total Non-Current Liabilities		**9,165**	**8,363**
TOTAL LIABILITIES		**122,814**	**120,441**
NET ASSETS		**517,599**	**538,074**
EQUITY			
Property, Plant & Equipment Revaluation Surplus	15a	242,216	242,216
Restricted Specific Purpose Reserve	15a	736	165
Contributed Capital	15b	202,980	202,980
Accumulated Surplus	15c	71,667	92,713
TOTAL EQUITY	**15d**	**517,599**	**538,074**

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This Statement should be read in conjunction with the accompanying notes.

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Statement of Changes in Equity

FOR THE YEAR ENDED 30TH JUNE 2013

	NOTE	PROPERTY, PLANT & EQUIPMENT REVALUATION SURPLUS $'000	RESTRICTED SPECIFIC PURPOSE SURPLUS $'000	CONTRIBUTED BY OWNERS $'000	ACCUMULATED SURPLUSES/ (DEFICITS) $'000	TOTAL $'000
Balance at 1 July 2011		**242,216**	**165**	**202,980**	**77,427**	**522,788**
Net result for the year	15c	-	-	-	15,227	15,227
Share of joint venture accumulated surplus	15c	-	-	-	59	59
Other comprehensive income for the year	15a	-	-	-	-	-
Transfer to accumulated surplus	15a	-	-	-	-	-
Balance at 30 June 2012		**242,216**	**165**	**202,980**	**92,713**	**538,074**
Net result for the year	15c	-	-	-	(20,475)	(20,475)
Other comprehensive income for the year	15a	-	-	-	-	-
Transfer from accumulated surplus	15c	-	571	-	(571)	-
Balance at 30 June 2013		**242,216**	**736**	**202,980**	**71,667**	**517,599**

This Statement should be read in conjunction with the accompanying notes.

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Statement of Cash Flows

FOR THE YEAR ENDED 30TH JUNE 2013

	NOTE	2013 $'000	2012 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		490,495	463,656
Patient and Resident Fees Received		13,724	12,062
Private Practice Fees Received		15,399	14,151
Donations and Bequests Received		960	4,367
GST Received from ATO		7,612	13,394
Recoupment from Private Practice		637	476
Interest Received		2,315	2,702
Other Receipts		23,604	19,886
Employee Expenses Paid		(396,639)	(366,807)
Non Salary Labour Costs		(9,102)	(11,632)
Payments for Supplies & Consumables		(86,073)	(95,852)
Other Payments		(58,453)	(52,795)
Cash Generated from Operations		**4,479**	**3,608**
Capital Grants from Government		18,414	65,694
Capital Grants from Non-Government		-	85
NET CASH INFLOW FROM OPERATING ACTIVITIES	**16**	**22,893**	**69,387**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(26,487)	(67,042)
Proceeds from Sale of Property, Plant & Equipment		10	-
Purchase of Investments		(10,126)	(15,000)
Proceeds from Sale of Investments		-	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		**(36,603)**	**(82,042)**
CASH FLOWS FROM FINANCING ACTIVITIES		**-**	**-**
NET CASH INFLOW FROM FINANCING ACTIVITIES		**-**	**-**
NET (DECREASE)/INCREASE IN CASH HELD		**(13,710)**	**(12,655)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		36,868	49,523
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**5**	**23,158**	**36,868**

This Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies

These annual financial statements represent the audited general purpose financial statements for Western Health (the "Health Service") for the period ending 30 June 2013. The purpose of the report is to provide users with information about the Health Service's stewardship of resources entrusted to it.

(A) STATEMENT OF COMPLIANCE

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs) which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements.*

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Minister for Finance.

The Health Service is a not-for profit entity and therefore applies the additional Aus paragraphs applicable to "not-for-profit" Health Services under the AASs.

The annual financial statements were authorised for issue by the Board of Western Health on 19 August 2013.

(B) BASIS OF ACCOUNTING PREPARATION AND MEASUREMENT

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2013, and the comparative information presented in these financial statements for the year ended 30 June 2012.

The going concern basis was used to prepare the financial statements.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Health Service.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except:

- Non-current physical assets, which subsequent to acquisition, are measured at revalued amount being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent losses. Revaluations are made and are reassessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values.
- The fair value of assets other than land is generally based on their depreciated replacement value.

Historical cost is based on the fair values of the consideration given in exchange for assets.

In the application of AASs management is required to make judgements, estimates and assumptions about carrying values of assets and liabilties that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1(i));
- superannuation expense (refer to Note 1(g)); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(j)).

(C) REPORTING ENTITY

The financial statements include all the controlled activities of the Health Service.

Its principle address is:

Gordon Street, Footscray, Victoria 3011

A description of the nature of the Health Service's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

Objectives and Funding

The Health Service's overall objective is the provision of health services, as well as to improve the quality of life to Victorians.

The Health Service is predominantly funded by activity based grant funding.

(D) PRINCIPLES OF CONSOLIDATION

In accordance with AASB 127 Consolidated and Separate Financial Statements, the consolidated financial statements of the Health Service incorporate the assets and liabilities of all entitles controlled by the Health Service as at 30th June 2013, and their income and expenses for that part of the reporting period in which control existed. Control exists when the Health Service has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The consolidated financial statements include the audited financial statements of the controlled entities listed in note 25.

Intersegment Transactions

Transactions between segments within the Health Service have been eliminated to reflect the extent of the Health Service's operations as a group.

Jointly Controlled Assets and Operations

Interests in jointly controlled assets or operations are not consolidated by the Health Service, but are accounted for in accordance with the policy outlined in Note 1(i) Financial Assets.

The Health Service acquired an interest in a jointly controlled entity, the Victorian Comprehensive Cancer Centre (VCCC), on 1st July 2011. The arrangements of the joint venture are similar to that of a jointly controlled asset and accordingly the Health Service has carried out proportionate consolidation to account for its proportionate share of the joint venture's assets, liabilities, revenue and expense. The details of the joint venture are disclosed in Note 21.

(E) SCOPE AND PRESENTATION OF FINANCIAL STATEMENTS

Fund Accounting

The Health Service operates on a fund accounting basis and maintains three funds:

Operating, Specific Purpose and Capital Funds. The Health Service's Capital and Specific Purpose Funds include unspent capital donations and receipts from fund-raising activities conducted solely in respect of these funds.

Services Supported By Health Services Agreement and Services Supported By Hospital and Community Initiatives

Activities classified as Services Supported by Health Services Agreement (HSA) are substantially funded by the Victorian Department of Health and include Residential Aged Care Services (RACS) but are also funded by sources such as the Commonwealth, patients and residents. Services Supported by Hospital and Community Initiatives (H&CI) are funded by the Health Service's own activities or local initiatives and/or the Commonwealth.

Residential Aged Care Service

The Residential Aged Care Service operations are an integral part of the Health Service and share its resources. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2b to the financial statements.

The Residential Aged Care Service is substantially funded from Commonwealth bed day subsidies.

Comprehensive Operating Statement

The comprehensive operating statement includes the subtotal entitled 'Net Result Before Capital & Specific Items' to enhance the understanding of the financial performance of the Health Service. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, expenditure using capital purpose income and items of an unusual nature and amount such as specific income and expenses. The exclusion of these items is made to enhance matching of income and expenses facilitating the comparability and consistency of results between years and Victorian Public Health Services. The 'Net Result Before Capital & Specific Items' is used by the management of the Health Service, the Department of Health and the Victorian Government to measure the ongoing operating performance of health services.

Capital and specific items, which are excluded from this sub-total, comprise:

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer Note 1 (f)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Specific income/expense, comprises the following items where material:
  - Voluntary departure package
- Depreciation and amortisation, as described in Note 1 (g).

- Assets provided or received free of charge (refer to Note 1 (f) and (g)).
- Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold or does not meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

Balance Sheet

Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered/settled more than twelve months after reporting period), are disclosed in the notes where relevant.

There is an exception to the 12 month rule for current liabilities. Accouting Standards now require Employee Benefits expected to be settled after 12 months, that are an unconditional entitlement, to be recorded as a current liability.

Statement Of Changes In Equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows.*

Rounding

All amounts shown in the financial statements are expressed to the nearest $1,000. Minor discrepancies in tables between totals and sum of components are due to rounding.

(F) INCOME FROM TRANSACTIONS

Income is recognised in accordance with AASB 118 *Revenue* and is recognised to the extent that it is probable that economic benefits will flow to the Health Service and the income can be reliably measured. Unearned income at reporting date is reported as income received in advance.

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

Government Grants and other transfers of income (other than contributions by owners)

In accordance with AASB 1004 Contributions , government grants and other transfers of income (other than contributions by owners) are recognised as income when the Health Service gains control of the underlying assets irrespective of whether conditions are imposed on the Health Service's use of the contributions.

Contributions are deferred as income and treated as a liability when the Health Service has a present obligation to repay them and the present obligation can be reliably measured.

Indirect Contributions from the Department of Health

- Indirectly funded insurance is recognised as revenue following advice from the Department of Health.
- Long Service Leave (LSL) – revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan

Health and Aged Care Services Division Hospital Circular 05/2013 (update for 2012-13).

Patient and Resident Fees

Patient and resident fees revenue is calculated by adding unbilled fees for patients not discharged at year end, to fees billed to date, less accrued fees in the previous year.

Private Practice Fees

Private practice fees are recognised as revenue at the time invoices are raised.

Revenue from Commercial Activities

Revenue from commercial activities is recognised at the time invoices are raised.

Donations and Bequests

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

Interest Revenue

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

Sale of Investment

The gain/(loss) on the sale of investments is recognised when the investment is realised.

Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration

Resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another health service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the service would have been purchased if not received as a donation.

(G) EXPENSE RECOGNITION

Expenses are recognised as they are incurred and are reported in the financial year to which they relate.

Cost of Goods Sold

Cost of goods sold are recognised when the sale of an item occurs by transferring the cost or value of the item(s) from inventories.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

Employee Expenses

Employee expenses include:

- wages and salaries;
- annual leave;
- sick leave;
- long service leave; and
- superannuation expenses, which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Defined Contribution Superannuation Plans

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Defined Benefit Superannuation Plans

The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by the Health Service to the superannuation plans in respect of the services of current Health Service staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

Employees of the Health Service are entitled to receive superannuation benefits and the Health Service contributes to both the defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

The name and details of the major employee superannuation funds and contributions made by the Health Service are disclosed in Note 14: Superannuation.

Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated, i.e. excludes land. Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful lives. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health. Assets with a cost in excess of $2,500 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

	2013	2012
Buildings		
• Structures Shell Building Fabric	40-52 years	40-52 years
• Site Engineering Services and Central Plant	23-40 years	23-40 years
Central Plant		
• Fit Out	15-40 years	15-40 years
• Trunk Reticulated Building System	21-40 years	21-40 years
Plant and Equipment	10 Years	10 Years
Medical Equipment	10 Years	10 Years
Non Medical Equipment	10 Years	10 Years
Furniture and Fittings	10 Years	10 Years
Motor Vehicles	4 Years	4 Years
Computers and Communication	3 Years	3 Years

Please note: the estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. As part of the buildings valuation, building values were separated into components and each component assessed for its useful life which is represented above.

Amortisation

Amortisation is allocated to intangible non-produced assets with finite useful lives on a systematic straight-line basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The consumption of intangible non-produced assets with finite useful lives is classified as amortisation.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the asset concerned is tested as to whether its carrying value exceeds its recoverable amount.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

Intangible assets with finite useful lives are amortised over a 3 year period (2012: 3 years).

Other Operating Expenses

Other operating expenses generally represent day-to-day running costs incurred in normal operations and include:

- **Supplies and consumables**

  Supplies and services costs which are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.
- **Bad and doubtful debts**

  Refer to Note 1(i) Impairment of Financial Assets.
- **Fair value of assets, services and resources provided free of charge or for nominal consideration**

  Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another agency as a consequence of a restructuring or administrative arrangements. In the latter case, such a transfer will be recognised at its carrying value.

  Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

(H) FINANCIAL INSTRUMENTS

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Health Service's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation.* For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

CATEGORIES OF NON-DERIVATIVE FINANCIAL INSTRUMENTS

Loans and Receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs.

Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category includes cash and deposits (refer to Note 1(i)), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Financial Liabilities at Amortised Cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of the Health Service's contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit and loss.

(I) ASSETS

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Term Deposits with a maturing date in excess of three months are therefore classed as an investment rather than cash.

Receivables

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services and accrued investment income; and
- statutory receivables, which includes predominantly amounts owing from the Victorian Government and Goods and Services Tax ("GST") input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected.

Investments and Other Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned and are initially measured at fair value, net of transaction costs.

Investments are classified in the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity;
- loans and receivables; and

The Health Service classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

The Health Service assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

Inventories held for distribution are measured at cost adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

The basis used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost for all other inventory is measured on the basis of weighted average cost.

Property, Plant and Equipment

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

Land and Buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

Plant, Equipment and Vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

Depreciated historical cost is generally a reasonable proxy for fair value because of the short lives of the assets concerned.

Revaluations of Non-current Physical Assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103D *Non-current physical assets.* This revaluation process normally occurs at least every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation surplus is not transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103D, the Health Service's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance, such as computer software and development costs.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Health Service.

Expenditure in research activities is recognised as an expense in the period in which it is incurred.

Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Disposal of Non-Financial Assets

Any gain or loss on the sale of non-financial assets is recognised in the comprehensive operating statement.

Impairment of Non-Financial Assets

All other non-financial assets are assessed annually for indications of impairment, except for:

- inventories; and
- assets arising from construction contracts

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be deducted from an asset revaluation surplus amount applicable to that same class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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

Investments in Jointly Controlled Assets and Operations

In respect of any interest in jointly controlled assets, the Health Service recognises in the financial statements:

- its share of jointly controlled assets;
- any liabilities that it had incurred;
- its share of liabilities incurred jointly by the joint venture;
- any income earned from the selling or using of its share of the output from the joint venture; and
- any expenses incurred in relation to being an investor in the joint venture.

For jointly controlled operations, the Health Service recognises:

- the assets that it controls;
- the liabilities that it incurs;
- expenses that it incurs; and
- the share of income that it earns from selling outputs of the joint venture.

Derecognition of Financial Assets

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Health Service retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement.

Impairment of Financial Assets

At the end of each reporting period the Health Service assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as written off and allowances for doubtful receivables are expensed. Bad debts written off by mutual consent and the allowance for doubtful debts are classified as "other comprehensive income" in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets.*

(J) LIABILITIES

Payables

Payables consist of:

- contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the Health Service prior to the end of the financial year that are unpaid, and arise when the Health Service becomes obliged to make future payments in respect of the purchase of those goods and services. The credit terms for accounts payable is usually Net 30 days.
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

Provisions are recognised when the Health Service has a present obligation, the future sacrifice of economic benefits

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

is probable and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee Benefits

This provision arises for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date. The provision also includes allowances for workers compensation prium and superannuation.

Wages and Salaries, Annual Leave, Sick Leave and Accrued Days Off

Liabilities for wages and salaries, including non-monetary benefits, annual leave, accumulating sick leave and accrued days off which are expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee's services up to the reporting date, and are classified as current liabilities and measured at nominal values.

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long Service Leave (LSL)

The liability for LSL is recognised in the provision for employee benefits.

Current Liability – unconditional LSL (representing 10 or more years of continuous service) is disclosed in the notes to the financial statements as a current liability even where the Health Service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that the Health Service does not expect to settle within 12 months; and
- nominal value – component that the Health Service expects to settle within 12 months.

Non-Current Liability – conditional LSL (representing less than 10 years of continuous service) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. Conditional LSL is required to be measured at present value.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates of Commonwealth Government guaranteed securities in Australia.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee accepts voluntary redunduncy in exchange for these benefits.

Liabilities for termination benefits are recognised when a detailed plan for the termination has been developed and a valid expectation has been raised with those employees affected that the terminations will be carried out. The liabilities for termination benefits are recognised in other creditors unless the amount or timing of the payments is uncertain, in which case they are recognised as a provision.

On-Costs

Employee benefit on-costs, such as workers compensation and superannuation are recognised together with provisions for employee benefits.

Superannuation Liabilities

The Health Service does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Health Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

Make Good Provisions

Make good provisions are recognised when the Health Service has contractual obligations to remove leasehold improvements from leased properties and restore the leased premises to their original condition at the end of the lease term. The related expenses of making good such properties are recognised when leasehold improvements are made.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as

a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an expense in the comprehensive operating statement.

(K) LEASES

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance Leases

The Health Service does not hold any finance lease arrangements, either as a lessor or as a lessee, with other parties.

Operating Leases

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

Lease Incentives

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received by the lessee to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished.

(L) EQUITY

Contributed Capital

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119 *Contributions by Owners,* appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions that have been designated as contributed capital are also treated as contributed capital.

Restricted Specific Purpose Surplus

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

(M) COMMITMENTS

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 18) at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

(N) CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

(O) GOODS AND SERVICES TAX ("GST")

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

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

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

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

(P) FOREIGN CURRENCY

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period. Non-monetary assets carried at fair value that are denominated in foreign currencies are translated to the functional currency at the rates prevailing at the date when the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

(Q) AASs ISSUED THAT ARE NOT YET EFFECTIVE

Certain new Australian accounting standards have been published that are not mandatory for the 30th June 2013 reporting period. DTF assesses the impact of all these new standards and advises the Health Service of their applicability and early adoption where applicable.

As at 30th June 2013, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. The Health Service has not and does not intend to adopt these standards early.

STANDARD / INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON FINANCIAL STATEMENTS
AASB 9 *Financial instruments*	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement* (AASB 139 *Financial Instruments: Recognition and Measurement).*	1-Jan-15	Subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairment and hedge accounting, details of impacts will be assessed.
AASB 10 *Consolidated Financial Statements*	This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines "control" as requiring exposure of rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 *Consolidated Financial Statements - Australian Implementation Guidance for Not-for-Profit Entities* that explains and illustrates how the principles in the Staqndard apply from the perspective of not-for-profit entities in the private and public sectors.	1-Jan-14	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations on ED 238 and any modificaitons made to AASB 10 for not-for-profit entities, the entity will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.
AASB 11 *Joint Arrangements*	This Standard deals with the concept of joint control, and sets out a new principles based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	1-Jan-14	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations and any modifications made to AASB 11 for nor-for-profit entities, the entity will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 *Disclosure of Interests in Other Entities*	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 *Separate Financial Statements* and AASB 131 *Interests in Joint Ventures.* The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a "structured entity" from a not-for-profit perspective.	1-Jan-14	*Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date.* Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 investment in Associates and Joint Ventures.

AASB 13 *Fair Value Measurement*	This Standard outlines the requirements for measuring the fair value of assets and liabilities and replaces the existing fair value definition and guidance in other Australian Accounting Standards. AASB 13 includes a 'fair value hierarchy' which ranks the valuation technique inputs into three levels using unadjusted quoted prices in active markets for identical assets or liabilities; other observable inputs; and unobservable inputs.	1-Jan-13	Disclosure for fair value measurements using unobservable inputs are relatively detailed compared to disclosure for fair value measurements using observable inputs. Consequently, the Standard may increase the disclosures required assets measured using depreciated replacement cost.
AASB 119 *Employee Benefits*	In this revised Standard for defined benefit superannuation plans, there is a change to the methodology in the calculation of superannuation expenses, in particular there is now a change in the split between superannuation interest expense (classified as transactions) and actuarial gains and losses (classified as 'Other economic flows – other movements in equity') reported on the comprehensive operating statement.	1-Jan-13	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. While the total superannuation expense is unchanged, the revised methodology is expected to have a negative impact on the net result from transactions of the general government sector and for those few Victorian public sector entities that report superannuation defined benefit plans.
AASB 127 *Separate Financial Statements*	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1-Jan-14	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 127 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.
AASB 128 *Investments in Associates and Joint Ventures*	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1-Jan-14	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 128 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.
AASB 1053 *Application of Tiers of Australian Accounting Standards*	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for peparing general purpose financial statements.	1-Jul-13	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 1055 *Budgetary Reporting*	AASB 1055 extends teh scope of budgetary reporting that is currently applicable for the whole of goverment and general government sectir (GGS) to NFP entities within the GGS, provided that these entities present separate budget to the parliament.	1-Jan-14	[If separate budget is presented to the parliament]: • The entity will be required to restate in the financial statements the budgetary information in accordance with the presentation format prescribed in Australian Accounting Standards and explain the significant variances from the original budget. [If separate budget is not presented to the parliament]: • This Standard is not applicable as no budget disclosure is requried.

In 2009 the AASB issued an omnibus of amendments to its Standards as part of the Annual Improvements Project, primarily with the view of resolving inconsistencies and clarifying wording. These are separate transitional provisions and application dates for each amendment. The adoption of the amendments did not have any impact on the financial position or performance of the Health Service.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Statement of Significant Accounting Policies (cont.)

(R) CATEGORY GROUPS

The Health Service has used the following category groups for reporting purposes for the current and previous financial years.

Admitted Patient Services (Admitted Patients) comprises all recurrent health revenue/expenditure on admitted patient services, where services are delivered in public hospitals, or free standing day hospital facilities, or alcohol and drug treatment units or hospitals specialising in dental services, hearing and ophthalmic aids.

Outpatient Services (Outpatients) comprises all recurrent health revenue/expenditure on public hospital type outpatient services, where services are delivered in public hospital outpatient clinics, or free standing day hospital facilities, or rehabilitation facilities, or alcohol and drug treatment units, or outpatient clinics specialising in ophthalmic aids or palliative care.

Emergency Department Services (EDS) comprises all recurrent health revenue/expenditure on emergency department services that are available free of charge to public patients.

Aged Care comprises revenue/expenditure from Home and Community Care (HACC) programs, Allied Health, Aged Care Assessment and support services. Primary Health comprises revenue/expenditure for Community Health Services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy.

Off Campus Ambulatory Services (Ambulatory) comprises all recurrent health revenue/expenditure on public hospital type services including palliative care facilities and rehabilitation facilities, as well as services provided under the following agreements: Services that are provided or received by hospitals (or area health services) but are delivered/received outside a hospital campus, services which have moved from a hospital to a community setting since June 1998, services which fall within the agreed scope of inclusions under the new system, which have been delivered within hospital, i.e. in rural/remote areas.

Residential Aged Care including Mental Health (RAC incl. Mental Health) referred to in the past as psychogeriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from DH under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health funded community care units (CCUs) and secure extended care units (SECs).

Other Services excluded from Australian Health Care Agreement (AHCA) (Other) comprises revenue/expenditure for services not separately classified above, including: Public Health Services including Laboratory testing, Blood Borne Viruses/Sexually Transmitted Infections clinical services, Koori liaison officers, immunisation and screening services, Drugs services including drug withdrawal, counselling and the needle and syringe program, Dental Health services including general and specialist dental care, school dental services and clinical education, Disability services including aids and equipment and flexible support packages to people with a disability, Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also fall into this category group.

NOTES TO THE FINANCIAL STATEMENTS

Note 2: Revenue

	HSA(i) 2013 $'000	HSA(i) 2012 $'000	NON HSA 2013 $'000	NON HSA 2012 $'000	TOTAL 2013 $'000	TOTAL 2012 $'000
REVENUE FROM OPERATING ACTIVITIES						
Government Grants						
- Department of Health	197,049	452,518	-	-	197,049	452,518
- Victorian Health Funding Pool	269,481	-	-	-	269,481	-
- Department of Human Services	96	94	-	-	96	94
- Commonwealth Government						
- Residential Aged Care Subsidy	1,481	2,686	-	-	1,481	2,686
- Other	24,978	13,729	-	-	24,978	13,729
Total Government Grants	**493,085**	**469,027**	**-**	**-**	**493,085**	**469,027**
Indirect Contributions by Department of Health						
- Insurance	829	667	-	-	829	667
- Long Service Leave	855	655	-	-	855	655
Total Indirect Contributions by Department of Health	**1,684**	**1,322**	**-**	**-**	**1,684**	**1,322**
Patient and Resident Fees						
- Patient and Resident Fees (refer note 2b)	15,862	13,994	-	-	15,862	13,994
- Residential Aged Care (refer note 2b)	618	1,050	-	-	618	1,050
Total Patient and Resident Fees	**16,480**	**15,044**	**-**	**-**	**16,480**	**15,044**
Commercial Activities & Specific Purpose Funds						
- Private Practice Fees	15,294	13,498	138	149	15,432	13,647
- Research	139	731	1,614	1,361	1,753	2,092
- Pharmacy	730	813	-	-	730	813
- Property Income	234	220	333	328	567	548
- Cafeteria	-	-	227	221	227	221
- Car Park	-	-	2,817	2,491	2,817	2,491
- Opportunity Shops	-	-	-	17	-	17
- Television	-	-	38	76	38	76
Total Commercial Activities & Specific Purpose Funds	**16,397**	**15,262**	**5,167**	**4,643**	**21,564**	**19,905**
Donations and Bequests	47	39	913	4,207	960	4,246
Recoupment from Private Practice for Use of Hospital Facilities	637	476	-	-	637	476
Other Revenue from Operating Activities	14,193	11,585	2,782	1,421	16,975	13,006
Total Revenue from Operating Activities	**542,523**	**512,755**	**8,862**	**10,271**	**551,385**	**523,026**

NOTES TO THE FINANCIAL STATEMENTS

Note 2: Revenue (cont.)

	HSA(i) 2013 $'000	HSA(i) 2012 $'000	NON HSA 2013 $'000	NON HSA 2012 $'000	TOTAL 2013 $'000	TOTAL 2012 $'000
REVENUE FROM NON-OPERATING ACTIVITIES						
Interest	2,311	2,772	18	-	2,329	2,772
Total Revenue from Non-Operating Activities	**2,311**	**2,772**	**18**	**-**	**2,329**	**2,772**
CAPITAL PURPOSE INCOME						
State Government Capital Grants						
- Targeted Capital Works and Equipment	-	-	16,910	57,646	16,910	57,646
Commonwealth Government Capital Grants	-	-	481	873	481	873
Assets Received Free of Charge (refer note 2d)	-	-	38	1,150	38	1,150
Net Gain/(Loss) On Disposal Of Non-Financial Assets (refer note 2c)	-	-	7	(33)	7	(33)
Donations and Bequests	-	-	-	-	-	-
Other Capital Purpose Income	-	-	536	145	536	145
Total Capital Purpose Income	**-**	**-**	**17,972**	**59,781**	**17,972**	**59,781**
Total Revenue (refer to note 2a)	**544,834**	**515,527**	**26,852**	**70,052**	**571,686**	**585,579**

Indirect contributions by Department of Health:

Department of Health makes certain payments on behalf of the Health Service.
These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

This note relates to revenues above the net result line only, and does not reconcile to comprehensive income.

(i) Health Service Agreement

NOTES TO THE FINANCIAL STATEMENTS

Note 2a: Analysis of Revenue by Source

2013	ADMITTED PATIENTS $'000	OUTPATIENTS $'000	EDS[i] $'000	AMBULATORY $'000	RAC[ii] $'000	AGED CARE $'000	OTHER $'000	TOTAL $'000
REVENUE FROM SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT								
Government Grants	310,372	24,379	65,065	40,729	2,397	3,153	46,990	493,085
Indirect contributions by Department of Health	871	244	81	81	-	326	81	1,684
Patient and Resident Fees (refer note 2b)	11,916	14	1,001	2,157	618	338	436	16,480
Donations and Bequests (non capital)	-	-	-	-	-	-	47	47
Recoupment from Private Practice - use of Hospital Facilities	-	-	-	-	-	-	637	637
Private Practice Fees	-	152	-	-	-	-	15,142	15,294
Other Revenue from Operating Activities	-	-	-	-	10	-	15,286	15,296
Interest	-	-	-	-	-	-	2,311	2,311
Total Revenue from Services Supported by Health Services Agreement	**323,159**	**24,789**	**66,147**	**42,967**	**3,025**	**3,817**	**80,930**	**544,834**
REVENUE FROM SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES								
Commercial Activities and Specific Purpose Funds							4,696	4,696
Donations & Bequests (non capital)							913	913
Private Practice Fees							138	138
Rental Income							333	333
Other							2,800	2,800
Capital Purpose Income (refer note 2)							17,972	17,972
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**26,852**	**26,852**
Total Revenue	**323,159**	**24,789**	**66,147**	**42,967**	**3,025**	**3,817**	**107,782**	**571,686**

NOTES TO THE FINANCIAL STATEMENTS

Note 2a: Analysis of Revenue by Source (cont.)

2012	ADMITTED PATIENTS $'000	OUTPATIENTS $'000	EDS[i] $'000	AMBULATORY $'000	RAC[ii] $'000	AGED CARE $'000	OTHER $'000	TOTAL $'000
REVENUE FROM SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT								
Government Grants	274,720	21,652	56,982	40,111	4,886	3,604	67,072	469,027
Indirect contributions by Department of Health	662	66	198	66	-	66	264	1,322
Patient and Resident Fees (refer note 2b)	11,319	561	493	1,439	1,050	182	-	15,044
Donations and Bequests (non capital)	-	-	-	-	-	-	39	39
Recoupment from Private Practice - use of Hospital Facilities	-	-	-	-	-	-	476	476
Private Practice Fees	-	-	-	-	-	-	13,498	13,498
Other Revenue from Operating Activities	-	-	236	-	-	-	13,113	13,349
Interest	-	-	-	-	-	-	2,772	2,772
Sub-Total Revenue from Services Supported by Health Services Agreement	**286,701**	**22,279**	**57,909**	**41,616**	**5,936**	**3,852**	**97,234**	**515,527**
REVENUE FROM SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES								
Commercial Activities and Specific Purpose Funds							4,166	4,166
Donations & Bequests (non capital)							4,207	4,207
Private Practice Fees							149	149
Rental Income							328	328
Other							1,421	1,421
Capital Purpose Income (refer note 2)							59,781	59,781
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**70,052**	**70,052**
Total Revenue	**286,701**	**22,279**	**57,909**	**41,616**	**5,936**	**3,852**	**167,286**	**585,579**

Indirect contributions by Department of Health:

The Department of Health makes certain payments on behalf of the Health Service. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

(i) Emergency Department Services
(ii) Residential Aged Care

Note 2b: Patient and Resident Fees

	2013 $'000	2012 $'000
PATIENT AND RESIDENT FEES		
Acute		
- Inpatients	14,410	13,305
- Outpatients	14	14
- Other	1,438	675
Residential Aged Care	618	1,050
Total Patient and Resident Fees	**16,480**	**15,044**

Note 2c: Net Gain/(Loss) on Disposal of Non-Financial Assets

	2013 $'000	2012 $'000
PROCEEDS FROM DISPOSALS OF NON-CURRENT ASSETS		
Medical Equipment	10	-
Total Proceeds from Disposal of Non-Current Assets	**10**	**-**
LESS: WRITTEN DOWN VALUE OF NON-CURRENT ASSETS SOLD		
Medical Equipment	3	33
Total Written Down Value of Non-Current Assets Sold	**3**	**33**
Net gains/(losses) on Disposal of Non-Current Assets	**7**	**(33)**

Note 2d: Assets Received Free of Charge

	2013 $'000	2012 $'000
During the reporting period, the fair value of assets received free of charge was as follows:		
Land - Sunbury	-	1,150
Medical equipment (SimNewB) - Mercy Health	38	-
Total Assets Received Free of Charge	**38**	**1,150**

NOTES TO THE FINANCIAL STATEMENTS

Note 3: Expenses

	HSA[i] 2013 $'000	HSA[i] 2012 $'000	NON HSA 2013 $'000	NON HSA 2012 $'000	TOTAL 2013 $'000	TOTAL 2012 $'000
EMPLOYEE EXPENSES						
Salaries & Wages	353,843	337,035	2,684	1,565	356,527	338,600
WorkCover Premium	4,407	4,917	28	24	4,435	4,941
Departure Packages	581	393	46	-	627	393
Long Service Leave	8,898	9,565	61	47	8,959	9,612
Superannuation	30,219	28,313	224	143	30,443	28,456
Total Employee Expenses	**397,948**	**380,223**	**3,043**	**1,779**	**400,991**	**382,002**
NON SALARY LABOUR COSTS						
Fees for Visiting Medical Officers	2,507	3,359	-	-	2,507	3,359
Agency Costs - Nursing	2,721	3,908	-	-	2,721	3,908
Agency Costs - Other	2,944	3,513	99	-	3,043	3,513
Total Non Salary Labour Costs	**8,172**	**10,780**	**99**	**-**	**8,271**	**10,780**
SUPPLIES AND CONSUMABLES						
Drug Supplies	22,173	18,272	162	279	22,335	18,551
S100 Drugs	276	3,114	-	-	276	3,114
Medical, Surgical Supplies and Prosthesis	33,869	33,806	196	149	34,065	33,955
Pathology Supplies	10,481	11,386	3	-	10,484	11,386
Food Supplies	9,202	9,338	171	13	9,373	9,351
Total Supplies and Consumables	**76,001**	**75,916**	**532**	**441**	**76,533**	**76,357**
OTHER EXPENSES						
Domestic Services & Supplies	4,887	5,476	-	-	4,887	5,476
Fuel, Light, Power and Water	5,650	4,369	-	-	5,650	4,369
Insurance costs funded by the Department of Health	10,736	8,204	-	-	10,736	8,204
Motor Vehicle Expenses	284	268	-	-	284	268
Repairs & Maintenance	3,540	3,949	16	11	3,556	3,960
Maintenance Contracts	5,904	5,097	-	-	5,904	5,097
Patient Transport	3,081	3,022	15	21	3,096	3,043
Bad & Doubtful Debts	854	642	-	-	854	642
Lease Expenses	3,384	3,810	23	-	3,407	3,810
Other Administrative Expenses	15,967	15,958	2,334	1,202	18,301	17,160
Other	6,695	5,862	22	160	6,717	6,022
Audit Fees						
- VAGO - Audit of Financial Statements	110	108	4	-	114	108
- Internal Audit Fees	187	180	-	-	187	180
Total Other Expenses	**61,279**	**56,945**	**2,414**	**1,394**	**63,693**	**58,339**
EXPENDITURE USING CAPITAL PURPOSE INCOME						
Employee Expenses						
- Salaries & Wages	-	-	185	955	185	955
- WorkCover Premium	-	-	2	13	2	13
- Superannuation	-	-	13	79	13	79
- Long Service Leave	-	-	4	1	4	1
Total Employee Expenses	**-**	**-**	**204**	**1,048**	**204**	**1,048**
Non Salary Labour Costs						
Agency/Contract Labour Costs	-	-	4	53	4	53
Total Non Salary Labour Costs	**-**	**-**	**4**	**53**	**4**	**53**
Other Expenses						
Administrative Expenses	-	-	148	773	148	773
Other	-	-	501	687	501	687
Total Other Expenses	**-**	**-**	**649**	**1,460**	**649**	**1,460**
Total Expenditure using Capital Purpose Income	**-**	**-**	**857**	**2,561**	**857**	**2,561**
Depreciation and Amortisation	-	-	41,816	40,313	41,816	40,313
Total Depreciation and Amortisation	**-**	**-**	**41,816**	**40,313**	**41,816**	**40,313**
Total Expenses	**543,400**	**523,864**	**48,761**	**46,488**	**592,161**	**570,352**

(i) Health Service Agreement

NOTES TO THE FINANCIAL STATEMENTS

Note 3a: Analysis of Expenses by Source

2013	ADMITTED PATIENTS $'000	OUTPATIENTS $'000	EDS[i] $'000	AMBULATORY $'000	RAC[ii] $'000	AGED CARE $'000	OTHER $'000	TOTAL $'000
SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT								
Employee Expenses	191,497	6,369	40,711	30,793	2,563	7,629	118,386	397,948
Non Salary Labour Costs	5,625	313	387	284	93	-	1,470	8,172
Supplies & Consumables	42,779	893	6,205	1,315	212	336	24,261	76,001
Other Expenses from Continuing Operations	19,493	606	2,616	5,802	242	989	31,531	61,279
Total Expenses from Services Supported by Health Services Agreement	**259,394**	**8,181**	**49,919**	**38,194**	**3,110**	**8,954**	**175,648**	**543,400**
SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES								
Employee Expenses							3,043	3,043
Non Salary Labour Costs							99	99
Supplies & Consumables							532	532
Other Expenses from Continuing Operations							2,414	2,414
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**6,088**	**6,088**
EXPENDITURE USING CAPITAL PURPOSE INCOME								
Employee Expenses							204	204
Non Salary Labour Costs							4	4
Other Expenses							649	649
Total Expenditure using Capital Purpose Income	**-**	**-**	**-**	**-**	**-**	**-**	**857**	**857**
Depreciation & Amortisation (refer note 4)							41,816	41,816
Total Expenditure from Services Supported by Health Services Agreement and by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**41,816**	**41,816**
Total Expenses	**259,394**	**8,181**	**49,919**	**38,194**	**3,110**	**8,954**	**224,409**	**592,161**

NOTES TO THE FINANCIAL STATEMENTS

Note 3a: Analysis of Expenses by Source (cont.)

2012	ADMITTED PATIENTS $'000	OUTPATIENTS $'000	EDS[i] $'000	AMBULATORY $'000	RAC[ii] $'000	AGED CARE $'000	OTHER $'000	TOTAL $'000
SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT								
Employee Expenses	185,253	5,305	37,819	29,183	5,205	3,744	113,714	380,223
Non Salary Labour Costs	6,619	1,020	689	402	111	1	1,938	10,780
Supplies & Consumables	36,441	595	5,050	1,259	444	76	32,051	75,916
Other Expenses from Continuing Operations	24,995	1,023	3,797	5,553	562	735	20,280	56,945
Total Expenses from Services Supported by Health Services Agreement	**253,308**	**7,943**	**47,355**	**36,397**	**6,322**	**4,556**	**167,983**	**523,864**
SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES								
Employee Expenses							1,779	1,779
Supplies & Consumables							441	441
Other Expenses from Continuing Operations							1,394	1,394
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**3,614**	**3,614**
EXPENDITURE USING CAPITAL PURPOSE INCOME								
Employee Expenses							1,048	1,048
Non Salary Labour Costs							53	53
Other Expenses							1,460	1,460
Total Expenditure using Capital Purpose Income	**-**	**-**	**-**	**-**	**-**	**-**	**2,561**	**2,561**
Depreciation & Amortisation (refer note 4)	-	-	-	-	-	-	40,313	40,313
Total Expenses from Services Supported by Health Services Agreement and by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**40,313**	**40,313**
Total Expenses	**253,308**	**7,943**	**47,355**	**36,397**	**6,322**	**4,556**	**214,471**	**570,352**

(i) Emergency Department Services

(ii) Residential Aged Care

Note 3b: Analysis of Expenses by Internally Managed and Restricted Specific Purpose Funds for Services Supported by Hospital and Community Initiatives

	2013 $'000	2012 $'000
COMMERCIAL ACTIVITIES		
Private Practice and Other Patient Activities	54	61
Car Park	645	776
Opportunity Shops	22	52
Internal and Specific Purpose Funds	1,688	296
Other	692	86
OTHER ACTIVITIES		
Fundraising and Community Support	1,010	415
Research	1,977	1,928
TOTAL	**6,088**	**3,614**

Note 4: Depreciation and Amortisation

	2013 $'000	2012 $'000
DEPRECIATION		
Buildings	31,177	29,934
Plant and Equipment	1,055	954
Medical Equipment	5,682	5,483
Computers and Communication	1,614	1,376
Furniture and Fittings	515	485
Non Medical Equipment	419	404
Total Depreciation	**40,462**	**38,636**
AMORTISATION		
Intangibles Assets	1,354	1,677
Total Amortisation	**1,354**	**1,677**
Total Depreciation and Amortisation	**41,816**	**40,313**

Note 5: Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value.

	2013 $'000	2012 $'000
Cash on Hand	17	14
Cash at Bank	23,141	26,854
Deposits at Call	-	10,000
Total Cash and Cash Equivalents	**23,158**	**36,868**
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	23,158	36,868
Total Cash and Cash Equivalents	**23,158**	**36,868**

Note 6: Receivables

	2013 $'000	2012 $'000
CURRENT		
Contractual		
Inter Hospital Debtors	399	724
Trade Debtors	2,139	1,778
Patient Fees	6,448	4,472
Accrued Investment Income	334	321
Accrued Revenue	6,546	6,495
Less Allowance for Doubtful Debts		
- Trade Debtors	-	(122)
- Patient Fees	(1,740)	(1,549)
	14,126	**12,119**
Statutory		
GST Receivable	1,340	681
	1,340	**681**
TOTAL CURRENT RECEIVABLES	**15,466**	**12,800**
NON CURRENT		
Statutory		
Long Service Leave - DH	7,120	6,266
TOTAL NON CURRENT RECEIVABLES	**7,120**	**6,266**
TOTAL RECEIVABLES	**22,586**	**19,066**

(a) Movement in the allowance for doubtful debts

	2013 $'000	2012 $'000
Balance at beginning of year	1,671	1,174
Amounts written off during the year	(785)	(145)
Increase/(decrease) in allowance recognised in profit or loss	854	642
Balance at end of year	**1,740**	**1,671**

(b) Ageing analysis of receivables

Please refer to note 17 for the ageing analysis of contractual receivables.

(c) Nature and extent of risk arising from receivables

Please refer to note 17 for the nature and extent of credit risk arising from contractual receivables.

Note 7: Investments and Other Financial Assets

	OPERATING FUND		SPECIFIC PURPOSE FUND		CAPITAL FUND		TOTAL	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
CURRENT								
Term Deposit								
- Australian Dollar Term Deposits > 3 months	25,126	15,000	-	-	-	-	25,126	15,000
Total Current	**25,126**	**15,000**	**-**	**-**	**-**	**-**	**25,126**	**15,000**
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	**25,126**	**15,000**	**-**	**-**	**-**	**-**	**25,126**	**15,000**
Represented by:								
Health Service Investments	25,126	15,000	-	-	-	-	25,126	15,000
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	**25,126**	**15,000**	**-**	**-**	**-**	**-**	**25,126**	**15,000**

(a) Ageing analysis of investments and other financial assets

Refer to note 17 (b) for the ageing analysis of investments and other financial assets

(b) Nature and extent of risk arising from investments and other financial assets

Refer to note 17 (b) for the nature and extent of credit risk arising from investments and other financial assets

Note 8: Inventories

	2013 $'000	2012 $'000
Pharmaceuticals		
- At cost	1,260	1,288
Radiology		
- At cost	186	191
TOTAL INVENTORIES	**1,446**	**1,479**

Note 9: Other Assets

	2013 $'000	2012 $'000
CURRENT		
Prepayments	669	947
TOTAL OTHER ASSETS	**669**	**947**

NOTES TO THE FINANCIAL STATEMENTS

Note 10: Property, Plant & Equipment

	2013 $'000	2012 $'000
LAND		
Land at Fair Value	38,604	38,604
Total Land	**38,604**	**38,604**
BUILDINGS		
Buildings under Construction at Cost	79,043	68,550
Buildings at Fair Value	517,186	514,222
- Less Accumulated Depreciation	(117,197)	(86,021)
Total Buildings	**479,032**	**496,751**
PLANT AND EQUIPMENT		
Plant and Equipment at Fair Value	14,327	10,576
Less Accumulated Depreciation	(6,039)	(4,984)
Total Plant and Equipment	**8,288**	**5,592**
MEDICAL EQUIPMENT		
Medical Equipment at Fair Value	70,953	66,401
Less Accumulated Depreciation	(39,596)	(33,948)
Total Medical Equipment	**31,357**	**32,453**
NON MEDICAL EQUIPMENT		
Non Medical Equipment at Fair Value	4 ,900	4,653
Less Accumulated Depreciation	(2,361)	(1,941)
Total Non Medical Equipment	**2,539**	**2,712**
COMPUTERS AND COMMUNICATION		
Computers and Communication at Fair Value	13,202	12,046
Less Accumulated Depreciation	(11,278)	(9,663)
Total Computers and Communications	**1,924**	**2,383**
FURNITURE AND FITTINGS		
Furniture and Fittings at Fair Value	5 ,527	5,176
Less Accumulated Depreciation	(1,636)	(1,127)
Total Furniture and Fittings	**3,891**	**4,049**
MOTOR VEHICLES		
Motor Vehicles at Fair Value	175	175
Less Accumulated Depreciation	(175)	(175)
Total Motor Vehicles	**-**	**-**
TOTAL PROPERTY, PLANT & EQUIPMENT	**565,635**	**582,544**

Share of jointly controlled assets included in property, plant and equipment are separately disclosed in Note 21 jointly controlled operations and assets.

Reconciliations of the carrying amounts of each class of asset for the entity at the beginning and end of the previous and current financial year is set out below.

	LAND	BUILDINGS	BUILDINGS WIP(i)	PLANT AND EQUIPMENT	MEDICAL EQUIPMENT	NON MEDICAL EQUIPMENT	COMPUTER AND COMM	FURNITURE AND FITTINGS	MOTOR VEHICLES	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2011	**35,374**	**366,764**	**122,655**	**11,667**	**21,826**	**1,235**	**526**	**1,015**	**-**	**561,062**
Additions	3,230	5,529	47,002	719	2,303	247	755	366	-	60,151
Disposals		-	-	-	(33)	-	-	-	-	(33)
Net transfer between classes	-	85,842	(101,107)	(5,840)	13,840	1,634	2,478	3,153	-	-
Depreciation and Amortisation (note 4)	-	(29,934)	-	(954)	(5,483)	(404)	(1,376)	(485)	-	(38,636)
Balance at 1 July 2012	**38,604**	**428,201**	**68,550**	**5,592**	**32,453**	**2,712**	**2,383**	**4,049**	**-**	**582,544**
Additions		1,842	16,515	387	4,148	245	435	51	-	23,623
Disposals	-	(40)	-	-	(3)	(6)	-	(21)	-	(70)
Net transfer between classes	-	1,163	(6,022)	3,364	441	7	720	327	-	-
Depreciation and Amortisation (note 4)	-	(31,177)	-	(1,055)	(5,682)	(419)	(1,614)	(515)	-	(40,462)
Balance at 30 June 2013	**38,604**	**399,989**	**79,043**	**8,288**	**31,357**	**2,539**	**1,924**	**3,891**	**-**	**565,635**

LAND AND BUILDINGS CARRIED AT VALUATION

An independent valuation of the Health Service's land and buildings was performed by the Westlink Consulting on behalf of the Valuer-General Victoria to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 30th June 2009. Subsequent to this valuation, the Health Service assessed the carrying amounts of land and buildings based on indices made available by the Victorian Valuer-General to establish whether they materially approximate fair value at 30th June 2013. Indices applied to the carrying amount of land and buildings indicated that the balances in respect of land and buildings does approximate fair value.

A fair value assessment of plant and equipment was conducted by management as to whether the fair value of plant and equipment differs materially from its carrying amount at 30th June 2013. The outcome indicated that the carrying amount of plant and equipment does approximate fair value.

(i) Work-in-progress

Note 11: Intangible Assets

	2013 $'000	2012 $'000
Development Costs Capitalised	8,567	8,032
- Less Accumulated Amortisation	(6,774)	(5,421)
Total Intangible Assets	**1,793**	**2,611**

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the previous and current financial year:

	DEVELOPMENT COSTS CAPITALISED $'000	TOTAL $'000
Balance at 1 July 2011	**723**	**723**
Additions	3,565	3,565
Amortisation (note 4)	(1,677)	(1,677)
Balance at 1 July 2012	**2,611**	**2,611**
Additions	536	536
Amortisation (note 4)	(1,354)	(1,354)
Balance at 30 June 2013	**1,793**	**1,793**

Note 12: Payables

	2013 $'000	2012 $'000
CURRENT		
Contractual		
Trade Creditors	5,200	5,469
Accrued Expenses	8,223	8,485
Salary Packaging	1,566	1,457
Other - Melbourne Health	4,291	4,615
Other	1,522	1,238
	20,802	**21,264**
Statutory		
Repayable Grants - DH	296	1,864
	296	**1,864**
TOTAL PAYABLES	**21,098**	**23,128**

(a) Maturity analysis of payables

Please refer to note 17 (c) for the ageing analysis of payables

(b) Nature and extent of risk arising from payables

Please refer to note 17 (c) for the nature and extent of risk arising from contractual payables

NOTES TO THE FINANCIAL STATEMENTS

Note 13: Provisions

	2013 $'000	2012 $'000
CURRENT PROVISIONS		
Employee Benefits (i)		
- Unconditional and expected to be settled within 12 months (ii)	44,915	44,363
- Unconditional and expected to be settled after 12 months (iii)	38,515	36,461
	83,430	80,824
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled within 12 months (ii)	4,114	3,405
- Unconditional and expected to be settled after 12 months (iii)	5,007	4,721
	9,121	8,126
Total Current Provisions	**92,551**	**88,950**
NON-CURRENT PROVISIONS		
Employee Benefits (i)	8,111	7,406
Provisions related to Employee Benefit On-Costs	1,054	957
Total Non-Current Provisions	**9,165**	**8,363**
Total Provisions	**101,716**	**97,313**
(a) Employee Benefits and Related On-Costs		
CURRENT EMPLOYEE BENEFITS AND RELATED ON-COSTS		
Unconditional Long Service Leave Entitlements	44,019	40,531
Annual Leave Entitlements	33,985	31,658
Accrued Wages and Salaries	12,296	14,734
Accrued Days Off	1,030	930
Superannuation	973	859
Others	248	238
NON-CURRENT EMPLOYEE BENEFITS AND RELATED ON-COSTS		
Conditional Long Service Leave Entitlements (iii)	9,165	8,363
Total Employee Benefits and Related On-Costs	**101,716**	**97,313**
(b) Movements in provisions		
MOVEMENT IN LONG SERVICE LEAVE:		
Balance at start of year	**48,922**	**43,998**
Provision made during the year		
- Revaluations	67	791
- Expense recognising Employee Service	9,499	7,979
Settlement made during the year	(5,304)	(3,846)
Balance at end of year	**53,184**	**48,922**

Notes:

(i) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs

(ii) The amounts disclosed are nominal amounts

(iii) The amounts disclosed are discounted to present values

NOTES TO THE FINANCIAL STATEMENTS

Note 14: Superannuation

Employees of the Health Service are entitled to receive superannuation benefits and the Health Service contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

The Health Service does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administrative items.

However superannuation contributions paid or payable for the reporting perod are included as part of employee benefits in the comprehensive operating statement of the Health Service. The name, details and amounts expense in relation to the major employee superannuation funds and contributions made by the Health Service are as follows:

	PAID CONTRIBUTION FOR THE YEAR		CONTRIBUTION OUSTSTANDING AT YEAR END	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Defined benefit plans:				
State Superannuation Fund - revised and new	771	792	-	-
Defined contribution plans:				
Health Super	29,684	27,743	-	-
	30,455	**28,535**	**-**	**-**

Note 15: Equity

	2013 $'000	2012 $'000
(a) Surpluses		
Property, Plant and Equipment Revaluation Surplus		
Balance at the beginning of the reporting period	242,216	242,216
Balance at the end of the reporting period	**242,216**	**242,216**
Represented by:		
- Land	25,735	25,735
- Buildings	216,481	216,481
	242,216	**242,216**
Restricted Specific Purpose Surplus		
Balance at the beginning of the reporting period	165	165
Transfer from Accumulated Surplus	571	-
Balance at the end of the reporting period	**736**	**165**
Total Surpluses	**242,952**	**242,381**
(b) Contributed Capital		
Balance at the beginning of the reporting period	202,980	202,980
Balance at the end of the reporting period	**202,980**	**202,980**
(c) Accumulated Surplus		
Balance at the beginning of the reporting period	92,713	77,427
Net Result for the Year	(20,475)	15,227
Share of Joint Venture Accumulated Surplus	-	59
Transfers to Restricted Specific Purpose Surplus	(571)	-
Balance at the end of the reporting period	**71,667**	**92,713**
(d) Total Equity at end of financial year	**517,599**	**538,074**

Note 16: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	2013 $'000	2012 $'000
Net Result For The Year	**(20,475)**	**15,227**
NON-CASH MOVEMENTS:		
Depreciation & Amortisation	41,816	40,313
Provision for Doubtful Debts	854	642
Assets Received Free of Charge	(38)	(1,150)
MOVEMENTS INCLUDED IN INVESTING AND FINANCING ACTIVITIES:		
Net (Gain)/Loss from Disposal of Non Financial Physical Assets	(7)	33
MOVEMENTS IN ASSETS AND LIABILITIES:		
Change in operating assets and liabilities		
(Increase)/Decrease in Receivables	(4,418)	(2,252)
(Increase)/Decrease in Other Assets	2,379	4,743
(Increase)/Decrease in Prepayments	279	(156)
Increase/(Decrease) in Payables	(4,235)	(4,070)
Increase/(Decrease) in Provisions	6,705	16,214
Change in Inventories	33	(157)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**22,893**	**69,387**

NOTES TO THE FINANCIAL STATEMENTS

Note 17: Financial Instruments

(a) Financial Risk Management Objectives and Policies

The Health Service's principal financial instruments comprises:

- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)

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

The Health Service's main financial risks include credit risk, liquidity risk, interest rate risk and price risk. The Health Service manages these financial risks in accordance with its financial risk management policy.

The Health Service uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the financial risk management committee of the Health Service.

CATEGORISATION OF FINANCIAL INSTRUMENTS

	NOTE	CARRYING AMOUNT 2013 $'000	CARRYING AMOUNT 2012 $'000
Financial Assets			
Cash and Cash Equivalents	5	23,158	36,868
Receivables			
- Trade Debtors	6	2,538	2,380
- Patient Fees	6	4,708	2,923
- Others	6	6,880	6,816
Other Financial Assets			
- Term Deposits	7	25,126	15,000
Total Financial Assets [(i)]		**62,410**	**63,987**
Financial Liabilities			
Financial Liabilities at Amortised Cost			
- Payables	12	20,802	21,264
Total Financial Liabilities [(ii)]		**20,802**	**21,264**

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit recoverable)

(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payable)

NOTES TO THE FINANCIAL STATEMENTS

Note 17: Financial Instruments (cont.)

(b) Credit Risk

Credit risk arises from the contractual financial assets of the Health Service, which comprise cash and deposits, non-statutory receivables and available-for-sale contractual financial assets. The Health Service's exposure to credit risk arises from the potential default of a counter-party on their contractual obligations resulting in financial loss to the Health Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Health Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Health Service's policy to only deal with entities with high credit ratings of a minimum Triple-B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, the Health Service does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. As with the policy for debtors, the Health Service's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are long overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Health Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

CREDIT QUALITY OF CONTRACTUAL FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR IMPAIRED

2013	FINANCIAL INSTITUTIONS (AAA CREDIT RATING) $'000	OTHER $'000	TOTAL $'000
Financial Assets			
Cash and Cash Equivalents	23,158	-	23,158
Receivables			
- Trade Debtors	-	2,538	2,538
- Patient Fees	-	4,708	4,708
- Other Receivables (i)	-	6,880	6,880
Other Financial Assets			
- Term Deposit	25,126	-	25,126
Total Financial Assets	**48,284**	**14,126**	**62,410**
2012			
Financial Assets			
Cash and Cash Equivalents	36,868	-	36,868
Receivables			
- Trade Debtors	-	2,380	2,380
- Patient Fees	-	2,923	2,923
- Other Receivables (i)	-	6,816	6,816
Other Financial Assets			
- Term Deposit	15,000	-	15,000
Total Financial Assets	**51,868**	**12,119**	**63,987**

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

AGEING ANALYSIS OF FINANCIAL ASSET AS AT 30 JUNE

2013	CARRYING AMOUNT $'000	NOT PAST DUE AND NOT IMPAIRED $'000	PAST DUE BUT NOT IMPAIRED LESS THAN 1 MONTH $'000	1-3 MONTHS $'000	3 MONTHS -1 YEAR $'000	1-5 YEARS $'000	IMPAIRED FINANCIAL ASSETS $'000
Financial Assets							
Cash and Cash Equivalents	23,158	23,158	-	-	-	-	-
Receivables [i]							
- Trade Debtors	2,538	1,846	256	381	55	-	-
- Patient Fees	4,708	1,805	739	1,831	333	-	1,740
- Other Receivables	6,880	6,880	-	-	-	-	-
Other Financial Assets							
- Term Deposit	25,126	25,126	-	-	-	-	-
Total Financial Assets	**62,410**	**58,815**	**995**	**2,212**	**388**	**-**	**1,740**

2012							
Financial Assets							
Cash and Cash Equivalents	36,868	36,868	-	-	-	-	-
Receivables [i]							
- Trade Debtors	2,380	1,262	380	519	171	48	122
- Patient Fees	2,923	2,249	423	251			1,549
- Other Receivables	6,816	6,816	-	-	-	-	-
Other Financial Assets							
- Term Deposit	15,000	15,000	-	-	-	-	-
Total Financial Assets	**63,987**	**62,195**	**803**	**770**	**171**	**48**	**1,671**

(i) Ageing analysis of financial assets excludes the types of statutory financial assets (i.e. GST input tax credit)

Contractual financial assets that are either past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently the Health Service does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

NOTES TO THE FINANCIAL STATEMENTS

Note 17: Financial Instruments (cont.)

(c) Liquidity Risk

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due. The Health Service operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Health Service's maximum exposure to liquidity risk is the carrying amount of financial liabilities as disclosed on the face of the balance sheet. The Health Service manages its liquidity risk as follows:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The following table discloses the contractual maturity analysis for the Health Service's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

MATURITY ANALYSIS OF FINANCIAL LIABILITIES AS AT 30 JUNE

			MATURITY DATES			
2013	CARRYING AMOUNT $'000	NOMINAL AMOUNT $'000	LESS THAN 1 MONTH $'000	1-3 MONTHS $'000	3 MONTHS-1 YEAR $'000	1-5 YEARS $'000
Financial Liabilities						
Payables [(i)]						
- Trade creditors and accruals	20,802	20,802	20,370	385	47	-
Total Financial Liabilities	**20,802**	**20,802**	**20,370**	**385**	**47**	**-**
2012						
Financial Liabilities						
Payables [(i)]						
- Trade creditors and accruals	21,264	21,264	21,163	91 1	0	-
Total Financial Liabilities	**21,264**	**21,264**	**21,163**	**91**	**10**	**-**

(i) Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST payable)

(d) Market Risk

The Health Service's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Currency Risk

The Health Service is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest Rate Risk

Exposure to interest rate risk might arise primarily through the Health Service's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the Health Service mainly undertakes financial liabilities with relatively even maturity profiles.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Health Service has minimal exposure to cash flow interest rate risks through its cash and term deposits.

The Health Service manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded that cash at bank is a financial asset that can be left at floating rate without necessarily exposing the Health Service to significant bad risk.

Other Price Risk

Upon review of the risks related to financial instruments the Health Service has not identified other risks to exist which could potentially impair the carrying value of the financial assets or liabilities.

INTEREST RATE EXPOSURE OF FINANCIAL ASSETS AND LIABILITIES AS AT 30 JUNE

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE (%)	CARRYING AMOUNT	INTEREST RATE EXPOSURE		
2013		$'000	FIXED INTEREST RATE $'000	VARIABLE INTEREST RATE $'000	NON-INTEREST BEARING $'000
Financial Assets					
Cash and Cash Equivalents	3.3	23,158	-	23,141	17
Receivables					
- Trade Debtors	-	2,538	-	-	2,538
- Patient Fees	-	4,708	-	-	4,708
- Others	-	6,880	-	-	6,880
Other Financial Assets					
- Term Deposit	4.4	25,126	25,126	-	-
Total Financial Assets		**62,410**	**25,126**	**23,141**	**14,143**
Financial Liabilities					
Trade Creditors	-	5,200	-	-	5,200
Other Liabilities	-	15,602	-	-	15,602
Total Financial Liabilities	**-**	**20,802**	**-**	**-**	**20,802**
Net Financial Asset/Liabilities	**-**	**41,608**	**25,126**	**23,141**	**(6,659)**
2012					
Financial Assets					
Cash and Cash Equivalents	4.5	36,868	10,000	26,854	14
Receivables					
- Trade Debtors	-	2,380	-	-	2,380
- Patient Fees	-	2,923	-	-	2,923
- Others	-	6,816	-	-	6,816
Other financial assets					
- Term Deposit	5.7	15,000	15,000	-	-
Total Financial Assets		**63,987**	**25,000**	**26,854**	**12,133**
Financial Liabilities					
Trade creditors and accruals	-	5,469	-	-	5,469
Other Liabilities	-	15,795	-	-	15,795
Total Financial Liabilities	**-**	**21,264**	**-**	**-**	**21,264**
Net Financial Asset/Liabilities	**-**	**42,723**	**25,000**	**26,854**	**(9,131)**

NOTES TO THE FINANCIAL STATEMENTS

Note 17: Financial Instruments (cont.)

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Health Service believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

- A shift of +2% and -2% in market interest rates (AUD) from year-end rates of 6%
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%
- A movement of 15% up and down (2012: 15%) for the top ASX 200 index

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Health Service at year-end as presented to key management personnel, if changes in the relevant risk occur.

		INTEREST RATE RISK						OTHER PRICE RISK	
	CARRYING AMOUNT	-2%		+2%		-1%		+1%	
2013		PROFIT $'000	EQUITY $'000	PROFIT $'000	EQUITY $'000	PROFIT $'000	EQUITY $'000	PROFIT $'000	EQUITY $'000
Financial Assets									
Cash and Cash Equivalents	23,158	(463)	(463)	463	463	-	-	-	-
Receivables									
- Trade Debtors	2,538	-	-	-	-	-	-	-	-
- Patient Fees	4,708	-	-	-	-	-	-	-	-
- Others	6,880	-	-	-	-	-	-	-	-
Other financial assets									
- Term Deposit	25,126	(503)	(503)	503	503				
Total Financial Assets	**62,410**	**(966)**	**(966)**	**966**	**966**	**-**	**-**	**-**	**-**
Financial Liabilities									
Trade creditors and accruals	5,200	-	-	-	-	-	-	-	-
Other Liabilities	15,602	-	-	-	-	-	-	-	-
Total Financial Liabilities	**20,802**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Financial Asset/Liabilities	**41,608**	**(966)**	**(966)**	**966**	**966**	**-**	**-**	**-**	**-**
2012									
Financial Assets									
Cash and Cash Equivalents	36,868	(737)	(737)	737	737	-	-	-	-
Receivables									
- Trade Debtors	2,380	-	-	-	-	-	-	-	-
- Patient Fees	2,923	-	-	-	-	-	-	-	-
- Others	6,816	-	-	-	-	-	-	-	-
Other financial assets									
- Term Deposit	15,000	(300)	(300)	300	300	-	-	-	-
Total Financial Assets	**63,987**	**(1,037)**	**(1,037)**	**1,037**	**1,037**				
Financial Liabilities									
Trade creditors and accruals	5,469	-	-	-	-	-	-	-	-
Other Liabilities	15,795	-	-	-	-	-	-	-	-
Total Financial Liabilities	**21,264**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Financial Asset/Liabilities	**42,723**	**(1,037)**	**(1,037)**	**1,037**	**1,037**	**-**	**-**	**-**	**-**

(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Health Service considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

COMPARISON BETWEEN CARRYING AMOUNT AND FAIR VALUE

	CARRYING AMOUNT 2013 $'000	FAIR VALUE 2013 $'000	CARRYING AMOUNT 2012 $'000	FAIR VALUE 2012 $'000
Financial Assets				
Cash and Cash Equivalents	23,158	23,158	36,868	36,868
Receivables				
- Trade Debtors	2,538	2,538	2,380	2,380
- Patient Fees	4,708	4,708	2,923	2,923
- Others	6,880	6,880	6,816	6,816
Other Financial Assets				
- Term Deposit	25,126	25,126	15,000	15,000
Total Financial Assets	**62,410**	**62,410**	**63,987**	**63,987**
Financial Liabilities				
Trade creditors and accruals	5,200	5,200	5,469	5,469
Other Liabilities	15,602	15,602	15,795	15,795
Total Financial Liabilities	**20,802**	**20,802**	**21,264**	**21,264**

NOTES TO THE FINANCIAL STATEMENTS

Note 18: Commitments for Expenditure

(a) Commitments

	2013 $'000	2012 $'000
Capital Expenditure Commitments		
Payable:		
Buildings	41,365	39,017
Plant and equipment	7,092	8,387
Computer Equipment	608	1,678
Furniture and fittings	30	-
Intangible assets	1,537	-
Total capital expenditure commitments	**50,632**	**49,082**
Lease Commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating leases	10,304	9,056
Total lease commitments	**10,304**	**9,056**
Operating Leases		
Cancellable	-	-
Sub-Total	**-**	**-**
Non-cancellable	10,304	9,056
Total operating lease commitments	**10,304**	**9,056**
Total lease commitments	**10,304**	**9,056**
Health Service's share of jointly controlled entity capital expenditure commitments payable	**-**	**-**
Total Commitments (inclusive of GST)	**60,936**	**58,138**

All amounts shown in the commitments note are nominal amounts inclusive of GST

(b) Commitments Payable

Nominal Values	2013 $'000	2012 $'000
Capital expenditure commitments payable		
Less than 1 year	42,599	40,719
Longer than 1 year but not longer than 5 years	8,033	8,363
Total capital expenditure commitments	**50,632**	**49,082**
Lease commitments payable		
Less than 1 year	2,835	2,607
Longer than 1 year but not longer than 5 years	7,126	6,449
5 years or more	343	-
Total lease commitments	**10,304**	**9,056**
Total commitments (inclusive of GST)	60,936	58,138
Less GST recoverable from the Australian Tax Office	5,540	5,285
Total commitments (exclusive of GST)	**55,396**	**52,853**

Note 19: Contingent Assets & Contingent Liabilities

Details of estimates of maximum amounts of Contingent Assets or Contingent Liabilities are as follows:

	2013 $'000	2012 $'000
Contingent Assets		
The Directors are not aware of any quantifiable or non quantifiable contingent assets	-	-
	-	**-**
Contingent Liabilities		
Quantifiable		
Recallable capital grant - Car Park System	1,300	-
Recallable capital grant - Digital Medical Record	1,200	1,400
Recallable capital grant - Patient & Client Management System	-	320
Total Quantifiable Contingent Liabilities	**2,500**	**1,720**

NOTES TO THE FINANCIAL STATEMENTS

Note 20: Operating Segments

	RAC		PUBLIC HEALTH		TOTAL	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000	2013 $'000	2012 $'000
REVENUE						
External Segment Revenue	3,025	5,936	566,332	576,871	569,357	582,807
Total Revenue	**3,025**	**5,936**	**566,332**	**576,871**	**569,357**	**582,807**
EXPENSES						
External Segment Expenses	3,110	6,322	589,051	564,030	592,161	570,352
Total Expenses	**3,110**	**6,322**	**589,051**	**564,030**	**592,161**	**570,352**
Net Result from ordinary activities	**(85)**	**(386)**	**(22,719)**	**12,841**	**(22,804)**	**12,455**
Interest Income	-	-	2,329	2,772	2,329	2,772
Net Result for Year	**(85)**	**(386)**	**(20,390)**	**15,613**	**(20,475)**	**15,227**
OTHER INFORMATION						
Segment Assets	552	5,366	615,908	624,612	616,460	629,978
Unallocated Assets	-	-	23,953	28,537	23,953	28,537
Total Assets	**552**	**5,366**	**639,861**	**653,149**	**640,413**	**658,515**
Segment Liabilities	664	1,340	111,575	105,635	112,239	106,975
Unallocated Liabilities	-	-	10,575	13,466	10,575	13,466
Total Liabilities	**664**	**1,340**	**122,150**	**119,101**	**122,814**	**120,441**
Investments in associates and joint venture partnership	-	-	-	-	-	-
Acquisition of property, plant and equipment and intangible assets	240	-	23,383	60,151	23,623	60,151
Depreciation & amortisation expense	33	126	41,783	40,187	41,816	40,313
Non cash expenses other than depreciation	-	-	853	642	853	642
Impairment of inventories	-	-	-	-	-	-

The major products/services from which the above segments derive revenue are:

Business Segments Services	**Services**
Residential Aged Care Services (RACS)	Commonwealth-registered residential aged care services subsidised by the Australian Department of Health & Ageing under the *Aged Care Act* (Cwlth) 1997, i.e. nursing homes and aged care hostels.
Public Health	Acute (Admitted and Non-Admitted Patients, Emergency Department, Sub-Acute Care, Palliative Care, Acute Training & Development, and Blood Services). Also, Allied Health, Drug & Alcohol Service, Corporate (Administration, Finance, Human Resources, Information Technology), Infrastructure, Medical Records, Quality & Clinical Governance.

Geographical Segment

The Health Service operates predominantly in the western suburbs (Footscray, Sunshine, Williamstown & Sunbury) of Melbourne, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in that area.

Note 21: Jointly Controlled Operations and Assets

NAME OF ENTITY	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST 2013 %	2012 %
Victorian Comprehensive Cancer Centre Joint Venture ("VCCC")	Cancer research, education and training and patient care	12.5%	12.5%

The Health Service interest in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the financial statements under their respective asset categories:

	2013 $'000	2012 $'000
Current Assets		
Cash and Cash Equivalents	169	152
Receivables	13	35
Prepayments	17	3
Total Current Assets	**199**	**190**
Non-Current Assets		
Property, Plant and Equipment	5	5
Total Non-Current Assets	**5**	**5**
SHARE OF TOTAL ASSETS	**204**	**195**
Current Liabilities		
Payables	29	44
Provisions	37	29
Total Current Liabilities	**66**	**73**
Non-Current Liabilities		
Payables	5	3
Total Non-Current Liabilities	**5**	**3**
SHARE OF TOTAL LIABILITIES	**71**	**76**
NET ASSETS	**133**	**119**
Share of VCCC's Net Assets	**133**	**119**

The Health Service's interest in revenues and expenses resulting from the jointly controlled operations and assets is detailed below

	2013 $'000	2012 $'000
Grants	212	211
Interest	8	6
Other	15	3
Total Revenue	**235**	**220**
Employee Expenses	166	131
Other Expenses	55	28
Depreciation	1	1
Total Expenses	**222**	**160**
NET ASSETS	**13**	**60**
Share of VCCC's Net Result After Income Tax	**13**	**60**
Contingent Assts and Contingent Liabilities	-	-
Commitments for Expenditure	-	-

Note 22a: Responsible Persons Disclosures

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

	PERIOD
Responsible Minister:	
The Honourable David Davis, MLC, Minister for Health and Ageing	1/7/2012 - 30/06/2013
The Honourable Mary Wooldridge, MLA, Minister for Mental Health	1/7/2012 - 30/06/2013
Governing Board	
Mr Ralph Willis (Chair)	1/7/2012 - 30/06/2013
Professor Colin Clark	1/7/2012 - 30/06/2013
Ms Vivienne Nguyen	1/7/2012 - 30/06/2013
Ms Juliann Byron (resigned 30 June 2013)	1/7/2012 - 30/06/2013
Mrs Elleni Bereded-Samuel	1/7/2012 - 30/06/2013
Mrs Patricia Vejby	1/7/2012 - 30/06/2013
Mr Robert Mitchell	1/7/2012 - 30/06/2013
Associate Professor Cassandra Szoeke (appointed 1 August 2012)	1/8/2012 - 30/06/2013
Mr Malcolm Peacock (appointed 1 October 2012)	1/10/2012 - 30/06/2013
Accountable Officer	
Associate Professor Alex Cockram (appointed 1 October 2012)	1/10/2012 - 30/06/2013
Ms Kathryn Cook (resigned 1 October 2012)	1/7/2012 - 30/09/2012

	2013 NO.	2012 NO.
Remuneration of Responsible Persons		
The number of Responsible Persons are shown in their relevant income bands;		
Income Band		
$0 - $9,999	1	1
$10,000 - $19,999	0	0
$20,000 - $29,999	7	7
$30,000 - $39,999	0	0
$40,000 - $49,999	1	1
$240,000 - $249,999	1	0
$280,000 - $289,999	1	0
$410,000 - $419,999	0	1
Total Numbers	**11**	**10**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$768,587**	**$655,848**

Amounts relating to Responsible Ministers are reported in the financial statements of the Department of Premier and Cabinet.

Other Transactions of Responsible Persons and their Related Parties.

There were no other transactions paid by the Health Service in connection with the Responsible Persons of the Health Service. There are no monies receivable from or payable to Responsible Persons and Responsible Persons' Related Parties.

Note 22b: Executive Officer Disclosures

Executive Officers' Remuneration

The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

	TOTAL REMUNERATION		BASE REMUNERATION	
	2013	2012	2013	2012
$0 - $ 99,999	5	0	6	1
$100,000 - $109,999	0	0	0	0
$110,000 - $119,999	1	1	0	2
$120,000 - $129,999	2	2	2	1
$130,000 - $139,999	1	3	2	3
$140,000 - $149,999	6	3	7	3
$150,000 - $159,999	2	6	3	5
$160,000 - $169,999	5	2	4	2
$170,000 - $179,999	3	3	2	3
$180,000 - $189,999	3	1	4	3
$190,000 - $199,999	1	2	2	2
$200,000 - $209,999	1	5	2	4
$210,000 - $219,999	2	1	0	1
$220,000 - $229,999	1	1	1	0
$230,000 - $239,999	1	0	0	0
$240,000 - $249,999	1	0	0	0
$250,000 - $259,999	0	0	0	0
$260,000 - $269,999	0	0	0	0
$270,000 - $279,999	0	0	1	0
$280,000 - $289,999	0	0	0	0
$290,000 - $299,999	0	0	1	1
$300,000 - $309,999	0	1	0	0
$310,000 - $319,999	2	0	0	0
Total number of executives	**37**	**31**	**37**	**31**
Total annualised employee equivalent [1]	**33**	**28**	**33**	**28**
Total Remuneration	**$6,083,932**	**$5,347,286**	**$5,768,647**	**$5,210,796**

Note

(1) Annualised employee equivalent is based on paid working hours of 76 ordinary hours per fortnight over the reporting period

Note 23: Remuneration of Auditors

	2013 $'000	2012 $'000
Victorian Auditor-General's Office		
Audit of financial statement	114	108
	114	**108**

Note 24: Events Occurring after the Balance Sheet Date

At the time the report was being prepared the Directors are not aware of any events occurring after the reporting date that would have a material impact on the financial statements.

Note 25: Controlled Entities

NAME OF ENTITY	COUNTRY OF INCORPORATION	EQUITY HOLDING
Western Health Foundation Limited	Australia	100%

Western Health Foundation Limited, a public company limited by guarantee was incorporated on 19th October 2011 with its principal activity being that of managing fundraising and philanthropic activities on behalf of the Health Service. The Foundation commenced operations effective from 1 July 2012.

Note 26: Economic Dependency

The financial statements are prepared on a going concern basis as at 30th June 2013. The Health Service has:

- A surplus from operating activities of $4.2 million for the year ended 30th June 2013 ($1.7 million deficit for the year ended 30 June 2012).

- Working capital ratio (excluding long-term employee entitlements) is calculated at 0.94 as at 30th June 2013 (0.94 as at 30 June 2012).

Health Service management are committed to the continued review of its financial and operating performance with a view to identifying further cost saving initiatives and revenue generating opportunities and providing the most effective and efficient service delivery model without compromising patient care and quality.

An ongoing budget strategy has been initiated by management of the Health Service which has identified a number of business initiatives required to effectively manage the available financial resources.

Auditor-Genaral's Report

VAGO
Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Western Health

The Financial Report

The accompanying financial report for the year ended 30 June 2013 of Western Health which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, statement of cash flows, notes comprising a statement of significant accounting policies and other explanatory information, and the Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising Western Health and the entities it controlled at the year's end as disclosed in note 25 to the financial statements.

The Board Members' Responsibility for the Financial Report

The Board Members of Western Health are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Western Health and the economic entity as at 30 June 2013 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Western Health for the year ended 30 June 2013 included both in Western Health's annual report and on the website. The Board Members of Western Health are responsible for the integrity of Western Health's website. I have not been engaged to report on the integrity of Western Health's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
30 August 2013

for John Doyle
Auditor-General

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Auditing in the Public Interest

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Western Health

WESTERN HOSPITAL
Gordon Street
Footscray VIC 3011
Locked Bag 2, Footscray VIC 3011
8345 6666

SUNSHINE HOSPITAL
Furlong Road
St Albans VIC 3021
PO Box 294, St Albans VIC 3021
8345 1333

SUNSHINE HOSPITAL RADIATION THERAPY CENTRE
176 Furlong Road
St Albans VIC 3021
8395 9999

WESTERN CENTRE FOR HEALTH RESEARCH AND EDUCATION
Sunshine Hospital
Furlong Road
St Albans VIC 3021
8345 1333

SUNBURY DAY HOSPITAL
7 Macedon Road
Sunbury VIC 3429
9732 8600

WILLIAMSTOWN HOSPITAL
Railway Crescent
Williamstown VIC 3016
9393 0100

DRUG HEALTH SERVICES
3-7 Eleanor Street
Footscray VIC 3011
8345 6682

HAZELDEAN TRANSITION CARE
211-215 Osborne Street
Williamstown VIC 3016
9397 3167

REG GEARY HOUSE
54 Pinnacle Crescent
Melton South VIC 3338
9747 0533

www.westernhealth.org.au

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