

2015 2016

ANNUAL REPORT



Improving the health & wellbeing of the East Gippsland Community by providing accessible, high quality & sustainable healthcare.

My team is
BRHS

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PRESIDENT AND CEO REPORT

It gives us great pleasure to present the 2015-16 Bairnsdale Regional Health Annual Report. This year was the fourth year of our five year Strategic Plan and we are pleased to report that due to the efforts this year we will be entering the last year of the Plan on target to meet our five year strategic goals. We will also be developing a new Strategic Plan this year and look forward to engaging with the community once again.

We have ended the year in a sound financial position and at the same time responded to the growth in demand for our services through an increase in activity and service provision. The highlights of this activity can be found in this report.

As we do each year at this time we would like to acknowledge with pride the efforts and dedication of our very committed staff. What we have achieved in terms of patient care and the services provided to our community over the last year are due to the professionalism of our 800+ staff.

We would also like to acknowledge the contribution of our dedicated volunteers. Their cheerful and helpful presence around the health service makes a significant contribution to the patient and visitor experience at BRHS. Our volunteers contribute in many ways such as supporting the Kiosk, tending the patient flowers, this year managing the vehicle and people traffic during our capital works projects, tending our art works and assisting in the daily activities across the organisation in supporting our patients and residents.

We welcomed three new Board members to the team this year and farewelled two members. Elizabeth Grayson resigned after 2.5 years due to a move back to Melbourne and John Websdale did not renominate for a further term after 6 years on the Board. We would like to thank them both for their significant contribution to the Board and governance of BRHS. We would like to take this opportunity to ask community members who feel they have the skills to be part of the Board of BRHS in the future to seriously consider making this contribution and become part of our growing and dynamic organisation.



Angela Hutson

Angela Hutson
President, Board of Management



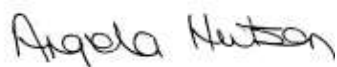
Therese Tierney

Therese Tierney
Chief Executive Officer

REPORT OF OPERATIONS

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Bairnsdale Regional Health Service for the year ending 30 June 2016.



Angela Hutson

President, Board of Management
Bairnsdale Regional Health Service
17 August 2016

Establishment

Bairnsdale Regional Health Service (BRHS) was established under the Health Services Act 1988. The responsible Ministers from 1 July 2015 to 30 June 2016 were The Honourable Jill Hennessy MLA, Minister for Health, Minister for Ambulance Services and The Honourable Martin Foley, Minister for Housing, Disability, Aged Care and Minister for Mental Health.

Objectives, Functions, Powers and Duties

Bairnsdale Regional Health Service operates under a guiding Strategic Plan which outlines a clear Vision, Role Statement and a set of Strategic Objectives, Organisational Principles and Trademark Behaviours that define our organisation. Bairnsdale Regional Health Service is a sub-regional hospital within the Victorian Health system with a duty to improve the health and wellbeing of the East Gippsland community by providing accessible, high quality and sustainable health care.

Vision

Respected leader of outstanding health care.

Strategic Objectives

- High quality, effective care
- Skilled, motivated and valued workforce
- Accountability, sustainability and governance
- Leadership and partnership

Our Principles

Progressive

BRHS will pursue contemporary models of care which allows for innovation and leadership in rural health care.

Accountable

BRHS acknowledges our obligations through a culture of honesty, trust and absolute responsibility for its actions.

Competent

BRHS will demonstrate proficiency and knowledge as a sub-regional health service provider and continue to develop its expertise.

Person Centred

BRHS works in partnership with patients, families and carers to enable them to make informed decisions about their own health.

Collaborative

BRHS will establish relationships that enhance the delivery of safe and high quality health services in East Gippsland.

Nature and range of services provided

BRHS provides a range of multi-disciplinary health services to a growing population over the East Gippsland Shire which is located in eastern Victoria, between 280 and 550 kilometres from Melbourne.

The East Gippsland Shire Estimated Resident Population for 2015 is 43,995, with a population density of 0.02 persons per hectare.

Statistics	Population 43,995 ABS ERP 2015	Land area 2,093,144 hectares (20,931 Km ²)	Population density 0.02
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BRHS regularly reviews its models of care, workforce sustainability and capital infrastructure to improve the care experience of the consumers we serve and to ensure we are positioned to respond to community growth, health needs and service demand.

BRHS incorporates a long established acute hospital, providing sub-acute inpatient services, a well-established modern theatre suite, an emergency department and short stay unit, maternity services and a purpose built Oncology and Dialysis Unit. BRHS recently renovated the Medical Imaging (x-ray) and Pathology (outsourced service) alongside the pharmacy department.

In addition to acute care, BRHS also operates a 90 bed Aged Care facility, and provides core services such as Rehabilitation, Outpatient Services, Home Based Services and Community Based Services, including dental. The consulting suites offer patients a choice between highly regarded staff specialists and visiting private specialists supported by the BRHS team.

BRHS is the largest employer in the region with over 800 staff and a budget of \$77M. It is governed by a Board of Management of 10 people. The diversity of the services and the importance of the role BRHS has in the community creates a need for a well-defined system of good governance to ensure we meet the health needs of the community today and in the future. We need to ensure we have the community's confidence by working towards a robust future through sustainable growth and advocacy and continuing to ensure an environment that is progressive, safe and dynamic.

BRHS provides services not just within the walls of the Hospital but also in the community and in consumers' homes.

@Hospital services are delivered in or at hospital. Consumers will typically be admitted as an inpatient, which may include day services or an overnight stay.

@Community services are delivered in a structured venue or centre that our consumers will attend. These consumers are outpatients.

@Home services are delivered to consumers in their home, including residential aged care and other group home situations. @Home services may include some short term services and support or acute/high levels of clinical service as a substitute to care in the hospital.

BRHS
@Home

- Allied Health Services (see full details in @Community)
- Residential Aged Care
 - Dementia Care
 - Respite Care
 - Permanent Care
- Residential In Reach Service
- Hospital in the Home (HITH)
- Falls Prevention Group
- Palliative Care
- Post-Acute Care (PAC)
- Pulmonary Rehabilitation Group
- Home Based Nursing Services
 - Community Palliative Care
- Complex Care Co-ordination
- Rehabilitation in the Home

BRHS
@Community

- Cardiac Rehabilitation
- Visiting Medical Specialists
- Community Nursing
 - Women's Health
 - Adolescent Health
 - Breast Care Services
 - District Nursing
 - Community Palliative Care
- Continence Service
- Dental Services
- Diabetes Services
- Planned Activity Group (PAG)
- Pulmonary Rehabilitation
- Allied Health Services
 - Physiotherapy
 - Occupational Therapy
 - Speech Pathology
 - Social Work
 - Dietetics
 - Podiatry
- Needle Exchange Program
- Lymphoedema Clinic

BRHS
@Hospital

- Dialysis
- Emergency Services
- Geriatric Evaluation and Management (GEM)
- Inpatient Rehabilitation
- Transition Care Program
- Medical Admitted Day Unit (MADU)
- General Medicine
- Medical Imaging
- Obstetrics & Gynecology
- Oncology
- Paediatrics
- Pathology (Provider: Gippsland Pathology)
- Pharmacy
- Stomal Therapy
- Surgical Care
- Maternity Services
- Inpatient Palliative Care
- Short Stay Unit (SSU)
- Allied Health Services
- Aboriginal Health
- Visiting Medical Specialists

BRHS
inSupport

- Executive Team and Support
- Consumer Engagement
- Risk & Safety
- Health Information Services
- Facilities
- Food Services
- ICT
- Medical Library
- Finance
- Business Intelligence
- Communications
- Quality & Service Improvement
- Medical Workforce & Education
- Environmental Services
- Workforce Capability and Culture
- Administration

Visiting Specialists and Medical Officers

Anaesthetist

Dr Ben Turner

Cardiologists

Dr David Bertovic

Dr Justin Mariani

Dr James Shaw

Dr Anthony White

Head, Neck, Nose & Throat

Mr Guillermo Hurtado

Gastroenterologists

Dr David Iser

Dr Matthew Kitson

Dr Jeremy Ryan

General Surgeons

Mr Gordon Arthur

Mr Adrian Aitken

Mr Servaise de Kock

Mr Anamitra Sarkar

Mr Clem Smith

Mr Leendert van Schoor

Gynaecologists

Dr Carin Black

Dr Sarah Roberts

Dr Michael Sedgley

Dr Gareth Weston

Hospital in the Home (HITH)

Visiting Medical Officers

Dr Tom Alwyn

Dr Maria Bodenstein

Dr Ian Broom

Dr David Campbell

Dr Jane Greacen

Dr Greg Hayes

Dr Patrick Kinsella

Dr Elizabeth Wearne

Nephrologists

Dr David Hooke

Prof David Power

Neuropsychologist

Dr Helen Clausen

Oncologists

Dr Sachin Joshi

Ophthalmologist

Dr Pradeep Madhok

Orthopaedic / Legal

Dr Stan O'Loughlin

Orthopaedic Surgeon

Mr Andries DeVilliers

Paediatricians

Dr Peter Goss

Dr Jo McCubbin

Dr Saba Subramanian

Dr Sylvia Welgemoed

Paediatric Surgeon

Mr Chris Kimber

Occupational Physician

Dr Jane Greacen

General Physicians

Dr Marcel van der Heiden

Dr Kushantha Gunarathne

Geriatrician

Dr Craig Clarke

Haematologist

Dr Amanda Omerod

Rehabilitation Physician

Dr David McConachy

Respiratory Physician

Dr Peter Solin

Rheumatologists

Assoc Prof Peter Ryan

Dr Timothy Bennett

Urologists

Prof Mark Frydenberg

Assoc Prof Jeremy Grummet

Mr Adam Landau

Vascular Surgeon

Mr Peter Milne

Visiting Medical Officers (General Practitioners)

Dr Daniel Otuonye

Dr Daryl Smith

Dr David McConville

Dr Elizabeth Boyd

Dr Graham Bromwich

Dr John Urie

Dr Poh Ng

Visiting Medical Officers (General Practitioners)

(continued)

Dr Myles Chapman (Field Emergency Medical Officer – East Gippsland)

Dr Greg Ivanoff (Field Emergency Medical Officer – Central Gippsland)

Dr Sara Renwick-Lau (Field Emergency Medical Officer – Mallacoota)

Dr Antoinette Mowbray

Dr Hulme Hay

Dr Alan Reid

Dr Naveen Joshi

Dr Peter Worboys

Dr Phillip Sewell

Dr Ross de Steiger

Dr Sema Yilmaz

Senior Medical Officers

Dr Mark Pritchard

Subcontracted Services

Pathologists from Gippsland Pathology

Radiologists from IMED Radiology

Echocardiogram/Stress Echocardiogram Service

Medical Administration

Dr Kaushik Banerjea

**Bairnsdale Regional Health Service Board of Management 2015-2016**

(L-R) Chris Barry, Lindley Jones, Brendon Moar, Angela Hutson, Peter Murphy, John Websdale, Dr Tim Watford, Liz Grayson, Doug Vickers and Mendy Urie

Board of Management

Angela Hutson - President

Appointed 2000

Angela was the CEO of East Gippsland Institute of TAFE from 2004 – 2011. Angela is the Chair of the VET Development Centre Board and a member of the Regional Development Australia Gippsland Committee. She is a member of the Gunai Kurnai Traditional Owner Land Management Board; a Board member of East Gippsland Water and Workways Australia.

She is a member of the Advancing Country Towns Steering Committee for Lakes Entrance and a member of the East Gippsland Shire Creative Communities Advisory Board. Angela is a Fellow and Graduate of the Australian Institute of Company Directors. Her qualifications include a Bachelor of Arts, Diploma of Education, Masters in Organisational Leadership and a Graduate Diploma of Business in Entrepreneurship.

Angela resides in Paynesville.

Doug Vickers - Vice President

Appointed July 2011

Dip Ed & Grad Dip Ed

Principal, Bairnsdale West Primary School for over 10 years. East Gippsland Schools Network chair for past 6 years.

Public Service Medal in 2007 for working with the indigenous community and children with special needs.

Active member of a number of community and sporting groups.

John Websdale

Appointed July 2011

Dip Management

General Manager Development, Wellington Shire with over 30 years' experience specialising in Corporate Services, Governance Functions and Regional Development.

Lindley Jones

Appointed July 2011

DipB(FLM); Grad.Dip. Emergency Health(MICA); AdvDip MICA Paramedics; Grad.Dip.VET UniMelb; BNursing.

Extensive experience in medical emergencies and is an active community member.

Elizabeth Grayson

Appointed July 2013 (Retired February 2016)

LLB, RN, Dip Practice Management

Former nurse/lawyer with extensive experience managing government, medical, not-for-profit business and community projects.

Up until 2011 contracted by Victorian Department of Justice to advise on compliance with legislative and regulatory requirements, associated complaint mechanisms, quality audits and investigations.

Peter Murphy

Appointed July 2013

B.A., LL.B

Director of WG&M, has been practising law in East Gippsland for over 25 years, former Member of the Gippsland Law Association. Active member of a number of community and sporting organisations.

Mendy Urie

Appointed July 2013

MBA, Master of Strategic Foresight, Dip Management

Past Div 1 Nurse and Midwife

7 years as Councillor with East Gippsland Shire including 3 years as Mayor. Currently on COM of BRE Inc., President of Women4Evolution and consultant in individual and collective transformational practice.

Chris Barry

Appointed July 2015

BSci

Chris is currently the Gippsland Emergency Management Leader for the Dept. Environment, Land & Water. He is a former CEO of several State Government, Statutory Authorities and Ministerial Taskforces.

He is currently a Director of Noweyung Inc. and Yoga Association Victoria and has previously been strongly involved in School Councils and Community Colleges. Chris is a graduate of the Australian Institute of Company Directors

Brendon Moar

Appointed July 2015

BPHARM MPS

Community Pharmacist in East Gippsland for 10 years.

Tim Watford

Appointed July 2015

MBBS D.Obst RCOG DA, MRCS(Eng) LRCP(Lond)

Tim has been a General Medical Practitioner in Bairnsdale since 1977 and is a former Director of Anaesthetics at Bairnsdale Regional Health Service.

Tim is currently a part time General Practitioner at GEGAC & Omeo District Health.

Board of Management Attendance 2015-2016

For the 2015/16 period there were 11 meetings held. No meeting was held in January, due to the annual Board break.

Angela Hutson	9/11
Doug Vickers	9/11
John Websdale	9/11
Lindley Jones	7/11
Elizabeth Grayson	4/7
Mendy Urie	8/11
Peter Murphy	9/11
Chris Barry	10/11
Brendon Moar	10/11
Tim Watford	10/11

Board of Management Sub-Committees

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the Board of Management. The committee assists the Board in fulfilling its governance responsibilities relating to and including the accounting and financial reporting process, external and internal audit functions, the risk management system and legal and regulatory requirements. The committee meets a minimum of 6 times each year.

Committee members during 2015/16:

John Websdale (independent)
Chris Barry (independent)
Brendon Moar
Liz Grayson (independent)
Doug Vickers (independent interim member)
Mendy Urie (interim member)
Ken White (independent external contract member)

Clinical Credentialing Committee

The Clinical Credentialing Committee is a sub-committee of the Board of Management. The committee is responsible for assessing the professional expertise, competence, reputation and authenticity of the qualifications of medical staff seeking appointment or re-appointment to the medical staff of BRHS. The committee meets as required.

Committee members during 2015/2016:

Angela Hutson

Clinical Quality and Performance Committee

The Clinical Quality and Performance Committee is a sub-committee of the Board of Management. The committee works closely with the operational executive and management group to ensure clinical

performance and quality achieve the strategic goals of the organisation and meet consumer needs. The committee sets the foundations for an organisational culture that provides safe clinical practice and improved health outcomes for consumers; the committee's work is guided by an organisational Clinical Governance Framework that includes specific clinical targets and KPIs that monitor clinical safety, risk and care provision. The committee also oversees the clinical requirements of a number of expected Standards including the National Safety and Quality in Healthcare Standards to achieve Australian Council of Healthcare Standards Accreditation and accreditation by other bodies such as the Common Care (Home Care) Standards. The committee meets every second month (6 times per year.)

Committee members during 2015/16:

Lindley Jones (Chair)
Peter Murphy
Tim Watford

Community Advisory Committee

The Community Advisory Committee is a sub-committee of the Board of Management.

The committee provides a structured partnership between consumers/community and the health service, creating a system that is responsive to patient, carer and consumer input to improve the safety and quality of care delivered. The committee meets bi-monthly (6 times per year).

Consumer Representatives during 2015/16:

Patricia Bryce (Co-Vice Chair)
Kerri Easton (Co-Vice Chair)
Peter Bryant
Jill Ellis
Rob Wilson
Denice Spence
Anna Cook

Board Members during 2015/2016 were:

Liz Grayson
Doug Vickers
Mendy Urie

Chief Executive Officer, Directors and Chief Financial Officer

Therese Tierney

Chief Executive Officer

RN, CRRN (USA), Grad Dip Bus, FIPPA

The Chief Executive Officer (CEO) is responsible for the effective operation of BRHS for the integration of services to provide a seamless continuum of care to the community, for the general direction of all business and affairs of BRHS as a whole, and for advising and making recommendations to the Board of Management with respect to these activities.

Kaushik Banerjee

Director of Medical Services

MBBS, DM (Emergency Medicine), MHM

Adjunct Senior Lecturer Monash University

Adjunct A/Professor Emergency Medicine, George Washington University

The Medical Services Directorate at BRHS supports the operation and development of the Medical Workforce, Pharmacy, Medical Imaging services, Elective Surgery Access Coordination, Infection Prevention and Health Sciences Library. It also oversees the clinical and research governance of the health service, and works collaboratively with the East Gippsland Regional Clinical School to support medical student placements at BRHS. The directorate is also responsible for the training and development of Interns.

Bernadette Hammond

Director of Nursing, Midwifery and Aged Care

RN, RM, CCN, BNrsg, MHSM (Monash)

The Nursing, Midwifery and Aged Care Directorate at BRHS incorporates a range of clinical, nursing, community and residential aged care services and provides the leadership, and has operational responsibility, for peri-operative and surgical services, maternity services, medical inpatient care, rehabilitation and sub-acute inpatient unit, home based nursing services including hospital in the home, health independence programs - Residential In Reach and Complex Care programs, Maddocks Gardens residential aged care facility, renal dialysis and oncology units, patient liaison services, palliative care, nursing and midwifery education including undergraduate, graduate and post-graduate programs.

Brendan Coulton

Director of Allied, Community and Support Services

B.A Science, Dip Edu, M.B.A.

The Director of Allied, Community and Support Services provides leadership and operational management to Allied Health inpatient and outpatient services aimed at meeting client centred goals. Community Services includes community based nursing services (including Diabetes, Continence, Women's, Men's and family health), Dental services and Planned Activity Groups all based at the Ross Street Campus. The directorate includes the Central Intake, Post-Acute Care program and Medical Consulting Suites. The Support Services include the areas of Food, Environmental, Facilities/Maintenance, Risk Management, Occupational Health and Safety, Environmental Sustainability and Emergency Management as well as the role of Chief Procurement Officer.

Deb Ellks

Director of Innovation and Strategy

RN, BN, Dip Coaching, Grad Dip Bus, MBL, AFACHSM

The Director, Innovation & Strategy is operationally responsible for the Aboriginal Health Unit, Alcohol & Other Drugs Program, Health Information Services, Quality Unit, and the Service Improvement Program (incorporating redesign program). The Directorate's brief includes the design and implementation of the mechanisms and systems that produce innovative solutions to complex problems, whilst building capability and sustainability across BRHS, recognising that people are our greatest asset. These strategic projects ensure sustainable organisational integration of BRHS' vision and strategy across BRHS.

Tania Donaldson

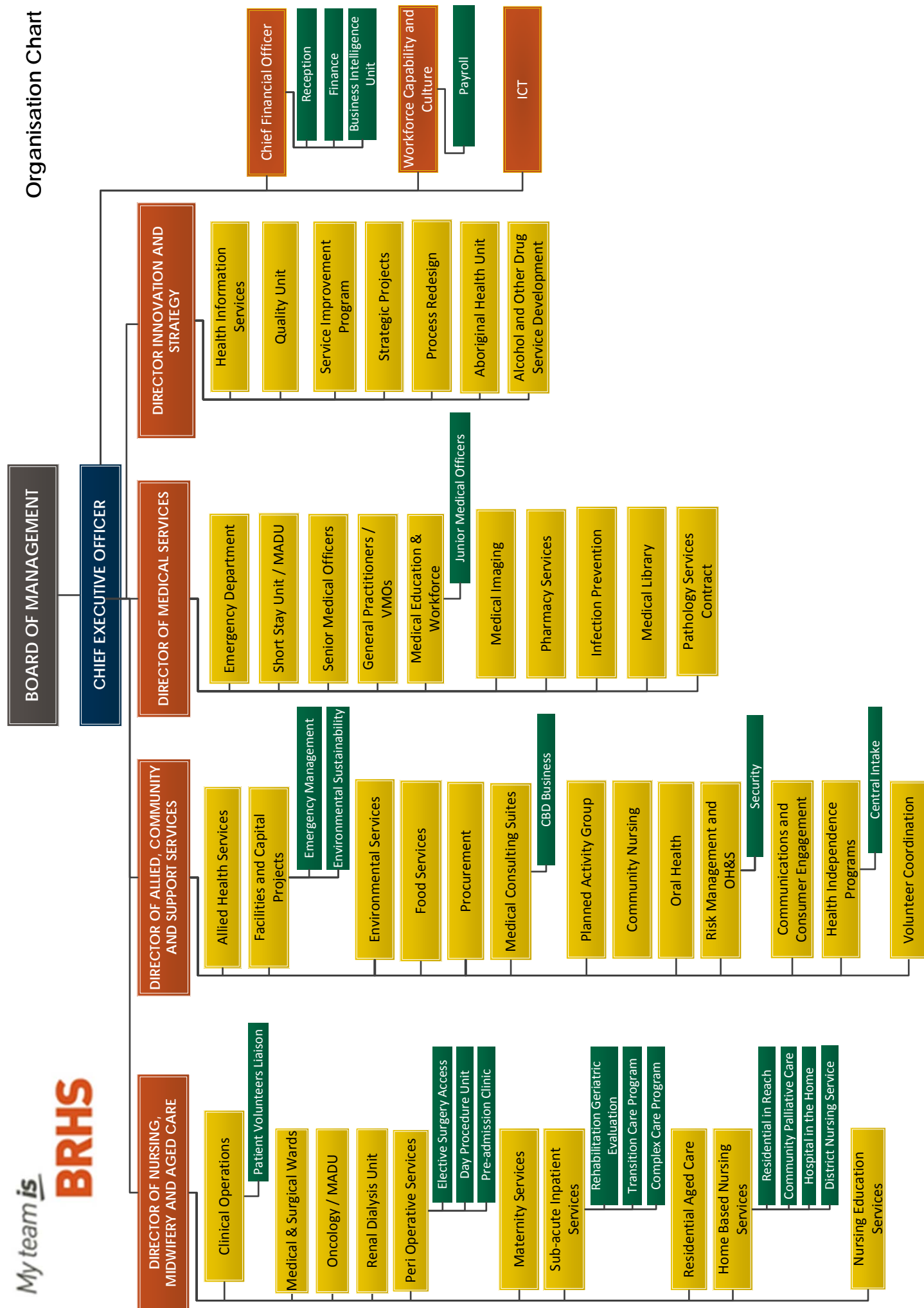
Chief Financial Officer (CFO)

CA, B.Bus, Grad Cert Computing

The role is responsible for the provision of main reception, accommodation coordination, business intelligence and finance services. It ensures the operational practices are consistent with the Financial Management Act 1994. The CFO provides support and assistance to the Executive and Department Heads in maintaining and developing the BRHS finance and information management systems. The position also coordinates the preparation of annual operating and capital budgets and monthly reporting of managers regarding their variances. The position is responsible for the provision of all costing, including clinical costing, and costing of proposed business cases. The position chairs the Information Management Committee and sets the strategic direction for BRHS for Finance and Information Management.

**The BRHS Executive Team (L-R)**

Bernadette Hammond, Kaushik Banerjee, Deb Ellks,
Therese Tierney (CEO) and Brendan Coulton



Key Initiatives and Projects, Changes and Future Plans

There are a number of key initiatives, projects and strategic plans BRHS has considered and managed during the 2015-16 financial year.

Key Initiatives and Projects include:

- The creation of the Information Management and Information Technology Strategy.
- The creation of the Business Intelligence Unit and their activities in turning data into knowledge and improving decision making.
- Joining the Health Roundtable as this is the commencement of our ability to benchmark with others.
- Opening of the CBD campus with our maternity service, x-ray and ultrasound operations.
- The Lighthouse Research Project has now concluded and the outcome has been some significant improvement in aboriginal access and identification and a raised awareness of cultural safety. This includes the creation of the Aboriginal Resource Group.
- Capital works programs included:
 - Successful completion of the second phase of the Medical Imaging redevelopment.
 - The One Ward project now fully specified and out to tender.
 - Work undertaken in the kitchen to meet the standards and improve food service delivery.
 - The delivery of the telemedicine project was a great outcome for us and for our smaller neighbours. Both our telemedicine and the Victorian Stroke Telemedicine are operational.
- BRHS has successfully completed reform transition to the new Procurement Policies and Framework as required by Health Purchasing Victoria to ensure our purchasing and contracts meet best practice probity and value.

Changes and Future Plans

It is imperative that BRHS continues to focus on strategy and risk management to ensure we are well positioned to navigate the changing health environment and ensure we meet our objectives and needs of the community we serve. This year will be the year we dedicate to the creation of our new strategic plan 2017-2022.

Future plans and focus areas include:

BRHS is continuing to work on the transition from Home and Community Care (State) to the Commonwealth Home Support Program (Federal) funding and administration with a focus on minimising any impact on consumer and service delivery.

BRHS is addressing a future challenge of transition and implementing electronic patient records within the hospital that will integrate with other health records produced in our home and community based services. This is a Gippsland region wide project led by the Gippsland Health Alliance.

BRHS has been collaborating with the health services of East Gippsland to create The East Gippsland Capability Framework and Service Plan. This has been a slow process however the document will be completed in September and will provide clear directions for service planning and community need.

WORKFORCE

Labour Category – Full Time Equivalent

Labour Category	JUNE Current Month FTE		JUNE YTD FTE	
	2015	2016	2015	2016
Nursing	218.33	216.27	207.46	211.15
Administration and Clerical	94.60	96.54	87.27	93.06
Medical Support	42.24	44.44	43.08	43.62
Hotel and Allied Services	109.34	111.98	108.70	110.08
Medical Officers	6.11	5.32	5.33	5.32
Hospital Medical Officers	18.44	20.19	18.11	19.05
Sessional Clinicians	0.59	0.56	0.63	0.45
Ancillary Staff (Allied Health)	33.83	33.15	33.33	33.42
Total	523.48	528.45	503.91	516.15

Employment Principles

BRHS ensures that all employment processes are designed to assess applicants against pre-determined key selection criteria in order to appoint the most suitable applicant for the role.

Employment to BRHS is open to all applicants without systemic, hidden or apparent bias on the grounds of gender, race, disability, sexuality, age, marital status, pregnancy, potential pregnancy, breastfeeding, religious belief, medical record, irrelevant criminal record or trade union activity and reflects best practice. Appointments and employee classifications are made according to the relevant and applicable Award or Enterprise Bargaining Agreement.

Code of Conduct

BRHS is committed to the Public Sector values and workplace equity principles. This includes equal opportunity, freedom from all forms of discrimination and creating and maintaining a work environment where all employees are treated with dignity and respect. The integrity of the organisation is based on embracing diversity and valuing human rights.

As a public health service, BRHS employees are required to abide by the 'Code of Conduct for Victorian Public Sector Employees' (Code of Conduct).

Certain professionals within the health service are subject to professional codes of conduct that establish specific behaviours relevant to their profession. Where this is the case individuals are expected to abide with the 'Code of Conduct for Victorian Public Sector Employees' in conjunction with any professional codes of conduct.

BRHS and its employees will abide by the Public Sector Values; Responsiveness, Integrity, Impartiality, Accountability, Respect, Leadership, Human Rights.

BRHS has established a set of Trademark Behaviours by which employees are contracted under the employment arrangements to demonstrate.

Trademark Behaviours

- Display trust & mutual respect
- Courage to change
- Step up & take responsibility
- Be positive & support others
- Learn & apply knowledge

Financial Year Summary

	2016 \$000	2015 \$000	2014 \$000	2013 \$000	2012 \$000
Total Revenue	80,797	74,504	71,307	64,819	62,108
Total Expenses	83,681	76,525	71,473	67,091	61,870
Net Result for the Year (inc. Capital and Specific Items)	(2,883)	(2,022)	(166)	(2,273)	238
Retained Surplus / (Accumulated Deficit)	1,886	5,135	7,223	7,615	9,896
Total Assets	74,387	74,752	73,042	69,040	68,027
Total Liabilities	26,143	24,047	21,823	20,494	20,657
Net Assets	48,245	50,705	51,219	48,546	47,369
Total Equity	48,245	50,705	51,219	48,546	47,369

Significant changes in financial position

There were no significant changes in BRHS's financial position during the 2015-16 Financial Year.

Operational and budgetary objectives, performance, significant activities and achievements

Bairnsdale Regional Health Service strives to meet a number of complementary objectives. These are the objectives set out in our own Strategic Plan and annual deliverables and those set out in government policy in the Statement of Priorities and related policies.

To achieve our objectives we need to have a comprehensive understanding of our resources and what the major influences are impacting those resources. We do this by working within the parameters of our Strategic Financial Plan and monitor and manage our resources to ensure the organisation can meet its obligations and grow the business.

The major influences on our business from a financial planning context are: Demographics and East Gippsland Population Growth; Infrastructure and Asset Management; Capital Works Requirements; Service Provision Needs; Government Funding and Reform; Employee Entitlements; Technology; and Community and Consumer Opinion.

Bairnsdale Regional Health Service has managed well to achieve its annual deliverables for 2015-2016 including activity levels required by funding and policy guidelines. The financial results returned an operational surplus that will provide resources for future health service delivery and growth.

The particular highlights of the year include:

Our Care

- Telemedicine services have been introduced at BRHS in multiple areas. Telemedicine is now part of our high acuity retrieval services as part of our Emergency Department. We are participants in the Victorian Stroke Telemedicine program which has increased our capability in the management of stroke. We also have telemedicine services provided through our Medical Consulting Rooms connecting our consumers with specialists. BRHS has also supported the installation of telemedicine cameras at Orbst Regional Health and Omeo District Health for their use and to support them as required.
- BRHS has been operating an alcohol and other drug detox bed in partnership with Gippsland Lakes Community Health and Gippsland and East Gippsland Aboriginal Cooperative drug and alcohol workers. We are pleased to say that this bed is now formally funded. This creates the opportunity to promote the services with confidence due to the ongoing funding.
- We have continued the process of reviewing our services to ensure we are meeting the needs of the community. The newly created Maternity Model of Care has now been in

place for twelve months. The model is in the process of being evaluated by the organisation and consumers. Early indications are that the clinical indicators such as caesarean rates have improved significantly.

- New medical imaging services and the new maternity services commenced in the Central Business District in June 2015. This new service has been well received by the community as another option for access to imaging services and is well used.
- The success of the Aged Care Accreditation and their outstanding result.
- BRHS was selected as one of 8 health services nationally to participate in the Lighthouse Research Project. This project focused on testing a "toolkit" to improve the health outcomes for our Aboriginal community who experience acute coronary syndrome. This project was completed in June 2016. This project and the complementary Koolin Balit program activities have had a significant impact in improving the relationship and many aspects of access to services for our Aboriginal community.

Capital Works

- The second phase of the Medical Imaging redevelopment has been completed. This includes a new space for pathology, a new medical imaging waiting room and ultrasound rooms. This has improved the amenity for consumers and staff significantly and provides custom made spaces for the MRI, Ultrasound services and new CT scanner with improved spaces for recovery after imaging procedures.
- The grant for the redevelopment of the ward space and a High Dependency Unit is a great opportunity for BRHS to extend the life of the current building. The design work has been completed and is now out to Tender.
- The BRHS Kitchen area is vital to our health service and the community as part of the meals on wheels program. There has been a significant investment in updating the kitchen area and the equipment and we are in the process of completing the implementation of Chefmax which will allow us to have electronic menus and assist us in managing the changing dietary needs of all patients in a timely manner.
- The Perioperative services have spent the last part of the year preparing for the change over to the new sterilisers and instrument tracking system. This is state of the art and will ensure that we will comply with the new standards.

People and Financial Management

- The creation of the Business Intelligence Unit has had a significant impact in assisting the organisation in converting data to information and knowledge and adds value to our decision making processes.
- The introduction of Visual Management Boards which have been created in key areas to raise awareness of the factors that impact on the day to day management of the health service provide a tool for team decision making and problem solving.
- The People Matters Survey has been completed once again as planned. 40% of the staff responded and when the results are received the information will be used to create an action plan to improve staff satisfaction and motivation to ensure we have a genuine commitment to a culture of quality and safety.
- All managers and associate managers/team leaders (98 in total) engaged in training and development specifically focused on being comfortable and effective in their roles. A further 21 managers and team leaders undertook the training this year.
- The BRHS Aboriginal Employment Plan 2013-2016 has been fully implemented. We have been funded to develop a new plan.
- Continued improvement in our financial position finishing the year with a surplus of \$367,000 and at the same time responding to the growing demand for our services.
- Successful submission for a grant for the ongoing provision of the alcohol and other drug detox bed for East Gippsland.

Partnerships

- The four East Gippsland health services have worked together over the last three years to create an East Gippsland Capability Framework and Service Plan. The capability component of the plan is completed and the Top 10 service streams/models identified for review are being systematically examined. The Service Plan component will be completed in September 2016.

Major changes or factors affecting performance

There were no major changes or factors affecting the performance of Bairnsdale Regional Health Service during the 2015-16 financial year.

Events subsequent to balance date

There were no events subsequent to balance date for BRHS relating to the 2015-16 Financial Year.

Consultancies

There were 18 consultancies in this financial year. These consultancies cost \$160,180.

Consultancy Details <\$10,000	
Number of Consultancies	11
Total \$ of Consultancies (ex GST)	\$30,282
Consultancy Details >\$10,000	
Christine Cunningham Maternity Services Review	\$10,700
Clocktower Medical Centre Community Based Internship Agreement	\$25,000
Crux Consulting Administration Review	\$10,200
Gippsland Lakes Community Health East Gippsland Capability Assessment and Service Plan	\$30,000
Innovation Delivery Partners Pty Ltd Board Review	\$12,820
Larter Consulting Pty Ltd Business Case Medical Review	\$13,225
PricewaterhouseCoopers Vision Board Project	\$27,953

Government Advertising

BRHS did not undertake any government advertising with total media buy of \$100,000 or greater (exclusive of GST).

Information and Communications Technology (ICT) expenditure

ICT expenditure represents an entity's costs in providing business-enabling ICT services and consists of the following costs elements:

- Operating and capital expenditure (including depreciation);
- ICT services- internally and externally sourced;

- Cost in providing ICT services (including personnel & facilities) across the agency, whether funded through a central ICT budget or through other budgets; and
- Cost in providing ICT services to other organisations.

Non-Business As Usual (Non- BAU) expenditure- is a subset of ICT expenditure that relates to extending or enhancing current ICT capabilities and are usually run as projects.

Business As Usual (BAU) expenditure- includes all remaining ICT expenditure other than Non-BAU ICT expenditure and typically relates to ongoing activities to operate and maintain the current ICT capability.

The total Information and Communication Technology (ICT) expenditure incurred during 2015-16 is \$2,840,444 (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure Total (excluding GST)	\$1,907,062
Non-Business As Usual (non-BAU) ICT expenditure (Total= Operational Expenditure and Capital Expenditure) (excluding GST)	\$933,382
Non BAU Operational expenditure (excluding GST)	\$29,282
Non BAU Capital expenditure (excluding GST)	\$904,101

Car parking fees

From 1 February 2016, each health service operating fee based car parking facilities are required to have a formal policy in place which mitigates the financial impact of car park fees on vulnerable patients.

Bairnsdale Regional Health Service does not have a fee based car parking facility. All parking is provided free for patients, visitors and staff.

Occupational Violence

Health services are required to monitor and publicly report incidents of occupational violence which follows the Victorian Government's commitment to address occupational violence in healthcare and the Victorian Auditor-General's audit report Occupational Violence Against Healthcare Workers released in 2015 that identified better awareness of the prevalence and reporting of occupational violence incidents was required.

BRHS Occupational violence statistics	2015-16
1. Workcover accepted claims with an occupational violence cause per 100 FTE	0.19
2. Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
3. Number of occupational violence incidents reported	87
4. Number of occupational violence incidents reported per 100 FTE	16.41
5. Percentage of occupational violence incidents resulting in a staff injury, illness or condition	10.3%

Definitions

For the purposes of the above statistics the following definitions apply.

Occupational violence - any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of, their employment.

Incident - occupational health and safety incidents reported in the health service incident reporting system. Code Grey reporting is not included.

Accepted Workcover claims – Accepted Workcover claims that were lodged in 2015-16.

Lost time – is defined as greater than one day.

Occupational Health and Safety (OH&S)

Bairnsdale Regional Health Service is committed to providing a safe environment for everyone and therefore complies with obligations under the Occupational Health and Safety Act 2004, Occupational Health and Safety Regulations 2007 and other legislation and standards that support safety. Risk assessments, audits and workplace inspections are conducted to ensure the workplace environment is safe and records are retained by BRHS in line with archiving requirements. The BRHS Occupational Health & Safety Plan is an organisational framework based on AS/NZ 4804:2001 that describes how BRHS complies with the principles of occupational health & safety and supports the achievement of strategic goal 2.2.3 – *A safe environment which supports staff health and well-being.*

Continuous improvement of the OH&S system over the past year includes: introduction of mandatory manual handling training for all staff, implementation of code grey, safe operating procedures, implementation of Chem-Alert to manage chemicals and hazardous goods and development of an emergency management training, drills and education program. Other significant OH&S activity includes identification of hazardous manual handling tasks, purchasing a number of sit-stand workstations for across the organisation, two internal audits on OH&S and security and implementation of Safe Work Methods Statements for conducting risk assessments prior to major work or hazardous activity. BRHS was also successful in funding applications for upgrading the duress system, purchasing additional CCTV and occupational violence prevention staff training.

Objective	Target	Indicator	Achieved 2015-2016
No serious harm occurs in the workplace	Zero workplace death or serious injury	ISR 1 incident = 0	Achieved There have been no ISR OH&S incidents.
Near/miss and hazard incidents are captured and addressed before harm can be caused	Number of Incidents where harm occurs is less than number of no harm/near miss incidents	ISR 2 & 3 incidents as a percentage of all OHS incidents = <50%	Achieved From 1/5/15 – 31/5/16: Total OH&S incidents = 222 Harm identified = 87 (39%) No harm/near miss = 135 (61%) Of the 87 incidents where harm occurred, 83 of these involved minor harm only.

Building and Maintenance compliance

BRHS complies with the building and maintenance provisions of the Building Act 1993.

Freedom of Information (FOI)

The FOI Act 1982 gives people the right of access to information held by Bairnsdale Regional Health Service and applications for access to information and records are processed in accordance with the FOI Act by the Health Information Manager under delegation from the Director of Medical Services.

Health Services charge a fee for FOI requests in accordance with the guidelines set by the Department of Justice. Fees for Medico-Legal requests are also received. The revenue for this financial year is \$8,009.30. The FOI application fee is waived for those applicants holding a health care card or who demonstrate financial hardship.

In accordance with Part II of the Freedom of Information (FOI) Act 1982, Bairnsdale Regional Health Service (BRHS) is required to publish certain statements relating to its functions, processes and documents held. This is contained in the Freedom of Information Statement II Publication of Information, which is available on the BRHS website.

Type of request	Number Processed
Freedom of Information	143
Medico-Legal	107
Total	250

Protected Disclosures Act 2012

Bairnsdale Regional Health Service was not required to disclose any issues under the Protected Disclosure Act 2012 (the Act) in the financial year 2015-16.

Carers Recognition Act 2012

Bairnsdale Regional Health Service is aware of and complies with the requirements of the Carers Recognition Act 2012 (the Act) and was not required to make any disclosures during the reporting period. As a care support organisation, Bairnsdale Regional Health Service:

- takes all practicable measures to ensure that its employees and agents have an awareness and understanding of the care relationship principles
- takes all practicable measures to ensure that persons who are in care relationships and who are receiving services in relation to the care relationship from BRHS have an awareness and understanding of the care relationship principles
- takes all practicable measures to ensure that BRHS and its employees and agents reflect the care relationship principles in developing, providing or evaluating support and assistance for persons in care relationships.

National Competition Policy

Bairnsdale Regional Health Service complied with relevant policies with respect to the National Competition Policy, including:

- i. the requirements of the Government policy statement, Competitive Neutrality Policy Victoria; and
- ii. Subsequent reforms.

Environmental Performance

Bairnsdale Regional Health Service Environmental Sustainability Committee has met bi-monthly during the 2015-16 financial year and worked on achieving activity and targets as set out in the Environmental Management Plan 2014-16.

BRHS recognises that environmental sustainability is one of the important issues for our global community and strives to maintain a high standard of environmental care in conducting our activities. Some key initiative and achievements include:

- Food scrap composting
- Remember to switch off lights campaign and education to staff
- PVC recovery in Hospitals which includes recycling of plastic tubing in dialysis
- Second hand mobile phones are being recycled
- Replacement program of LED lights
- BRHS has registered with the Global Green and Healthy Hospitals which is a free membership network of hospitals, health systems, and health organizations dedicated to improving sustainability in their facilities to reduce their environmental footprint, and protect public and environmental health. BRHS will focus on two initiatives to reduce the environmental footprint we leave providing our services.

BRHS Energy Consumption

Financial Year	Total energy consumed (Gj)	CHG Emissions (tonnes CO ₂ -e)
2012-13	23,448.21	3,975.50
2013-14	22,628.88	3,782.70
2014-15	23,096.62	3,746.77
2015-16	24,535.19	4,096.77

BRHS' energy consumption has increased during the 2015-2016 financial year as we have expanded and introduced new services, extended buildings (floor space) and increased the total size of the organisation. In particular the introduction of the MRI has substantially increased our energy consumption to deliver this service. This will be a driver to ensure we focus on an organisation wide approach to environmental sustainability to compensate for this impact.

Statement of availability of additional information

In compliance with the requirements of FRD 22F Standard Disclosures in the Report of Operations, details in respect of the items listed below have been retained by BRHS 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 statement of pecuniary interest has been completed;
- Details of shares held by senior officers as nominee or held beneficially;
- Details of publications produced by the Department about the activities of the Health Service and where they can be obtained;
- Details of changes in prices, fees, charges, rates and levies charged by the Health Service;
- Details of any major external reviews carried out on the Health Service;
- Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations;
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services;
- Details of assessments and measures undertaken to improve the occupational health and safety of employees;

- j) General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes which are not otherwise detailed in the Report of Operations;
- k) A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;
- l) Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

Disclosure of Ex-Gratia Expenses

BRHS discloses that there were no ex-gratia expenses incurred or written off during the reporting period.

Victorian Industry Participation

BRHS is required to provide the following information for contracts commenced and/or completed in the financial under the Victorian Industry Participation Policy (VIPP) Act 2003

- a) Bairnsdale Regional Health Service had one contract for Capital Building works to the value of \$1,650,000 that commenced and was completed in the 2015-16 financial year for which the VIPP Plan was required.
- b) BRHS has one contract where 96 percent of 'local content' was committed under the contract that commenced and/or was completed in the reporting period to which a VIPP Plan was required for the regionally based project.
- c) For contracts completed, the below table describes the total VIPP Plan outcomes (local content, employment, engagement of apprentices/trainees and skills/technology transfer outcomes) achieved as a result of the contract.

Outcomes achieved					
Local content achieved (%)	New local jobs created	Existing jobs retained	New apprenticeships created	Existing apprenticeships retained	Skills technology transfer outcomes
96%	2	26	2	3	Apprentices received training on different tasks as the project progressed

- d) BRHS had a total of six conversations with the Industry Capability Network with respect to the registration and issue of an Interaction Reference Number.

Financial Donations to BRHS 2015-16

Bequests & Estates

Estate of Barbara O'Farrell	\$10,000.00
Estate of Erica Cromwell	\$5,648.91
Estate of John Musgrove	\$16,649.14
Estate of Phillip Hostnick	\$5,350.00
Estate of Phyllis Simpson	\$300,000.00
Estate of Val Singleton	\$2,000.00

BRHS Fundraising Auxiliary

Bowerbirds	\$16,775.00
BRHS Flower Auxiliary	\$8,320.00

Business Sector

GEO Group	\$100.00
GJ Gardner Homes	\$281.32
Noamunga Pty Ltd	\$200.00
Ritchies	\$2,639.07
Spotlight	\$847.80

Community Groups

Bairnsdale & District Agricultural Society	\$100.00
Bairnsdale Old Time Dance Group	\$1,000.00
Bairnsdale Past Trained Nurses & Associates	\$500.00
Bairnsdale Veterans' Carers Group	\$407.30
Creative Embroidery Group	\$500.00
Lakes Meditation Group	\$300.00
Men's Shed Paynesville	\$500.00
Metung Bowls Club Inc.	\$121.35
Newlands Arm Indoor Carpet Bowls	\$1,157.00
Nicholson Angling Club	\$1,000.00
Paynesville Lions Club	\$1,300.00
Paynesville Uniting Church	
Friendship Shed	\$5,880.00
St John Op Shop	\$4,000.00
St Mary's Social Justice Group	\$500.00
United Grand Lodge of Victoria	\$5,000.00
Wednesday Whackers Golf Group	\$200.00

Individuals

A M C L & J Young	\$195.00
Anonymous	\$2,182.00
Antoinetta Verdi	\$50.00
B & FE Joshua	\$50.00
B Hurnard	\$30.00
Doug White	\$5,000.00
Frank Garden	\$200.00
Janet Cook	\$500.00
Janet O'Brien	\$750.00
Jennifer & Gus Sperti	\$1,000.00
John & Barb O'Neill	\$350.00
Kevin & Jennifer Eckhardt	\$500.00
KW & A Sturtz	\$200.00
Leo Rijs	\$5,000.00
Lorraine Beyer	\$20.00
Margaret Kneebone	\$20.00
Marian Carrigy	\$50.00
Marie & Frank Tanner	\$70.00
Marjorie Edsall	\$500.00
Mr & Mrs Carrigy	\$20.00
Mr & Mrs Jones	\$100.00
MR Robb	\$20.00
MS Middleton	\$50.00
Murray Cox	\$5,000.00
Nancy & Wayne Ellis	\$50.00
Pat Idezac	\$50.00
Peter Millard	\$350.00
R & J Pavel	\$208.86
R & J Reynolds	\$50.00
R Graham	\$20.00
R Latimer	\$50.00
Robert & Verne Ison	\$1,400.00
Ron Manley	\$50.00
Ronald Bruce	\$5.20
Salaried Staff CDBS	\$170,693.50
Salaried Staff MBS	\$158,201.64
Shirley Goring	\$25.00
Sidney Ellen	\$75.00
Smythe Family	\$50.00
Ted & Marg Wilkins	\$50.00
W & M Bloomer	\$20.00
W Ritchie	\$50.00
Wally Cameron	\$50.00

Grand Total **\$744,583.09**

STATEMENT OF PRIORITIES

The Statement of Priorities (SoP) is the formal funding and monitoring agreement between Victorian sub-regional and local health services and the Secretary for Health, and is in accordance with section 26 of the Health Services Act 1988 (Vic). The annual agreement facilitates delivery of or substantial progress towards the key shared objectives of financial viability, improved access and quality of service provision.

Statement of Priorities Part A

Strategic priorities

The Victorian Government's priorities and policy directions are outlined in the *Victorian Health Priorities Framework 2012–22*. In 2015-16 Bairnsdale Regional Health Service contributed to the achievement of these priorities by:

Domain	Action	Deliverables	Outcomes
Patient Experience and outcomes	Drive improved health outcomes through a strong focus on patient-centred care in the planning, delivery and evaluation of services, and the development of new models for putting patients first.	Complete the diagnostic and gap analysis phases of the Patient Flow Project. Implement appropriate actions identified at the end of the diagnostic and gap analysis phase.	Achieved. Gap analysis completed and the actions focus on time of discharge, effective and efficient discharge and improved coordination to reduce length of stay.
	Strengthen the response of health services to family violence. This includes implementing interventions, processes and systems to prevent, identify and respond appropriately to family violence at an individual and community level.	Investigate improved screening tools for the identification of family violence. Provide accommodation options to ensure immediate safety and develop a formal pathway in partnership with the community provider of services.	Partially achieved as formal pathways not completed. Reporting has improved. Accommodation is made available. Staff attended the Strengthening Family Violence Prevention Working Group and reference group established.

Domain	Action	Deliverables	Outcomes
Patient experience and outcomes (continued)	Use consumer feedback and develop participation processes to improve person and family centred care, health service practice and patient experiences.	Implement second year of the Consumer Engagement Action Plan which includes story telling at Board level and utilising quality improvement processes and service redesign as a lever for change.	<p>Actions for 2015-16 completed.</p> <p>Commenced the use of patient stories at BOM and CAC to drive quality improvement processes.</p> <p>Consumer feedback system (Complaints and Compliments) reviewed and improved to ensure complainant's resolutions meet documented timeframes. Complaints process contributes to setting the priorities for service improvement actions.</p>
	Improve the health outcomes of Aboriginal and Torres Strait Islanders by increasing accessibility and cultural responsiveness of the Victorian health system.	Complete the Lighthouse Heart Foundation research project to improve the health outcomes for Aboriginal patients with acute coronary syndrome by implementing actions to address the clinical pathway and cultural competency domains by March 2016.	<p>Achieved.</p> <p>The particular highlights are the improved identification process, improved access to services demonstrated by the increased registrations at our clinic and the formalised pathways to the tertiary services.</p> <p>The project provided added value by improving staff awareness of the elements of cultural safety and respect.</p>
Governance, leadership and culture	Demonstrate an organisational commitment to Occupational Health and Safety, including mental health and wellbeing in the workplace. Ensure accessible and affordable support services are available for employees experiencing mental ill health. Work collaboratively with the Department of Health and Human Services and professional bodies to identify and address systemic issues of mental ill health amongst the medical professions.	Monitor the trends in utilisation of the Employee Assistance Program and measure the trends in reasons for assistance.	EAP program continues. The trends are reported six monthly and are used in the process to develop the Positive Health Employee and Wellbeing (PHEW) program plan.
		The Positive Health and Employee Wellbeing committee will focus on the mental wellbeing component of the Healthy Together Achievement Program.	<p>Achieved.</p> <p>The highlight was the Mental Health Wellbeing Week held under the auspice of PHEW. Achieved the Healthy Together Achievement Program's Recognition Point 2 for mental health wellbeing.</p>

Domain	Action	Deliverables	Outcomes
Governance, leadership and culture (continued)		Achieve the Healthy Together Achievement Program's Recognition Point 2 for Healthy Eating and Mental Health and Wellbeing priorities.	Partially Achieved. The Healthy Together Achievement Program's Recognition Point 2 for Mental Health and Wellbeing achieved. The Healthy Eating recognition is on target to be achieved October 2016.
	Monitor and publically report incidents of occupational violence. Work collaboratively with the Department of Health and Human Services to develop systems to prevent the occurrence of occupational violence.	Review all incidents of occupational violence through the Bairnsdale Regional Health Service Occupational Violence Prevention Group and publically report in the Quality of Care report.	Achieved. Incident data captured, reported and analysed with a plan developed and which will form part of the Quality of Care Report. Completion of train the trainer program.
		Progress implementation of the VAGO recommendations resulting from the Occupational Violence Against Healthcare Workers report.	Progress achieved.
		Evaluate the implementation of the Code Grey procedure.	Achieved. Code Grey completed and implemented. All Code Grey incidents reviewed and analyses used to drive improvement and safety.
	Promote a positive workplace culture and implement strategies to prevent bullying and harassment in the workplace. Monitor trends of complaints of bullying and harassment and identify and address organisational units exhibiting poor workplace culture and morale.	Monitor effectiveness of implemented strategies to address workplace culture using tools such as the People Matter Survey.	People Matter Survey conducted June 2016 with 40% return rate. Results not available at time of reporting. Action plan to be developed based on outcomes.

Domain	Action	Deliverables	Outcomes
Governance, leadership and culture (continued)		Roll out Phase II of the Bairnsdale Regional Health Service Trademark Behaviours and Organisation Principles which focuses on individual work units documenting and demonstrating trademark behaviours.	Achieved. BRHS Trademark Principles and Behaviours embedded into workplans, position descriptions and annual reviews. 62 team leaders have undertaken the leadership program and a further 20 managers have undertaken the management trademark training.
	Improve data reporting systems to increase accountability and transparency, consistent with the Transparency in Government Bill.	Recruit for the Business Analyst role to develop a data warehouse and a selection analysis and reporting tool.	Achieved. New Business Intelligence Unit established with a Business Analyst and a Clinical Information Analyst appointed. Reporting tool selected and in use. Reports adding significant value to decision making and service improvement.
	Apply existing capability frameworks and clinical guidelines to inform service system planning, giving consideration to the capability of neighbouring services and how best to allocate available resources so as to deliver the maximum benefit to the local community.	As part of the East Gippsland Capability Framework and Service Plan complete an assessment of the top 10 identified priorities. The assessment process will utilise a tool developed as part of this project to ensure the correct collaborative models are in place to service the needs of the community, reduce service gaps or potential duplications.	Assessment completed. Capability Framework component completed and Service Plan component to be completed in September 2016.
	Implement strategies to support health service workers to respond to the needs of people affected by ice.	Recruit an Alcohol Other Drug Nurse and develop strategies and an Action Plan to improve response.	Achieved. Full time position appointed with action plan and standard operating procedures completed. Due to the funding of the detox bed at BRHS further work has been undertaken to promote the service and improve awareness and access.

Domain	Action	Deliverables	Outcomes
Safety and quality	Ensure management plans are in place to prevent, detect and contain Carbapenem Resistant Enterobacteriaceae as outlined in Hospital Circular 02/15 (issued 16 June 2015).	Implement and evaluate the Carbapenem Resistant Enterobacteriaceae plan developed and approved by the Patient Safety and Clinical Standards Committee.	Completed and report approved. The Plan is monitored by the Patient Safety and Clinical Standards Committee.
	Implement effective antimicrobial stewardship practices and increase awareness of antimicrobial resistance, its implications and actions to combat it, through effective communication, education, and training.	Ensure standing item on Medicine Advisory Committee and Patient Safety and Clinical Standards Committee to ensure oversight of antimicrobial stewardship program.	Achieved. As part of this process we have recruited an Infectious Diseases Physician to assist with the oversight and advice.
		Enhance relationship with Alfred Health to provide specialist expert advice.	Achieved. Direct Cardiac pathway formalised and regular liaison meetings occur.
	Ensure that emergency response management plans are in place, regularly exercised and updated, including trigger activation and communication arrangements.	Undertake regular emergency response exercises (3 per month).	Achieved. Each exercise evaluated by Emergency Management Committee. Annual plan developed and scheduled.
		Test Business Continuity Plans.	Achieved. BCP reviewed and Internal Audit completed. Action plan completed to address identified gaps. BCP testing incorporated into annual departmental workplans.
Financial sustainability	Improve cash management processes to ensure that financial obligations are met as they are due.	Complete business/clinical costing project to ensure accurate information is available for decision making.	Achieved. Completed by Business Intelligence Unit.
		Employ Business Analyst as enabler to efficient financial processes.	Achieved. Business Intelligence Unit established.

Domain	Action	Deliverables	Outcomes
Financial sustainability (continued)	Identify opportunities for efficiency and better value service delivery.	Identify cost benefits to changes in patient flow identified via the Patient Flow Project. Business Analyst to provide data interrogation and costing support.	Achieved. BRHS also joined the Health Roundtable to benchmark and learn from others.
	Work with Health Purchasing Victoria to implement procurement savings initiatives.	Implement Health Purchasing Victoria reform and participate in the Gippsland Chief Procurement Office Committee.	Achieved. Attestation made in annual report.
	Undertake cost benchmarking and develop partnerships with peers to improve operating efficiency.	Join relevant Health Round Table special interest groups to ensure Bairnsdale Regional Health Service processes are providing best value.	Completed. Have participated in the Sub-Acute, Hospital in the Home and the Perioperative Services Interest Groups and participated in the Innovations Workshop and the Data Workshop.
	Review and refine existing service agreements with providers.	Implement the Riskman contract and service agreement module and review agreements as part of the implementation.	Completed. Riskman used successfully for contract management.
Access	Implement integrated care approaches across health and community support services to improve access and responses for disadvantaged Victorians.	Review the 2014-15 roll out of the central intake model for all community and home based services to ensure the expected improvements to access have occurred.	Completed and ongoing. Visual Management Boards implemented to monitor key indicators and operational effectiveness. Further roll out to intake to be completed November 2016.
	Progress partnerships with other health services to ensure patients can access treatments as close to where they live when it is safe and effective to so, making the most efficient use of available resources across the system.	Fully implement the cardiac pathway designed with Alfred Health to improve time to intervention for cardiac patients.	Completed.

Domain	Action	Deliverables	Outcomes
Access (continued)	Improve access to mental health and drug and alcohol services by linking in with Aboriginal and Torres Strait Islander organisations and other drug and alcohol service providers.	Monitor utilisation of the inpatient detoxification program by Aboriginal and Torres Strait Islander clients to ensure access to a culturally safe local service is available.	Achieved. Our Aboriginal community are successful users of the service. Staff in this area have undertaken significant cultural safety training and ACCCHO's refer with confidence and support the work of the BRHS team.
	Ensure that policies, procedures and service models are in place to manage and monitor colonoscopy referrals and ensure timely access for patients with an urgent clinical need.	Develop an options paper to explore opportunities to increase colonoscopy services and provide greater access.	Not completed. Postponed.
	Contribute to the provision of additional dental services to achieve the targets, milestones and objectives of the National Partnership on Adult Public Dental Services.	Business Model has been developed to understand efficiency and ensure targets are met. This will be tested.	Completed and ongoing. Efficiency models completed, improvements made.
	Develop Tele-health service models to facilitate the delivery of high quality and equitable specialist services to patients across regional Victoria.	Implement a Tele-health project to provide high acuity support; improved access to specialist services for patients and community and the provision of medical support for the neighbouring Urgent Care Centres.	Completed and ongoing. Being utilised in the Emergency Department for high acuity and retrieval patients. Installed in Omeo District Health and Orbost Regional Health and standard operating procedures and agreements in place.
		Implement the Victorian Stroke Telemedicine service during December 2015 to March 2016.	Completed on time and is in use.

Statement of Priorities Part B

Financial sustainability performance

Key performance indicator	Target	2015-2016 Actuals
Finance		
Annual operating result (\$m)	0.00	0.37
Creditors	< 60 days	59
Debtors	< 60 days	28
Percentage of WIES ⁽¹⁾ (public & private) performance to target	100	101
Asset management		
Basic asset management plan	Full compliance	Compliant

⁽¹⁾ WIES is a Weighted Inlier Equivalent Separation.

Access performance

Key performance indicator	Target	2015-2016 Actuals
Emergency care		
Percentage of ambulance transfers within 40 minutes	90	94
Percentage of Triage Category 1 emergency patients seen immediately	100	100
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended times	80	84
NEAT - Percentage of emergency presentations to physically leave the emergency department for admission to hospital, be referred to another hospital for treatment, or be discharged within four hours	81	78
Number of patients with a length of stay in the emergency department greater than 24 hours	0	1

Safety and quality performance

Key performance indicator	Target	2015-2016 Actuals
Patient experience and outcomes		
Victorian Healthcare Experience Survey	Full compliance	Achieved
Victorian Health Experience Survey- Patient Experience Quarter 1	95% positive experience	93.3% - Not Achieved (July to September result taken from Q2 Monitor)
Victorian Health Experience Survey- Patient Experience Quarter 2	95% positive experience	95.8% - Achieved (October to December result taken from Q3 monitor)
Victorian Health Experience Survey- Patient Experience Quarter 3	95% positive experience	97.2% - Achieved (January to March result taken from Q4 Monitor)
Maternity - Percentage of women with prearranged postnatal home care	100	100

Governance, leadership and culture		
Patient safety culture	80	89
Safety and quality		
Health service accreditation	Full compliance	Compliant
Residential aged care accreditation	Full compliance	Compliant
Cleaning standards (Overall)	Full compliance	Compliant
Cleaning Standards (AQL-A)	90	Achieved
Cleaning Standards (AQL-B)	85	Achieved
Cleaning Standards (AQL-C)	85	Achieved
Submission of data to VICNISS ⁽¹⁾	Full compliance	Compliant
Hand hygiene (rate) – quarter 2	75	86.1
Hand hygiene (rate) – quarter 3	77	84.0
Hand hygiene (rate) – quarter 4	80	87.5
Healthcare worker immunisation - influenza	75	72.3

(1) VICNISS is the Victorian Healthcare Associated Infection Surveillance.

Statement of Priorities Part C

Funding type Acute Admitted	2015-16 Activity Achievement
WIES Public	6,041
WIES Private	1,005
Total PPWIES (Public and Private)	7,046
WIES DVA	318
WIES TAC	26
WIES TOTAL	7,390
Subacute and Non Acute Admitted	
GEM DVA	222
GEM Private	345
GEM Public	1,691
Palliative Care DVA	54
Palliative Care Private	129
Palliative Care Public	926
Rehab DVA	345
Rehab Private	747
Rehab Public	3,383
Aged Care	
Residential Aged Care	32,750
HACC	52,451
Primary Health	
Community Health / Primary Care Programs	1,467

Data sources and definitions

Admitted patient data is sourced from the Victorian Admitted Episode Dataset (VAED), and definitions are in accordance with the standards in the VAED Manual. It is acknowledged that preparation of the data for the above table will be occurring before the final consolidation, and therefore the data published in the Report of Operations will not be final.

Non-admitted patient data is in accordance with the definitions in the Victorian Emergency Minimum Dataset (VEMD) and AIMS manuals. The data published in the Report of Operations may not be final.



ATTESTATION OF DATA INTEGRITY

I, Therese Tierney, certify that the Bairnsdale Regional Health Service has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. Bairnsdale Regional Health Service has critically reviewed these controls and processes during the year.



Therese Tierney
Chief Executive Officer
BRHS
17 August 2016

ATTESTATION FOR COMPLIANCE WITH THE MINISTERIAL STANDING DIRECTION 4.5.5 – RISK MANAGEMENT FRAMEWORK AND PROCESSES

I, Therese Tierney, certify that the Bairnsdale Regional Health Service has partially complied with Ministerial Standing Direction 4.5.5 – Risk Management Framework and Processes. Areas of partial compliance:

- Interagency risks are addressed and the agency contributes to the management of shared risks, as appropriate.
- The agency contributes to the identification and management of State significant risks, as appropriate.

To meet full compliance BRHS will identify the full list of potential agencies meeting this category and create a reciprocal understanding of the risks and actions to be taken to mitigate those risks. This will be completed by June 2017.

The Bairnsdale Regional Health Service Audit & Risk Committee verifies this.



Therese Tierney
Chief Executive Officer
BRHS
17 August 2016

COMPLIANCE WITH DATAVIC ACCESS POLICY

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the information included in this Annual Report will be available at <http://www.data.vic.gov.au> in machine readable format.

ATTESTATION OF COMPLIANCE WITH AUSTRALIA/NEW ZEALAND RISK MANAGEMENT STANDARD

I, Therese Tierney, certify that the BRHS has risk management processes in place consistent with the AS/NZS ISO 31000:2009 (or an equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit and Risk Committee verifies this assurance and that the risk profile of the BRHS has been critically reviewed within the last 12 months.



Therese Tierney
Chief Executive Officer
BRHS
17 August 2016

Bairnsdale Regional Health Service

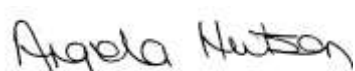
BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE & ACCOUNTING OFFICER'S DECLARATION

The attached financial statements for *Bairnsdale Regional Health Service* have been prepared in accordance with Standing Directions 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 2016 and the financial position of *Bairnsdale Regional Health Service* at 30 June 2016.

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.



Angela Hutson
Board President

Bairnsdale Regional
Health Service

15/09/2016



Therese Tierney
Accountable Officer

Bairnsdale Regional
Health Service

15/09/2016



Tania Donaldson
Chief Finance &
Accounting Officer

Bairnsdale Regional
Health Service

15/09/2016

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Bairnsdale Regional Health Service

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Bairnsdale Regional Health Service which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Members', Accountable Officer's and Chief Finance & Accounting Officer's Declaration.

The Board Members' Responsibility for the Financial Report

The Board Members of the Bairnsdale Regional Health Service are responsible for the preparation and 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, 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 the 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.

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, I and my 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 the Bairnsdale Regional Health Service as at 30 June 2016 and of its financial performance and its 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*.

MELBOURNE
16 September 2016


Dr Peter Frost
Acting Auditor-General

Bairnsdale Regional Health Service
Comprehensive Operating Statement
For the Year Ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Revenue from operating activities	2	79,225	72,557
Revenue from non-operating activities	2	671	887
Employee expenses	3	(44,881)	(43,359)
Non salary labour costs	3	(6,844)	(4,396)
Supplies & consumables	3	(10,700)	(10,179)
Patient Transport	3	(2,643)	(2,366)
Insurance	3	(1,049)	(1,124)
Commercial Activities	3	(5,406)	(4,108)
Other expenses	3	(7,995)	(7,084)
Net result before capital & specific items		379	828
Capital purpose income	2	901	1,060
Depreciation	4	(4,110)	(3,865)
Finance costs	5	(41)	(45)
Net result after capital & specific items		(2,872)	(2,022)
Other economic flows included in net result			
Revaluation of Long service Leave		(12)	-
Total other economic flows included in net result		(12)	-
NET RESULT FOR THE YEAR		(2,883)	(2,022)
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical assets revaluation surplus	16	-	-
Total other comprehensive income		-	-
Comprehensive result		(2,883)	(2,022)

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

Bairnsdale Regional Health Service
Balance Sheet
As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Current assets			
Cash and cash equivalents	6	22,619	24,607
Receivables	7	2,621	2,442
Inventories	8	463	393
Other assets	9	1,478	1,232
Total current assets		27,181	28,675
Non-current assets			
Receivables	7	442	576
Property, plant & equipment	10	46,765	45,501
Total non-current assets		47,206	46,077
TOTAL ASSETS		74,387	74,752
Current liabilities			
Payables	11	3,895	5,882
Borrowings	12	65	61
Provisions	13	9,105	8,502
Other current liabilities	15	10,637	7,464
Total current liabilities		23,701	21,910
Non-current liabilities			
Borrowings	12	602	667
Provisions	13	1,839	1,470
Total non-current liabilities		2,441	2,137
TOTAL LIABILITIES		26,143	24,047
NET ASSETS		48,245	50,705
EQUITY			
Physical assets revaluation surplus	16a	24,218	24,218
Restricted specific purpose surplus	16a	747	381
Contributed capital	16b	21,394	20,971
Accumulated surpluses/(deficits)	16c	1,886	5,135
TOTAL EQUITY		48,245	50,705
Contingent assets and contingent liabilities	20		
Commitments	19		

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

Bairnsdale Regional Health Service
Statement of Changes in Equity
For the Year Ended 30 June 2016

	Note	Physical Assets Revaluation Surplus	Restricted Specific Purpose Surplus	Contributions by Owners	Accumulated Surpluses/ (Deficits)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2014		24,218	315	19,463	7,223	51,219
Net result for the year		-	-	-	(2,022)	(2,022)
Other comprehensive income for the year	16a	-	-	-	-	-
Transfer to accumulated surplus	16c	-	66	-	(66)	-
Transfer to / returned from contributed capital	16b	-	-	1,508	-	1,508
Balance at 30 June 2015		24,218	381	20,971	5,135	50,705
Net result for the year		-	-	-	(2,883)	(2,883)
Other comprehensive income for the year	16a	-	-	-	-	-
Transfer to accumulated surplus	16c	-	366	-	(366)	-
Transfer to / returned from contributed capital	16b	-	-	423	-	423
Balance at 30 June 2016		24,218	747	21,394	1,886	48,245

This Statement should be read in conjunction with the accompanying notes

Bairnsdale Regional Health Service
Cash Flow Statement
For the Year Ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants from government		59,537	55,693
Capital grants from government		524	1,112
Patient and resident fees received		15,555	13,270
Donations and bequests received		343	405
GST received from/(paid to) ATO		(25)	(150)
Interest received		671	887
Capital donations and bequests received		402	114
Other capital receipts		-	33
Other receipts		2,204	2,789
Total receipts		79,212	74,153
Employee expenses paid		(46,346)	(45,965)
Non salary labour costs		(6,985)	(4,417)
Payments for supplies & consumables		(12,675)	(11,606)
Finance costs		(41)	(45)
Other payments		(13,289)	(10,055)
Total payments		(79,336)	(72,087)
NET CASH FLOW FROM OPERATING ACTIVITIES	17	(123)	2,066
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(5,474)	(4,715)
Proceeds from sale of non-financial assets		75	166
NET CASH FLOW USED IN INVESTING ACTIVITIES		(5,399)	(4,548)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(61)	(58)
Contributed capital from government		423	1,508
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		362	1,450
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		(5,161)	(1,032)
Cash and cash equivalents at beginning of financial year		17,143	18,175
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6	11,982	17,143

This Statement should be read in conjunction with the accompanying notes

Note 1: Summary of Significant Accounting Policies

These annual financial statements represent the audited general purpose financial statements for Bairnsdale Regional Health Service for the period ending 30 June 2016. This report provides 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 Bairnsdale Regional Health Service on 15 September 2016.

(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 is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016, and the comparative information presented in these financial statements for the year ended 30 June 2015.

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 for:

- non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made and are re-assessed when new indices are published by the Valuer General 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.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities 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.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

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

Consistent with AASB 13 *Fair Value Measurement*, Bairnsdale Regional Health Service determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments, and non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant FRDs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosure, Bairnsdale Regional Health Service has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Bairnsdale Regional Health Service determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Bairnsdale Regional Health Service's independent valuation agency.

Bairnsdale Regional Health Service, in conjunction with VGV monitors the changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

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 adjustment in the subsequent reporting period, relate to:

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

(c) Reporting entity

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

Its principal address is:

122 Day Street
Bairnsdale
Victoria 3875.

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

Objectives and funding

Bairnsdale Regional Health Service's overall objective is to be a respected leader of outstanding health care, and to improve the health and wellbeing of the East Gippsland community by providing accessible, high quality and sustainable health care.

Bairnsdale Regional Health Service is predominantly funded by accrual based grant funding for the provision of outputs.

(d) Principles of consolidation

Intersegment Transactions

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

Jointly controlled assets or operations

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

(e) Scope and presentation of financial statements

Fund Accounting

Bairnsdale Regional Health Service operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Bairnsdale Regional 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 Department of Health and Human Services, include Residential Aged Care Services (RACS) and are also funded from other sources such as the Commonwealth, patients and residents, while *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 Bairnsdale Regional Health Service Residential Aged Care operations are an integral part of Bairnsdale Regional Health Service and share its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 21 to the financial statements.

Bairnsdale Regional Health Service Residential Aged Care is substantially funded from Commonwealth bed-day subsidies and resident fees.

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 Bairnsdale Regional 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 so as to facilitate the comparability and consistence of results between years and Victorian Public Health Services. The 'Net Result Before Capital & Specific Items' is used by the management of Bairnsdale Regional Health Service, the Department of Health and Human Services 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 packages
 - Write-down of inventories
 - Non-current asset revaluation increments/decrements
 - Diminution/impairment of investments
 - Restructuring of operations (disaggregation/aggregation of Health Services)
 - Litigation settlements
 - Non-current assets lost or found
 - Forgiveness of loans

- Reversals of provisions
- Voluntary changes in accounting policies (which are not required by an accounting standard or other authoritative pronouncement of the Australian Accounting Standards Board)
- ❖ impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), which have been recognised in accordance with Note 1 (i)
- ❖ 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 doesn't 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.

Other economic flows are changes arising from market re-measurements. They include:

- gains and losses from disposals of non-financial assets;
- revaluations and impairments of non-financial physical and intangible assets;
- re-measurement arising from defined benefit superannuation plans; and
- fair value changes of financial instruments.

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 12 months after reporting period) and are disclosed in the notes where relevant.

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*.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current borrowings in the balance sheet.

Rounding

All amounts shown in the financial statements are expressed to the nearest \$1,000 unless otherwise stated.

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 the economic benefits will flow to Bairnsdale Regional Health Service and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and 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 in advance 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 and Human Services

- Insurance is recognised as revenue following advice from the Department of Health and Human Services.
- 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 2014-15)

Patient and resident Fees

Patient fees are recognised as revenue at the time invoices are raised.

Private practice Fees

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

Revenue from commercial activities

Revenue from commercial activities such as diagnostic imaging is recognised at the time invoices are raised.

Donations and other bequests

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

Interest revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset, which allocates interest over the relevant period.

Sale of investments

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 services would have been purchased if not received as a donation

Other income

Other income includes non-property rental, dividends, forgiveness of liabilities, and bad debt reversals.

(g) Expenses recognition

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

Cost of goods sold

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

Employee expenses

Employee expenses include:

- wages and salaries;
- fringe benefits tax;
- sick leave;
- leave entitlements;
- termination payments;
- workcover premiums; 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 Bairnsdale Regional Health Service are entitled to receive superannuation benefits and Bairnsdale Regional 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 Bairnsdale Regional 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. exclude land, assets held for sale, and investment

properties). 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 a manner intended by management.

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset's useful life. Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives, residual value 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 and Human Services. Assets with a cost in excess of \$1,000 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.

	2016	2015
Buildings		
- Structure Shell Building Fabric	38 to 50 years	38 to 50 years
- Site Engineering Services and Central Plant	23 to 45 years	23 to 45 years
Central Plant		
- Fit Out		
- Trunk Reticulated Building Systems		
Plant & Equipment	10 years	10 years
Medical Equipment	5 to 10 years	5 to 10 years
Computers and Communication	4 years	4 years
Furniture and Fittings	10 to 14 years	10 to 14 years
Motor Vehicles	8 years	8 years

As part of the buildings valuation, building values were separated into components and each component assessed for its useful life which is represented above.

Finance Costs

Finance costs are recognised as expenses in the period in which they are incurred.

Finance costs include:

- interest on bank overdrafts and short-term and long-term borrowings (interest expense is recognised in the period in which it is incurred);
- amortisation of discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance charges in respect of finance leases recognised in accordance with AASB 117 Leases.

Grants and other transfers

Grants and other transfer to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies and personal benefit payments made in cash to individuals.

Other operating expenses

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

Supplies and consumables

Supplies and consumables costs 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 (j) Impairment of financial assets.

Fair value of assets, services and resources provided free of charge or for nominal consideration

Contribution 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 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 services would have been purchased if not donated.

Borrowing costs of qualifying assets

In accordance with the paragraphs of AASB 123 *Borrowing Costs* applicable to not-for-profit public sector entities, the Health Service continues to recognise borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset.

(h) Other economic flows included in net result

Other economic flows are the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/ (loss) on non-financial assets

Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Revaluation gains/ (losses) of non-financial physical assets

Refer to Note 1 (j) Revaluations of non-financial physical assets.

Net gain/ (loss) on disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is the difference between the proceeds and the carrying value of the asset at the time.

Net gain/ (loss) on financial instruments

Net gain/ (loss) on financial instruments includes:

- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 1 (j)); and

Revaluations of financial instruments at fair value

- Refer to Note 1 (i) Financial instruments

Share of net profits/ (losses) of associates and jointly controlled entities, excluding dividends.

Refer to Note 1 (d) *Basis of consolidation*.

Other gains/ (losses) from other comprehensive income

Other gains/ (losses) include:

- a. The revaluation of the present value of the long service leave liability due to changes in the bond interest rates, this will also include the impact of changes related to the impact of moving from 2004 long service leave model to the 2008 long service leave model; and
- b. transfer of amounts from the reserves to accumulated surplus or net result due to disposal or de-recognition or reclassification.

(i) 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 Bairnsdale Regional 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 (j)), 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 or loss.

(j) Assets

Cash and Cash Equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments (with an original maturity of 3 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.

Receivables

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables; 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.

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 and bad debts are written off when identified.

Investments and other financial assets

Hospital investments must be in accordance in Standing Direction 4.5.6 – Treasury Risk Management. 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
- available-for-sale financial assets.

The Bairnsdale Regional 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.

Bairnsdale Regional 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 includes land held for sale and excludes depreciable assets.

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

Inventories acquired for no cost or nominal consideration are measured at current replacement cost at the date of acquisition.

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost is assigned to land for sale (undeveloped, under development and developed) and to other high value, low volume inventory items on a specific identification of cost basis.

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. Assets transferred as a part of a merger/machinery of government are transferred at their carrying amount.

More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 10 *Property, plant and equipment*.

Crown land is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

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

Plant, equipment and vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and accumulated impairment loss. 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 103F 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 increments are recognised in 'other comprehensive income' and are credited directly in equity to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation surplus is not transferred to accumulated funds on de-recognition of the relevant asset.

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

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. Refer to Note 1(h).

Impairment of non-financial assets

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

- inventories;
- 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 debited to 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.

It is deemed that, 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 less costs of disposal. 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 costs of disposal.

Investments in joint operations

In respect of any interest in joint operations, Bairnsdale Regional Health Service recognises in the financial statements:

- its assets, including its share of any assets held jointly;
- any liabilities including its share of liabilities that it had incurred;
- its revenue from the sale of its share of the output from the joint operation;
- its share of the revenue from the sale of the output by the operation; and
- its expenses, including its share of any expenses incurred jointly.

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; or
- the Health Service has transferred its rights to receive cash flows from the asset and either:
 - a) has transferred substantially all the risks and rewards of the asset; or
 - b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred the control of the asset.

Where the Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Health Service's continuing involvement in the asset.

Impairment of financial assets

At the end of each reporting period Bairnsdale Regional Health Service assesses whether there is objective evidence that a financial asset or group of financial asset is impaired. All financial instruments 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 allowance for doubtful receivables are expensed. Bad debt 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.

Where the fair value of an investment in an equity instrument at balance date has reduced by 20 per cent or more than its cost price or where its fair value has been less than its cost price for a period of 12 or more months, the financial asset is treated as impaired.

In order to determine an appropriate fair value as at 30 June 2016 for its portfolio of financial assets, Bairnsdale Regional Health Service obtained a valuation based on the best available advice using

an estimated valuation method through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2016. These methodologies were critiqued and considered to be consistent with standard market valuation techniques.

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*.

Net gain/ (loss) on financial instruments

Net gain/ (loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading;
- impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets and de-recognition of financial liabilities.

Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets.

(k) 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 purchase of those goods and services. The normal credit terms for accounts payable are usually Nett 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.

Borrowings

Borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs (refer also to note 1 (l) Leases). The measurement basis subsequent to initial recognition depends on whether the Health Service has categorised its borrowings as either, financial liabilities designated at fair value through profit or loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the borrowing. The Health Service determines the classification of its borrowing at initial recognition.

Provisions

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

Wages and salaries, annual leave, sick leave and accrued days off

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulating sick leave are all recognised in the provision for employee benefits as 'current liabilities', because the health service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- Undiscounted value – if the health service expects to wholly settle within 12 months; or
- Present value – if the health service does not expect to wholly settle within 12 months.

Long service leave (LSL)

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL 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:

- Undiscounted value – if the health service expects to wholly settle within 12 months; and
- Present value – if the health service does not expect to wholly settle within 12 months.

Conditional LSL 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. This non-current LSL liability is measured at present value.

Any gain or loss followed revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

The health service recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

On-costs related to employee expenses

Provisions for on-costs, such as payroll tax, workers compensation and superannuation are recognised together with provisions for employee benefits.

Superannuation liabilities

Bairnsdale Regional 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.

(l) 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.

For service concession arrangements, the commencement of the lease term is deemed to be the date the asset is commissioned.

All other leases are classified as operating leases.

Operating leases – entity as lessee

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.

(m) Equity**Contributed capital**

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119A *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.

Transfers of net assets arising from administration restructurings are treated as contributions by owners. Transfers of net liabilities arising from administration restructures are to go through the comprehensive operating statement.

Property, plant & equipment revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current physical assets.

Specific restricted purpose surplus

A specific restricted purpose reserve 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.

(n) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer note 19) 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.

(o) 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.

(p) 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 it 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 an operating cash flow.

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

(q) Events after the reporting period

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Health Service and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period.

Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and the date when the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

(r) AASs issued that are not yet effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2016 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 30 June 2016, 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. Bairnsdale Regional 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 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	<p>The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss.</p> <p>While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</p>
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	<p>The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows:</p> <ul style="list-style-type: none"> • The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and • Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. 	1 Jan 2018	<p>The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals.</p> <p>Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI).</p> <p>Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge.</p> <p>For entities with significant lending activities, an overhaul of related systems and processes may be needed.</p>
AASB 14 <i>Regulatory Deferral Accounts</i> ²	AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in	1 Jan 2016	The assessment has indicated that there is no expected impact, as those that conduct rate-regulated activities have already adopted Australian Accounting Standards.

	accordance with their previous GAAP.		
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2018	<p>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.</p> <p>A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening retained earnings if there are no former performance obligations outstanding.</p>
AASB 2014-1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i>	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2014-4 <i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation</i> [AASB 116 & AASB 138]	Amends AASB 116 <i>Property, Plant and Equipment</i> and AASB 138 <i>Intangible Assets</i> to: <ul style="list-style-type: none"> establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; prohibit the use of revenue-based methods to 	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.

	calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.		
AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i>	Amends the measurement of trade receivables and the recognition of dividends. Trade receivables that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: <ul style="list-style-type: none"> the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount can be measured reliably. 	1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2015-8 <i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i>	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 Jan 2018	This amending standard will defer the application period of AASB 15 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 <i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i>	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: <ul style="list-style-type: none"> A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; For items purchased online, the entity is a principal if it obtains control of the good 	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified in AASB 15.

	<p>or service prior to transferring to the customer; and</p> <ul style="list-style-type: none"> For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 		
<p>AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</p>	<p>Amends AASB 127 <i>Separate Financial Statements</i> to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.</p>	1 Jan 2016	<p>The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRD 113A.</p>
<p>AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128]</p>	<p>AASB 2014-10 amends AASB 10 <i>Consolidated Financial Statements</i> and AASB 128 <i>Investments in Associates</i> to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that:</p> <ul style="list-style-type: none"> a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. 	1 Jan 2016	<p>The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.</p>
<p>AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1,</p>	<p>Amends the methods of disposal in AASB 5 Non-current assets held for sale and discontinued operations. Amends AASB 7 Financial Instruments by including further guidance on servicing contracts.</p>	1 Jan 2016	<p>The assessment has indicated that when an asset (or disposal group) is reclassified from 'held to sale' to 'held for distribution', or vice versa, the asset does not have to be reinstated in the financial statements.</p> <p>Entities will be required to</p>

AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]			disclose all types of continuing involvement the entity still has when transferring a financial asset to a third party under conditions which allow it to derecognise the asset.
AASB 2015-6 <i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i> [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 <i>Related Party Disclosures</i> to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.
AASB 2016-4 <i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i>	The standard amends AASB 136 <i>Impairment of Assets</i> to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 Jan 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 <i>Fair Value Measurement</i> is the same as the depreciated replacement cost concept under AASB 136.
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 Jan 2019	The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase. Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement. No change for lessors.

(s) Category Groups

Bairnsdale Regional 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 acute and subacute admitted patient services, where services are delivered in public hospitals.

Non Admitted Services comprises acute and subacute non admitted services, where services are delivered in public hospital clinics and provide models of integrated community care, which significantly reduces the demand for hospital beds and supports the transition from hospital to home in a safe and timely manner.

Emergency Department Services (ED) comprises all emergency department services.

Aged Care comprises a range of in home, specialist geriatric, residential care and community based programs and support services, such as Home and Community Care (HACC) that are targeted to older people, people with a disability, and their carers.

Primary, Community and Dental Health comprises a range of home based, community based, community, primary health and dental services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy and a range of dental health services.

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 the department 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 and secure extended care units.

Other Services not reported elsewhere - (Other) comprises services not separately classified above, including: laboratory testing, blood borne viruses / sexually transmitted infections clinical services, Kooris liaison officers, immunisation and screening services, drugs services including drug withdrawal, counselling and the needle and syringe program, 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 falls in this category group.

Note 2: Analysis of Revenue by Source

	Admitted Patients 2016 \$'000	Non-Admitted 2016 \$'000	ED 2016 \$'000	RAC 2016 \$'000	Aged Care 2016 \$'000	Primary Health 2016 \$'000	Other 2016 \$'000	Total 2016 \$'000
Government Grants	47,407	3,518	4,738	6,087	2,105	202	1,111	65,168
Indirect contributions by Department of Health & Human Services	(89)	-	-	-	-	-	-	(89)
Patient & Resident Fees	2,180	771	64	2,081	360	7	70	5,532
Commercial Activities	-	-	-	-	-	-	5,160	5,160
Other Revenue from Operating Activities	2,361	48	107	350	245	125	218	3,453
Total Revenue from Operating Activities	51,859	4,337	4,908	8,518	2,710	334	6,559	79,225
Interest	377	-	-	295	-	-	-	671
Total Revenue from Non-Operating Activities	377	-	-	295	-	-	-	671
Capital Purpose Income	-	-	-	-	-	-	901	901
Total Capital Purpose Income	-	-	-	-	-	-	901	901
Total Revenue	52,235	4,337	4,908	8,813	2,710	334	7,460	80,797

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.

Note 2: Analysis of revenue by source (continued)

	Admitted Patients 2015 \$'000	Non-Admitted 2015 \$'000	ED 2015 \$'000	RAC 2015 \$'000	Aged Care 2015 \$'000	Primary Health 2015 \$'000	Other 2015 \$'000	Total 2015 \$'000
Government Grants	43,883	3,466	4,022	5,029	2,160	198	1,415	60,174
Indirect contributions by Department of Health & Human Services	193	-	-	-	-	-	-	193
Patient & Resident Fees	2,148	785	50	1,990	356	7	98	5,435
Commercial Activities	-	-	-	-	-	-	4,307	4,307
Other Revenue from Operating Activities	957	78	165	576	193	133	345	2,448
Total Revenue from Operating Activities	47,182	4,328	4,238	7,595	2,710	338	6,166	72,557
Interest	596	-	-	291	-	-	-	887
Total Revenue from Non-Operating Activities	596	-	-	291	-	-	-	887
Capital Purpose Income	-	-	-	-	-	-	1,060	1,060
Total Capital Purpose Income	-	-	-	-	-	-	1,060	1,060
Total Revenue	47,778	4,328	4,238	7,886	2,710	338	7,226	74,504

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.

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

	2016 \$'000	2015 \$'000
Proceeds from Disposals of Non-Current Assets		
Plant & Equipment	-	-
Medical Equipment	40	40
Motor Vehicles	35	126
Computers & Communication	-	-
Total Proceeds from Disposal of Non-Current Assets	75	166
Less: Written Down Value of Non-Current Assets Sold		
Buildings	-	-
Plant & Equipment	3	9
Medical Equipment	23	117
Motor Vehicles	49	144
Computers & Communication	2	1
Furniture & Fittings	23	94
Total Written Down Value of Non-Current Assets Sold	100	364
Net Loss on Disposal of Non-Financial Assets	(25)	(198)

Note 2b: Assets Received Free of Charge or For Nominal Consideration

	2016 \$'000	2015 \$'000
During the reporting period, the fair value of assets received free of charge, was as follows:		
Plant and Equipment - Public Donations	-	5
TOTAL	-	5

Note 3: Analysis of Expenses by Source

	Admitted Patients 2016 \$'000	Non-Admitted 2016 \$'000	ED 2016 \$'000	RAC 2016 \$'000	Aged Care 2016 \$'000	Primary Health 2016 \$'000	Other 2016 \$'000	Total 2016 \$'000
Employee Expenses	24,451	2,038	5,783	8,528	2,613	374	1,095	44,881
Non Salary Labour Costs	4,968	22	1,431	399	-	0	25	6,844
Supplies & Consumables	6,884	329	2,236	845	89	6	310	10,700
Patient Transport	1,172	4	1,466	-	-	-	-	2,643
Insurance	1,047	-	-	-	-	-	2	1,049
Commercial Activities	-	-	-	-	-	-	5,406	5,406
Other Expenses	6,768	66	321	415	321	55	49	7,995
Total Expenditure from Operating Activities	45,289	2,459	11,238	10,187	3,024	435	6,887	79,518
Depreciation & Amortisation (refer note 4)	-	-	-	-	-	-	4,110	4,110
Finance Costs (refer note 5)	-	-	-	-	-	-	41	41
Total Other Expenses	-	-	-	-	-	-	4,151	4,151
Total Expenses	45,289	2,459	11,238	10,187	3,024	435	11,038	83,669

Note 3: Analysis of expenses by source (continued)

	Admitted Patients 2015 \$'000	Non- Admitted 2015 \$'000	ED 2015 \$'000	RAC 2015 \$'000	Aged Care 2015 \$'000	Primary Health 2015 \$'000	Other 2015 \$'000	Total 2015 \$'000
Employee Expenses	23,496	1,544	5,836	8,287	2,468	323	1,406	43,359
Non Salary Labour Costs	4,000	27	194	154	-	0	20	4,396
Supplies & Consumables	6,610	324	1,945	767	102	5	426	10,179
Patient Transport	1,124	-	1,239	-	-	-	3	2,366
Insurance	1,124	-	-	-	-	-	-	1,124
Commercial Activities	-	-	-	-	-	-	4,108	4,108
Other Expenses	5,731	43	194	611	379	50	76	7,084
Total Expenditure from Operating Activities	42,085	1,938	9,408	9,818	2,950	379	6,039	72,616
Depreciation & Amortisation (refer note 4)	-	-	-	-	-	-	3,865	3,865
Finance Costs (refer note 5)	-	-	-	-	-	-	45	45
Total Other Expenses	-	-	-	-	-	-	3,910	3,910
Total Expenses	42,085	1,938	9,408	9,818	2,950	379	9,949	76,525

Note 3a: Analysis of Expense and Revenue by Internally Managed and Restricted Specific Purpose Funds for Services Supported by Hospital and Community Initiatives

	Expense		Revenue	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Commercial Activities				
Diagnostic Imaging	4,563	3,583	4,815	3,990
Cafeteria	248	172	190	176
Central Business District	299	55	18	4
Donations SPFI	5	8	14	19
Private Consulting Suites	292	290	123	118
TOTAL	5,406	4,108	5,160	4,307

Note 4: Depreciation and Amortisation

	2016 \$'000	2015 \$'000
Depreciation		
Buildings	2,666	2,707
Plant & Equipment	223	188
Medical Equipment	792	675
Motor Vehicles	93	94
Computers & Communication	276	150
Furniture & Fittings	60	51
Total Depreciation	4,110	3,865

Note 5: Finance Costs

	2016 \$'000	2015 \$'000
Interest on Long Term Borrowings	41	45
Total Finance Costs	41	45

Note 6: 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, net of outstanding bank overdrafts.

	2016 \$'000	2015 \$'000
Cash on hand	7	7
Cash at bank	1,321	1,856
Term Deposits	21,000	19,000
Deposits at Call	290	3,745
Total Cash and Cash Equivalents	22,619	24,607
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	11,982	17,143
Cash for Monies Held in Trust		
- Cash at Bank	353	188
- Term Deposits	10,284	7,277
- Deposits at Call	-	-
Total Cash for Monies Held in Trust	10,637	7,464
Total Cash and Cash Equivalents	22,619	24,607

Note 7: Receivables

	2016 \$'000	2015 \$'000
CURRENT		
Contractual		
Trade Debtors	398	371
Patient Fees	757	788
Accrued Investment Income	66	52
Accrued Revenue	316	95
Less: Allowance for Doubtful Debts		
Trade Debtors	(1)	(2)
Patient Fees	(20)	(38)
	1,516	1,266
Statutory		
GST Receivable	409	379
Accrued Revenue - Department of Health & Human Services	697	798
	1,106	1,176
TOTAL CURRENT RECEIVABLES	2,621	2,442
NON CURRENT		
Statutory		
Long Service Leave - Department of Health & Human Services	442	576
TOTAL NON-CURRENT RECEIVABLES	442	576
TOTAL RECEIVABLES	3,063	3,018

(a) Movement in the Allowance for doubtful debts

	2016 \$'000	2015 \$'000
Balance at beginning of year	40	12
(Decrease)/Increase in allowance recognised in net result	(19)	28
Balance at end of year	21	40

(b) Ageing analysis of receivables

Please refer to note 18(b) for the ageing analysis of contractual receivables

(c) Nature and extent of risk arising from receivables

Please refer to note 18(b) for the nature and extent of credit risk arising from contractual receivables

Note 8: Inventories

	2016 \$'000	2015 \$'000
Pharmaceuticals		
At cost	285	235
Medical and Surgical Lines		
At cost	178	158
TOTAL INVENTORIES	463	393

Note 9: Other Assets

CURRENT

Prepayments
GHA Other Current Assets (refer Note 22)
Rental Property Bonds Paid

TOTAL OTHER ASSETS

2016 \$'000	2015 \$'000
1,375	1,132
96	93
8	8
1,478	1,232

Note 10: Property, Plant & Equipment

(a) Gross carrying amount and accumulated depreciation

Land

Land at Fair Value
Crown Land - Other at Fair Value

Total Land

Buildings

Buildings Under Construction at cost

Buildings at Fair Value
Less Acc'd Depreciation

Total Buildings

Plant and Equipment

Plant and Equipment at Fair Value
Less Acc'd Depreciation

Total Plant and Equipment

Medical Equipment

Medical Equipment at Fair Value
Less Acc'd Depreciation

Total Medical Equipment

Motor Vehicles

Motor Vehicles at Fair Value
Less Acc'd Depreciation

Total Motor Vehicles

Computers & Communication

Computers & Communication at Fair Value
Less Acc'd Depreciation

Total Computers & Communication

Furniture & Fittings

Furniture & Fittings at Fair Value
Less Acc'd Depreciation

Total Furniture & Fittings

TOTAL PROPERTY, PLANT & EQUIPMENT

2016 \$'000	2015 \$'000
2,677	2,677
590	590
3,267	3,267
217	2,703
40,577	36,030
5,373	2,707
35,421	36,025
3,347	2,809
1,781	1,592
1,566	1,217
8,169	7,193
4,479	4,200
3,690	2,993
894	834
357	285
537	549
2,597	2,012
1,206	1,059
1,391	953
1,148	721
255	224
893	497
46,765	45,501

Note 10: Property, plant & equipment (continued)

(b) Reconciliations of the carrying amounts of each class of asset

	Land	Buildings	Plant & Equipment	Medical Equipment	Motor Vehicles	Computers	Furniture & Fittings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2014	3,267	36,119	1,082	2,744	544	803	456	45,016
Additions	-	2,613	332	1,039	244	300	187	4,715
Disposals	-	-	(9)	(117)	(144)	(1)	(94)	(364)
Revaluation Increments	-	-	-	-	-	-	-	-
Depreciation and Amortisation (note 4)	-	(2,707)	(188)	(675)	(94)	(150)	(51)	(3,865)
Balance at 1 July 2015	3,267	36,025	1,217	2,993	549	953	497	45,501
Additions	-	2,062	575	1,512	131	716	479	5,474
Disposals	-	-	(3)	(23)	(49)	(2)	(23)	(100)
Revaluation Increments	-	-	-	-	-	-	-	-
Depreciation and Amortisation (note 4)	-	(2,666)	(223)	(792)	(93)	(276)	(60)	(4,110)
Balance at 30 June 2016	3,267	35,421	1,566	3,690	537	1,391	893	46,765

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by 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 is 30 June 2014.

Note 10: Property, plant & equipment (continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2016

	Carrying amount as at 30 June 2016	Fair value measurement at end of reporting period using:		
		Level 1 ⁽¹⁾	Level 2 ⁽¹⁾	Level 3 ⁽¹⁾
Land at fair value				
Non-specialised land	3,267		3,267	-
Specialised land				-
Total of land at fair value	3,267	-	3,267	-
Buildings at fair value				
Non-specialised buildings	4,547		4,547	
Specialised buildings	30,874			30,874
Total of building at fair value	35,421	-	4,547	30,874
Plant and equipment at fair value				
Plant equipment and vehicles at fair value				
- Vehicles	537		537	
- Furniture & fittings	893		893	
- Computers & communication	1,391		1,391	
- Plant and equipment	1,566		1,566	
Total of plant, equipment and vehicles at fair value	4,386	-	4,386	-
Medical equipment at fair value				
Total medical equipment at fair value	3,690	-	3,690	-
	46,765	-	15,891	30,874

Note

¹. Classified in accordance with the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - quoted (unadjusted) mark prices in active market for identical assets;

Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There have been no transfers between levels during the period.

Note 10: Property, plant & equipment (continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2015

	Carrying amount as at 30 June 2015	Fair value measurement at end of reporting period using:		
		Level 1 ⁽¹⁾	Level 2 ⁽¹⁾	Level 3 ⁽¹⁾
Land at fair value				
Non-specialised land	2,677		2,677	
Specialised land	590			590
Total of land at fair value	3,267	-	2,677	590
Buildings at fair value				
Non-specialised buildings	5,147		5,147	
Specialised buildings	30,878			30,878
Total of building at fair value	36,025	-	5,147	30,878
Plant and equipment at fair value				
Plant equipment and vehicles at fair value				
- Vehicles	549		549	
- Furniture & fittings	497		497	
- Computers & communication	953		953	
- Plant and equipment	1,217		1,217	
Total of plant, equipment and vehicles at fair value	3,216	-	3,216	-
Medical equipment at fair value				
Total medical equipment at fair value	2,993	-	2,993	-
	45,501	-	14,032	31,468

Note

1. Classified in accordance with the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - quoted (unadjusted) mark prices in active market for identical assets;

Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There have been no transfers between levels during the period.

Note 10: Property, plant & equipment (continued)

Non-specialised land and non-specialised building

Non-specialised land and non-specialised building are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by independent valuers (Opteon) to determine the fair value using the market approach.

Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised building do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised land and specialised building

The market approach is also used for specialised land and specialised building although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued.

Specialised assets contain significant, unobserved adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For health services, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobserved inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Health Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2014.

Vehicles

The Health Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Health Service who set relevant depreciation rates during use of the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the period to 30 June 2016.

For all assets measured at fair value, the current use is considered the highest and best use.

Note 10: Property, plant & equipment (continued)

(d) Reconciliation of Level 3 fair value

30 June 2016	Land	Buildings
Opening Balance	590	30,878
Purchases		2,496
Gains or losses recognised in net result		
- Depreciation	-	(2,501)
Subtotal	590	30,874
Items recognised in other comprehensive income		
- Revaluation	-	-
Subtotal	-	-
Closing Balance	590	30,874

There have been no transfers between levels during the period.

Note 10: Property, plant & equipment (continued)

(e) Description of significant unobservable inputs to Level 3 valuations:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised land Crown Land - 54 Moroney St & 38 McKean St	Market approach	Community Service Obligation (CSO) adjustment	50 - 70% (60%) (i)	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised buildings 122 Day Street Main Hospital Building 121-125 McKean Street Maddocks Garden	Depreciated replacement cost	Direct cost per square metre Useful life of specialised buildings	\$1,000 - \$1,500/m2 (\$1,300) 30 - 60 years (45 years)	A significant increase or decrease in direct cost per square meter adjustment would result in a significantly higher or lower fair value A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

(i) CSO adjustments ranging from 50% to 70% were applied to reduce the market approach value for the Department's specialised land, with the weighted average 60% reduction applied.

Note 11: Payables

	2016 \$'000	2015 \$'000
CURRENT		
Contractual		
Trade Creditors ⁽ⁱ⁾	2,659	4,006
Accrued Expenses	1,112	1,508
Salary Packaging	16	16
PPI Medical Payable	4	4
Income in Advance	66	120
Consultants Payable	7	1
	3,863	5,655
Statutory		
GST Payable	21	15
Department of Health and Human Services	12	212
	33	227
TOTAL CURRENT	3,895	5,882
TOTAL PAYABLES	3,895	5,882

(i) The average credit period is 60 days. No interest is charged on the other payables.

(a) Maturity analysis of payables

Please refer to Note 18(c) for the ageing analysis of contractual payables

(b) Nature and extent of risk arising from payables

Please refer to note 18(c) for the nature and extent of risks arising from contractual payables

Note 12: Borrowings

	2016 \$'000	2015 \$'000
CURRENT		
Australian Dollar Borrowings		
– TCV Loan	65	61
Total Current	65	61
NON CURRENT		
Australian Dollar Borrowings		
– TCV Loan	602	667
Total Non-Current	602	667
Total Borrowings	667	728

The loan is unsecured with a fixed rate of 5.88% over a total period of 20 years, ending in September 2024.

Finance costs of the Health Service incurred during the year are accounted for as follows:

Amount of finance costs recognised as expenses	41	45
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(a) Maturity analysis of payables

Please refer to note 18(c) for the ageing analysis of borrowings

(b) Nature and extent of risk arising from borrowings

Please refer to note 18(c) for the nature and extent of risks arising from borrowings

(c) Defaults and breaches

During the current and prior year, there were no defaults and breaches of any of the borrowings

Note 13: Provisions

	2016 \$'000	2015 \$'000
Current Provisions		
Employee Benefits (i)		
Annual Leave		
- Unconditional and expected to be settled within 12 months (ii)	3,321	3,138
- Unconditional and expected to be settled after 12 months (ii)	-	-
Long Service Leave		
- Unconditional and expected to be settled within 12 months (ii)	520	565
- Unconditional and expected to be settled after 12 months (ii)	3,562	3,661
Other		
- Accrued Wages	789	233
- Accrued Day Off	99	95
	8,290	7,692
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled within 12 months (ii)	422	407
- Unconditional and expected to be settled after 12 months (ii)	392	403
	814	810
Total Current Provisions	9,105	8,502
Non-Current Provisions		
Employee Benefits (i)	1,657	1,324
Provisions related to Employee Benefit On-Costs	182	146
Total Non-Current Provisions	1,839	1,470
Total Provisions	10,944	9,972
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and related on-costs		
Unconditional LSL Entitlement	4,081	4,226
Annual Leave Entitlements	3,321	3,138
Accrued Wages and Salaries	789	233
Accrued Days Off	99	95
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements	1,657	1,324
Total Employee Benefits	9,947	9,017
On-Costs		
Current On-Costs	814	810
Non-Current On-Costs	182	146
Total On-Costs	997	956
Total Employee Benefits and Related On-Costs	10,944	9,972

Notes:

(i) Provision for employee benefits consists of amounts for annual leave and long service leave accrued by employees. On-costs such as payroll tax and worker's compensation insurance are not employee benefits and are reflected as a separate provision.

(ii) The amounts disclosed are at present values.

	2016 \$'000	2015 \$'000
(b) Movements in provisions		
Movement in Long Service Leave:		
Balance at start of year	6,161	5,573
Provision made during the year		
- Revaluations	18	35
- Expense recognising Employee Service	787	1,113
Settlement made during the year	(597)	(560)
Balance at end of year	6,369	6,161

Note 14: Superannuation

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

The Health Service does not recognise any defined benefit liability in respect of the plans 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 administered items.

However superannuation contributions paid or payable for the reporting period 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 Services are as follows:

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(i) Defined benefit plans:				
First State Super	66	68	-	-
Defined contribution plans:				
First State Super	2,604	2,477	-	-
H.E.S.T. Australia Ltd	1,150	1,091	-	-
Total	3,821	3,637	-	-

Note 15: Other Liabilities

	2016 \$'000	2015 \$'000
CURRENT		
Monies Held in Trust		
- Resident Monies Held in Trust	753	588
- Accommodation Deposits	9,884	6,877
Total Other Liabilities	10,637	7,464
Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer to Note 6)	10,637	7,464
TOTAL	10,637	7,464

Note 16: Equity

(a) Surpluses

Physical Assets Revaluation Surplus

Balance at the beginning of the reporting period

Revaluation Increments

- Land

- Buildings

Balance at the end of the reporting period*

* Represented by:

- Land

- Buildings

Restricted Specific Purpose Surplus

Balance at the beginning of the reporting period

Transfer to and from Restricted Specific Purpose Surplus

- Medical Fund

- Donations

Balance at the end of the reporting period

Total Surpluses

(b) Contributed Capital

Balance at the beginning of the reporting period

Capital Contribution received from Victorian Government

Balance at the end of the reporting period

(c) Accumulated Surpluses/(Deficits)

Balance at the beginning of the reporting period

Net Result for the Year

Transfers to and from Surplus

Balance at the end of the reporting period

Total Equity at end of financial year

2016 \$'000	2015 \$'000
24,218	24,218
-	-
-	-
24,218	24,218
1,987	1,987
22,231	22,231
24,218	24,218
381	315
5	10
360	56
747	381
24,965	24,599
20,971	19,463
423	1,508
21,394	20,971
5,135	7,223
(2,883)	(2,022)
(366)	(66)
1,886	5,135
48,245	50,705

Note 17: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

Net result for the period

Non-cash movements:

Depreciation and amortisation

Provision for doubtful debts

Movements included in investing and financing activities

Net loss from disposal of non financial physical assets

Movements in assets and liabilities:

Change in operating assets and liabilities

(Increase)/decrease in receivables

(Increase)/decrease in other assets

(Increase)/decrease in inventories

(Decrease)/increase in payables

Increase/(decrease) in provisions

NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

2016 \$'000	2015 \$'000
(2,883)	(2,022)
4,110	3,865
(19)	28
25	198
(25)	(629)
(246)	(1,082)
(70)	25
(1,987)	2,112
972	(431)
(123)	2,066

Note 18: Financial Instruments

(a) Financial risk management objectives and policies

Bairnsdale Regional Health Service's principal financial instruments comprise of:

- cash assets
- term deposits
- receivables (excluding statutory receivables)
- payables (excluding statutory payables)
- accommodation deposits

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 and interest rate 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 Audit & Risk Committee of the Health Service.

The main purpose in holding financial instruments is to prudentially manage Bairnsdale Regional Health Service's financial risks within the government policy parameters.

Categorisation of financial instruments

Details of each category in accordance with AASB 139, shall be disclosed either on the face of the balance sheet or in the notes.

	Contractual financial assets - loans and receivables	Contractual financial liabilities at amortised cost	Total
2016	\$'000	\$'000	\$'000
Contractual Financial Assets			
Cash and cash equivalents	22,619	-	22,619
Receivables			
- Other Receivables	1,516	-	1,516
Total Financial Assets ⁽ⁱ⁾	24,134	-	24,134
Financial Liabilities			
Payables	-	3,863	3,863
Borrowings	-	667	667
Other Financial Liabilities			
- Accommodation Deposits	-	9,884	9,884
- Resident Monies Held in Trust	-	753	753
Total Financial Liabilities ⁽ⁱⁱ⁾	-	15,166	15,166

	Contractual financial assets - loans and receivables	Contractual financial liabilities at amortised cost	Total
2015	\$'000	\$'000	\$'000
Contractual Financial Assets			
Cash and cash equivalents	24,607	-	24,607
Receivables			
- Other Receivables	1,266	-	1,266
Total Financial Assets ⁽ⁱ⁾	25,873	-	25,873
Financial Liabilities			
Payables	-	5,655	5,655
Borrowings	-	728	728
Other Financial Liabilities			
- Accommodation Deposits	-	6,877	6,877
- Residents Monies Held in Trust	-	588	588
Total Financial Liabilities ⁽ⁱⁱ⁾	-	13,847	13,847

Note 18: Financial Instruments (continued)

Net holding gain on financial instruments by category

	Net holding gain/(loss) \$'000	Total interest income / (expense) \$'000	Fee income / (expense) \$'000	Impairment loss \$'000	Total \$'000
2016					
Financial Assets					
Cash and Cash Equivalents ⁽ⁱ⁾	-	671	-	-	671
Total Financial Assets	-	671	-	-	671
Financial Liabilities					
At Amortised Cost ⁽ⁱⁱ⁾	-	41	-	-	41
Total Financial Liabilities	-	41	-	-	41
2015					
Financial Assets					
Cash and Cash Equivalents ⁽ⁱ⁾	-	887	-	-	887
Total Financial Assets	-	887	-	-	887
Financial Liabilities					
At Amortised Cost ⁽ⁱⁱ⁾	-	45	-	-	45
Total Financial Liabilities	-	45	-	-	45

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the movement in the fair value of the asset, interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result; and

(ii) For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

(iii) For financial assets and liabilities that are held-for-trading or designated at fair value through profit or loss, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

Note 18: Financial Instruments (continued)

(b) Credit risk

Credit risk arises from the contractual financial assets of the Health Service, which comprise cash and deposits and non-statutory receivables. 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 more than 60 days 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 Bairnsdale Regional 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

	Financial institutions (AAA credit rating) \$'000	Government agencies (AAA credit rating) \$'000	Government agencies (BBB credit rating) \$'000	Other (min BBB credit rating) \$'000	Total \$'000
2016					
Financial Assets					
Cash and Cash Equivalents	-	12,286	-	10,333	22,619
Receivables					
- Trade Debtors	-	-	-	397	397
- Other Receivables (i)	-	-	-	1,119	1,119
Total Financial Assets	-	12,286	-	11,849	24,134
2015					
Financial Assets					
Cash and Cash Equivalents	-	13,000	-	11,607	24,607
Receivables					
- Trade Debtors	-	-	-	369	369
- Other Receivables	-	-	-	897	897
Total Financial Assets	-	13,000	-	12,873	25,873

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

Note 18: Financial Instruments (continued)

(b) Credit risk (continued)

Ageing analysis of Financial Assets as at 30 June

	Consol'd Carrying Amount	Not Past Due and Not Impaired	Past Due But Not Impaired				Impaired Financial Assets
			Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2016							
Financial Assets							
Cash and Cash Equivalents	22,619	22,619	-	-	-	-	-
Receivables (i)							
- Trade Debtors	397	314	63	15	5	-	-
- Other Receivables	1,119	877	110	94	39	-	-
Total Financial Assets	24,134	23,810	172	109	44	-	-
2015							
Financial Assets							
Cash and Cash Equivalents	24,607	24,607	-	-	-	-	-
Receivables (i)							
- Trade Debtors	369	302	60	2	5	-	-
- Other Receivables	897	750	102	29	15	-	-
Total Financial Assets	25,873	25,660	162	31	20	-	-

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

There are no material financial assets which are individually determined to be impaired. Currently Bairnsdale Regional 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.

Note 18: Financial Instruments (continued)

(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 Services 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 amounts of financial liabilities as disclosed in the face of the balance sheet. The Health Service manages its liquidity risk as follows:

Interest Bearing Liabilities is a fixed interest rate loan with Treasury Corporation Victoria. Payables are all due within the next three months. Other Financial Liabilities relate to aged care resident trust funds and accommodation bonds, which may be required to be paid out at any time. We have estimated the usual time frame in which payments have been made.

The following table discloses the contractual maturity analysis for Bairnsdale Regional 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

	Carrying Amount \$'000	Nominal Amount \$'000	Maturity Dates			
			Less than 1 Month \$'000	1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000
2016						
Financial Liabilities						
Payables	3,863	3,863	3,863	-	-	-
Borrowings	667	667	5	11	49	602
Other Financial Liabilities (i)						
- Accommodation Deposits	9,884	9,884	-	-	1,878	8,006
- Other	753	753	-	-	753	-
Total Financial Liabilities	15,166	15,166	3,868	11	2,680	8,608
2015						
Financial Liabilities						
Payables	5,655	5,655	5,655	-	-	-
Borrowings	728	728	5	10	46	667
Other Financial Liabilities (i)						
- Accommodation Deposits	6,877	6,877	-	-	2,076	4,801
- Other	588	588	-	-	588	-
Total Financial Liabilities	13,847	13,847	5,660	10	2,709	5,468

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

Note 18: Financial Instruments (continued)

(d) Market risk

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

Currency risk

Bairnsdale Regional 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 Bairnsdale Regional 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 undertake 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 deposits, term deposits and bank overdrafts that are at floating rate.

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 for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Health Service to significant bad risk, management monitors movement in interest rates on a daily basis.

Other price risk

Bairnsdale Regional Health Service has the risk that increasing inflation will increase prices from suppliers for payables.

Interest rate exposure of financial assets and liabilities as at 30 June

	Weighted Average Effective Interest Rate (%)	Carrying Amount \$'000	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- Interest Bearing \$'000
2016					
Financial Assets					
Cash and Cash Equivalents	2.37	22,619	21,000	1,619	-
Receivables					
- Trade Debtors		397	-	-	397
- Other Receivables		1,119	-	-	1,119
		24,134	21,000	1,619	1,516
Financial Liabilities					
Payables		3,863	-	-	3,863
Borrowings	5.88	667	667	-	-
Other Financial Liabilities					
- Accommodation Deposits		9,884	-	-	9,884
- Other		753	-	-	753
		15,166	667	-	14,499
2015					
Financial Assets					
Cash and Cash Equivalents	3.04	24,607	19,000	5,607	-
Receivables					
- Trade Debtors		369	-	-	369
- Other Receivables		897	-	-	897
		25,873	19,000	5,607	1,266
Financial Liabilities					
Payables		5,655	-	-	5,655
Borrowings	5.88	728	728	-	-
Other Financial Liabilities					
- Accommodation Deposits		6,877	-	-	6,877
- Other		588	-	-	588
		13,847	728	-	13,119

Note 18: Financial Instruments (continued)

(d) Market risk (continued)

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Bairnsdale Regional 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 +0.25% and -0.25% in market interest rates (AUD) from year-end rates of 1.95%;

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

	Carrying Amount \$'000	Interest Rate Risk			
		-0.25% Profit \$'000	-0.25% Equity \$'000	+0.25% Profit \$'000	+0.25% Equity \$'000
2016					
Financial Assets					
Cash and Cash Equivalents	22,619	(57)	(57)	57	57
Receivables					
- Trade Debtors	397	-	-	-	-
- Other Receivables	1,119	-	-	-	-
Financial Liabilities					
Payables	3,863	-	-	-	-
Borrowings	667	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
- Accommodation Deposits	9,884	-	-	-	-
- Other	753	-	-	-	-
		(57)	(57)	57	57
2015					
Financial Assets					
Cash and Cash Equivalents	24,607	(62)	(62)	62	62
Receivables					
- Trade Debtors	369	-	-	-	-
- Other Receivables	897	-	-	-	-
Financial Liabilities					
Payables	5,655	-	-	-	-
Borrowings	728	-	-	-	-
Other Financial Liabilities					
- Accommodation Deposits	6,877	-	-	-	-
- Other	588	-	-	-	-
		(62)	(62)	62	62

Note 18: Financial Instruments (continued)

(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 prices;
- 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 Services 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

	Consol'd Carrying Amount	Fair value	Consol'd Carrying Amount	Fair value
	2016 \$'000	2016 \$'000	2015 \$'000	2015 \$'000
Financial Assets				
Cash and Cash Equivalents	22,619	22,619	24,607	24,607
Receivables				
- Trade Debtors	397	397	369	369
- Other Receivables	1,119	1,119	897	897
Total Financial Assets	24,134	24,134	25,873	25,873
Financial Liabilities				
Payables	3,863	3,863	5,655	5,655
Borrowings	667	667	728	728
Other Financial Liabilities				
- Accommodation Deposits	9,884	9,884	6,877	6,877
- Other	753	753	588	588
Total Financial Liabilities	15,166	15,166	13,847	13,847

Note 19: Commitments

	2016 \$'000	2015 \$'000
(a)		
Capital expenditure commitments		
Payable:		
Buildings	-	84
Computers & Communication	-	-
Total capital expenditure commitments	-	84
Lease commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	2,375	3,017
Total lease commitments	2,375	3,017
Operating Leases		
CT scanner and five ultrasound leases payable as follows:		
<i>Cancellable</i>	-	-
Sub Total	-	-
<i>Non-Cancellable</i>	2,375	3,017
Sub Total	2,375	3,017
Total Commitments (inclusive of GST)	2,375	3,101
(b) Commitments payable		
Capital expenditure commitments payable		
Not later than one year		
Land and Buildings	-	84
Computers & Communication	-	-
Total capital expenditure commitments	-	84
Lease commitments payable		
Not later than one year	642	642
Later than 1 year and not later than 5 years	1,733	2,375
Total lease commitments	2,375	3,017
Total Commitments (inclusive of GST)	2,375	3,101
Less GST recoverable from the Australian Tax Office	(216)	(282)
Total Commitments (exclusive of GST)	2,159	2,819

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

Note 20: Contingent Assets and Contingent Liabilities

No contingent assets or contingent liabilities as at 30 June 2016 (2015: nil).

Note 21: Operating Segments

	RAC		Radiology		Other		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
External Segment Revenue	8,184	7,027	4,750	3,864	67,292	63,090	80,226	73,981
Intersegment Revenue	334	562	1,917	1,777	3,926	3,892	6,176	6,231
Total Revenue	8,518	7,590	6,666	5,641	71,218	66,981	86,403	80,212
EXPENSES								
External Segment Expenses	(7,111)	(6,772)	(4,113)	(3,123)	(72,516)	(66,950)	(83,740)	(76,845)
Intersegment Expenses	(3,219)	(3,182)	(707)	(709)	(2,251)	(2,339)	(6,176)	(6,231)
Total Expenses	(10,330)	(9,954)	(4,820)	(3,832)	(74,766)	(69,289)	(89,916)	(83,076)
Net Result from ordinary activities	(1,812)	(2,365)	1,846	1,808	(3,548)	(2,308)	(3,513)	(2,864)
Interest Expense	-	-	-	-	(41)	(45)	(41)	(45)
Interest Income	295	291	-	-	377	596	671	887
Net Result for Year	(1,517)	(2,074)	1,846	1,808	(3,213)	(1,757)	(2,883)	(2,022)
OTHER INFORMATION								
Segment Assets	26,422	24,251	5,070	2,504	42,895	47,997	74,387	74,752
Total Assets	26,422	24,251	5,070	2,504	42,895	47,997	74,387	74,752
Segment Liabilities	11,842	8,557	771	674	13,530	14,815	26,143	24,047
Total Liabilities	11,842	8,557	771	674	13,530	14,815	26,143	24,047
Acquisition of Property, Plant and Equipment	36	116	2,566	65	2,873	4,343	5,474	4,525
Depreciation Expense	143	141	257	251	3,710	3,473	4,110	3,865

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

Business Segments

Residential Aged Care Services (RAC)
Radiology
Rest of Health Service (Other)

Services

Provider of Residential Aged Care
Provider of Diagnostic Imaging
Admitted, Outpatients, Emergency, HACC, Sub-Acute, Primary Health.

Pricing from the Radiology Segment is at 85% of MBS scheduled fee.

Geographical Segment

Bairnsdale Regional Health Service operates predominantly in East Gippsland, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in East Gippsland, Victoria.

Note 22: Jointly Controlled Operations and Assets

Name of Entity	Principal Activity	Ownership Interest	
		2016 %	2015 %
Gippsland Health Alliance	Information Systems	12.01	12.04

Bairnsdale Regional Health Service's 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:

	2016 \$'000	2015 \$'000
Current Assets		
Cash and Cash Equivalents	334	438
Receivables	128	114
Other Current Assets	96	93
Total Current Assets	558	645
Non Current Assets		
Property, Plant and Equipment	7	7
Total Non Current Assets	7	7
Total Assets	565	652
Current Liabilities		
Other Current Liabilities	125	187
Total Current Liabilities	125	187

Bairnsdale Regional Health Service's interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

	2016 \$'000	2015 \$'000
Revenues		
Gippsland Health Alliance Income	1,158	320
Gippsland Health Alliance Capital Income	-	33
Total Revenue	1,158	353
Expenses		
Information Technology and Administrative Expenses	1,183	1,159
Depreciation	0	0
Total Expenses	1,183	1,159
Net result	(25)	(806)

Note 23a: 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.

Responsible Ministers:

The Honourable Jill Hennessy, Minister for Health, Minister for Ambulance Services
The Honourable Martin Foley, Minister for Housing, Disability and Ageing, Minister for Mental Health

Governing Boards

A. Hutson
B. Moar
D. Vickers
Dr T. Watford
C. Barry
J. Websdale
L. Jones
E. Grayson
M. Urie
P. Murphy

Accountable Officers

Mrs Therese Tierney

Period
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 29/2/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016
1/7/2015 - 30/6/2016

Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands;

Income Band

\$0 - \$9,999
\$250,000 - \$299,999
\$300,000 - \$309,999

Total Numbers

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:

2016 No.	2015 No.
10	8
1	-
-	1
11	9
\$298,354	\$306,922

Amounts relating to Responsible Ministers are reported in the financial statements of the Department of Premier and Cabinet. For information regarding related party transactions of ministers, the register of members' interests is publicly available from: [www.parliament.vic.gov.au/publications/register of interests](http://www.parliament.vic.gov.au/publications/register%20of%20interests).

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.

Dr J Urie is a principal of Bairnsdale Medical Group which provided visiting medical officer services to the Health Service on normal commercial terms and conditions.

B Moar is a principal of Corner Amcal Bairnsdale which provided pharmacy services to the Health Service on normal commercial terms and conditions.

\$'000	\$'000
466	
40	

Note 23b: 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.

\$150,001 - \$160,000
\$170,001 - \$180,000
\$180,001 - \$190,000
\$250,001 - \$260,000

Total

Total annualised employee equivalents (AEE) ⁽ⁱ⁾

Total Remuneration

Total Remuneration		Base Remuneration	
2016 No.	2015 No.	2016 No.	2015 No.
1	-	1	-
1	2	1	2
1	-	1	-
1	1	1	1
4	3	4	3
4.0	3.0	4.0	3.0
\$ 766,040	\$ 609,211	\$ 766,040	\$ 609,211

(i) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

Note 24: Remuneration of Auditors

Victorian Auditor-General's Office
Audit or review of financial statement

2016 \$'000	2015 \$'000
36	35

Note 25: Events Occurring after the Balance Sheet Date

No events occurred after the balance sheet date to effect this report. (2015: Nil)

Alternate Presentation of Comprehensive Operating Statement

	2016 \$'000	2015 \$'000
Interest	671	887
Dividends and income tax equivalent and rate equivalent revenue	-	-
Fair Value of assets and services received free of charge or for nominal consideration	-	5
Sales of goods and services	10,114	12,888
Grants	65,080	60,367
Other Income	4,932	357
Total revenue	80,797	74,504
Employee expenses	51,725	47,755
Fair Value of assets and services provided free of charge or for nominal consideration	-	-
Depreciation	4,110	3,865
Interest expense	41	45
Grants and other transfers	-	-
Other operating expenses	27,793	24,861
Total expenses	83,669	76,525
	-	-
Net result from transactions - Net operating balance	(2,872)	(2,022)
	-	-
Net gain/ (loss) on sale of non-financial assets	-	-
Net gain/(loss) on financial instruments	-	-
Share of net profit/(loss) from associates/ joint venture entities excluding dividends	-	-
Revaluation of long service leave	(12)	-
Other gains / (losses) from other economic flows	-	-
Total other economic flows included in net result	(12)	-
Items that may be reclassified subsequently to net result		
Changes to financial assets available-for-sale revaluation surplus	-	-
	-	-
Total other economic flows included in net result	-	-
	-	-
Net result	(2,883)	(2,022)

DISCLOSURE INDEX

The annual report of the *Bairnsdale Regional Health Service* 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.

Legislation	Requirement	Page Reference
Ministerial Directions		
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<i>Charter and purpose</i>		
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FRD 22FG	Initiatives and key achievements	12, 14
FRD 22G	Nature and range of services provided	3
<i>Management and structure</i>		
FRD 22G	Organisational structure	11
<i>Financial and other information</i>		
FRD 10A	Disclosure index	98
FRD 11A	Disclosure of ex-gratia expenses	21
FRD 21B	Responsible person and executive officer disclosures	95
FRD 22G	Application and operation of <i>Protected Disclosure 2012</i>	19
FRD 22G	Application and operation of <i>Carers Recognition Act 2012</i>	19
FRD 22G	Application and operation of <i>Freedom of Information Act 1982</i>	19
FRD 22G	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	18
FRD 22G	Details of consultancies over \$10,000	16
FRD 22G	Details of consultancies under \$10,000	16
FRD 22G	Employment and conduct principles	13
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FRD 22G	Statement on National Competition Policy	19
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FRD 22G	Workforce Data Disclosures including a statement on the application of employment and conduct principles	13
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<i>Carers Recognition Act 2012</i>	19
<i>Victorian Industry Participation Policy Act 2003</i>	21
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<i>Financial Management Act 1994</i>	2, 41

We acknowledge that
Bairnsdale Regional Health Service
is located on the traditional land of the
Gunaikurnai people and we pay our
respects to elders both past and present
and thank them for their contribution
to the development of our service.



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