Financial

Statements

Ballarat Base Hospital

1992/93

>> Certification <<

In our opinion the financial statements of the Ballarat Base Hospital comprising statement of cash flows, balance sheet, statement of changes in equity, revenue and expense statement and notes to the financial statements have been prepared in accordance with the provisions of the Annual Reporting Act 1983 and the Annual Reporting (Contributed Income Sector) Regulations 1988 as amended.

In our opinion the financial statements present fairly the financial transactions for the year ended 30 June, 1993 and the financial position as at that date of the Ballarat Base Hospital.

At the date of signing the financial statements we are not aware of any circumstances which would render any particulars included in the Statements to be misleading or inaccurate.

MR. NOEL F. MAHAR, Chairperson
MR. GRAEME H. DIXON, Member
MR. EEON D. MACAULAY, Chief Executive Officer
MS. LYNE J. GIBBONS, Principal Accounting Officer

Dated the 23rd Day of September, 1993.

>> Auditor-General's Report <<

AUDIT SCOPE

The accompanying financial statements of the Ballarat Base Hospital for the year ended 30 June 1993, comprising statement of cash flows, balance sheet, consolidated statement of changes in equity, revenue and expense statement and notes to the financial statements, have been audited. The members of the Hospital's Board of Managenient are responsible for the preparation and presentation of the financial statements and the information they contain. An independent audit of the financial statements has been carried out in order to express an opinion on them as required by the Annual Reporting Act 1983.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The audit procedures include an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Statements of Accounting Concepts and Australian Accounting Standards and comply with the requirements of the Annual Reporting Act 1983, so as to present a view which is consistent with my understanding of the financial position of the Ballarat Base Hospital and the results of its operations and its cash flows.

The audit opinion expressed on the financial statements has been formed on the above basis.

AUDIT OPINION

In my opinion, the financial statements present fairly the financial position of the Ballarat Base Hospital as at 30 June, 1993 and the results of its operations and its cash flows for the year ended on that date in accordance with Statements of Accounting Concepts and Australian Accounting Standards and comply with the requirements of the Annual Reporting Act 1983.

C.A. BARAGWANATH, Auditor General

Melbourne - Dated the 28th Day of October, 1993.

>> Balance Sheet as at 30th June 1993 <<

	Note	Hospital 1992 / 93 $	Hospital 1991 / 92 $
EQUITY			
Capital			
Contributed capital		54,844,637	47,405,894
Funds held for restrieted purposes	3	1,398,173	576,575
Funds held in perpetuity		47,679	47,679
		56,290,489	48,030,148
Reserves			
Asset revaluation reserve	25	9,028,655	-
Accumulated deficit		[20,173,110]	[17,048,588]
TOTAL EQUITY		45,146,034	30,981,560
CURRENT LIABILITIES			
Bank overdraft	23	4,761,423	2,405,051
Creditors	2	2,407,778	3,752,730
Income in advance		–	22,333
Accrued expenses		505,676	759,986
Accrued employee entitlements		2,360,255	2,683,006
Provision for long service leave		430,000	450,000
Lease liabilities	22	–	49,507
Patient deposits		2,206	1,962
TOTAL CURRENT LIABILITIES		10,467,338	10,124,575
NON-CURRENT LIABILITIES			
Provision for long service leave		3,333,506	3,314,349
Lease liabilities	22	2,203,315	593,153
TOTAL NON-CURRENT LIABILITIES		5,536,821	3,907,502
TOTAL LIABILITIES		16,004,159	14,032,077
TOTAL EQUITY AND LIABILITIES		61,150,193	45,013,637
CURRENT ASSETS			
Cash at bank and on hand		1,595	59,956
Patient fees receivable	6	571,738	942,240
Diagnostic fees receivable	6	655,008	499,465
Stores	7	533,320	571,347
Prepayments		44,000	173,833
Debtors and accrued revenue	12	442,636	577,907
Investments	8	16,825	13,981
TOTAL CURRENT ASSETS		2,265,122	2,838,729
NON-CURRENT ASSETS			
Investments	8	48,424	50,805
Land	9	1,837,500	562,697
Buildings	9	47,851,500	7,283,822
Goodwill	9	80,327	93,791
Assets under construction	9	53,687	26,261,452
Library books	9	107,177	96,452
Plant and equipment	9	6,171,242	6,670,559
Office furniture and equipment	9	230,192	182,679
Motor vehicles	9	386,568	329,991
Leased assets	21	2,118,454	642,660
TOTAL NON-CURRENT ASSETS		58,885,071	42,174,908
TOTAL ASSETS		61,150,193	45,013,637

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

>> Statement of Changes in Equity for the Year Ended 30th June 1993 <<

	Note	Contributed Capital	Funds held for restricted	Funds held in perpetuity purposes	Asset Revaluation Reserve	Accumulated Deficit	Total 1992 / 93	Total 1991 / 92
		$	$	$	$	$	$	$
Balance at beginning of the year		47,405,894	576,575	47,679		[17,048,588]	30,981,560	15,867,545
Deficit for the year						[2,302,924]	[2,302,924]	[3,479,482]
Capital receipts								
Donations		66,212					66,212	180,797
Capital grants	13	7,372,531					7,372,531	18,412,700
Transfer to reserves								
Surplus from Restricted Funds	10		821,598			[821,598]		
Asset revaluation					9,028,655		9,028,655	
Balance at end of the year		54,844,637	1,398,173	47,679	9,028,655	[20,173,110]	45,146,034	30,981,560

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

>> Revenue & Expense Statement for the Year Ended 30th June 1993 <<

	Note	Hospital 1992 / 93 $	Hospital 1991 / 92 $
OPERATING REVENUE PROVIDING FUND INFLOWS			
Services supported by Health Services Agreement			
Government grants	13	39,553,008	36,277,588
Indirect contributions by H&CS	14	392,498	358,824
Patient fees	6	4,250,545	3,863,525
Recoupment from private practice for use of hospital facilities	6	2,276,524	1,818,212
Other revenue	15	438,173	444,055
Services supported by Hospital and Community Initiatives			
Private practice fees	6	1,516,682	1,252,902
Rental		45,902	70,203
Interest		5,715	24,082
Other revenue	16	858,238	389,714
TOTAL OPERATING REVENUE PROVIDING FUND INFLOWS		49,337,285	44,499,105
LESS OPERATING EXPENSES REQUIRING FUND OUTFLOWS			
Services supported by Health Services Agreement			
Direct patient care services		22,432,530	20,891,517
Diagnostic and medical support services		9,838,641	9,392,936
Administration and quality assurance		3,905,567	3,582,711
Engineering and maintenance		1,477,725	2,074,202
Domestic and catering services		3,793,420	4,431,943
Corporate costs funded by H&CS		392,498	358,824
WorkCover and superannuation		3,781,616	2,905,554
Teaching and research		531,859	589,212
Other		43,435	152,718
Services supported by Hospital and Community Initiatives			
Research services		2,685	722
Private practice diagnostic services		1,201,587	957,682
Rental property expenses		33,160	25,700
Other		367,009	437,730
TOTAL OPERATING EXPENSES REQUIRING FUND OUTFLOWS	17	47,801,732	45,801,451
OPERATING SURPLUS (DEFICIT) PROVIDING FUND INFLOWS		1,535,553	[1,302,346]
Less Operating expenses not requiring fund outflows			
Depreciation		2,051,722	1,563,553
Long Service Leave		843,412	613,583
		2,895,134	2,177,136
OPERATING DEFICIT NOT REQUIRING FUND OUTFLOWS		[2,895,134]	[2,177,136]

>> Revenue and Expense Statement for the Year Ended 30th June 1993 <<

	Note	Hospital 1992 / 93 $	Hospital 1991 / 92 $
OPERATING DEFICIT NOT REQUIRING FUND OUTFLOWS		[2,895,134]	[2,177,136]
Operating deficit before Abnormal Items		[1,359,581]	[3,479,482]
Abnormal Items	18	943,343	-
Deficit for the year		[2,302,924]	[3,479,482]
Accumulated deficit at 1 July		[17,048,588]	[12,946,520]
Amount available for appropriation		[19,351,512]	[16,426,002]
Aggregate of amounts transferred to reserves	10	[821,598]	[622,586]
Accumulated deficit at 30 June		[20,173,110]	[17,048,588]

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

>> Statement of Cash Flows for the Year Ended 30th June 1993 <<

	Note	Hospital 1992 / 93 $ Inflows (Outflows)	Hospital 1991 / 92 $ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Services supported by Health Services Agreement			
RECEIPTS			
Government grants		38,568,240	35,881,905
Patient fees		4,613,047	3,894,931
Recoupment from private practice for use of hospital facilities		2,153,110	1,997,193
Other receipts		280,425	285,659
PAYMENTS			
Salaries and wages		[38,524,120]	[31,917,872]
Interest		[175,926]	[72,424]
Other		[10,212,742]	[9,902,884]
Services supported by Hospital and Community Initiatives			
Private practice fees		1,452,553	1,252,902
Donations		66,212	180,797
Interest		5,714	23,324
Other receipts		901,187	483,090
PAYMENTS			
Salaries and wages		[461,119]	[280,777]
Other		[1,143,322]	[1,402,362]
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	28	[2,476,741]	423,482
CASH FLOWS FROM INVESTING ACTIVITIES	27		
Payments for purchase of plant & equipment		[8,568,712]	[19,419,227]
Proceeds from disposal of plant & equipment		117,573	158,396
Payments for purchase of investments		[463]	[48,829]
NET CASH USED IN INVESTING ACTIVITIES		[8,451,602]	[19,309,660]
CASH FLOWS FROM GOVERNMENT			
Capital		7,372,531	18,412,700
Special/Other		1,140,835	475,282
NET CASH PROVIDED BY GOVERNMENT		8,513,366	18,887,982
NET INCREASE IN CASH HELD		[2,414,977]	1,804
CASH AT 1 JULY 1992		[2,347,057]	[2,348,861]
CASH AT 30 JUNE 1993	26	[4,762,034]	[2,347,057]

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

Notes to and forming part of the financial statements for the year ended 30th June, 1993.

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The financial statements of the hospital have been prepared in accordance with the provisions of the Annual Reporting Act 1983 and the Annual Reporting (Contributed Income Sector) Regulations 1988 as amended. These Regulations incorporate by reference relevant accounting standards issued jointly by the Institute of Chartered Accountants in Australia and the Australian Society of Certified Practising Accountants.

(a) ACCRUAL BASIS. Except where otherwise stated, these financial statements have been prepared on the accrual basis whereby revenues and expenses are recognised when they are earned or incurred, and are brought to account in the period to which they relate.

(b) HISTORICAL COST BASIS. The financial statements have been prepared on the historical cost basis whereby assets are recorded at purchase price plus costs incidental to the acquisition and do not take into account changing money values nor the current cost of non-current assets (unless specifically stated).

(c) ROUNDING OFF. All amounts shown in the financial statements are expressed to the nearest dollar.

(d) INVESTMENTS. Investments are valued at cost and are classified between current and non-current assets based on the Hospital Board of Management's intentions at balance date with respect to timing of disposal of each investment. Interest revenue from investments is brought to account when it is earned.

(e) DEPRECIATION. Assets with a cost in excess of $1,000 are capitalized and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives using the straight-line method. The depreciation charge is not funded by the Department of Health and Community Services Victoria.

(f) STORES. Stores are valued at the lower of cost and net realisable value. Cost is determined principally by the first-in, first-out method.

(g) EMPLOYEE ENTITLEMENTS. Based on pay rates current at balance date.

Long Service Leave

Provision for long service leave is made on a pro-rata basis for all employees who have completed five or more years of service. Generally, the entitlement under various awards becomes payable on a pro-rata basis upon completion of ten years service. The proportion of long service leave estimated to be payable within the next financial year is included in the balance sheet under current liabilities. The balance of the provision is classified as a non-current liability.

Annual Leave

The hospital's accrued liability for annual leave at 30th June 1993 is classified as a current liability and included in accrued expenses.

Accrued Days Off

The Hospital's obligation in respect of accrued days off not taken at 30th June 1993 is classified as a current liability and included in accrued expenses.

(h) DONATIONS. Donations for capital purposes are recognised as contributed capital. Donations (other than Capital) are recognised as revenue when the cash is received.

(i) FUND ACCOUNTING. The Hospital operates on a fund accounting basis and maintains four funds being Operating, Specific Purpose, Endowment and Capital funds. The Hospital's Capital and Specific Purpose Funds include unspent donations and receipts from fundraising activities conducted solely in respect of these funds. Separation of the funds from the Operating Fund is required under the Health Services Act 1988.

(j) SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT AND SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES. The Activities classified as substantially funded Services Supported by Health Services Agreement are by the Department of Health and Community Services while Hospital and Community initiatives are funded by the Hospital's own activities or local initiatives.

(k) LEASED EQUIPMENT. A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains all such risks and benefits. Where a non-current asset is acquired by means of a finance lease, the minimum lease payments are discounted at the interest rate implicit in the lease. The discounted amount is established as a non-current asset at the beginning of the lease term and is amortised on a straight line basis over its expected economic life. A corresponding liability is established and each lease payment is allocated between the principal component and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged against revenue in the periods in which they are incurred.

(l) REVENUE RECOGNITION. Revenue is recognised at the time when goods are sold or services rendered.

(m) NON-CURRENT ASSETS

The gross proceeds of sale of non current assets have been included as operating revenue providing fund inflows while the written down value of the assets sold has been shown as an operating expense requiring fund outflows.

(n) PRIVATE PRACTICE FEES. The apportionment of private practice fees between the hospital and sessional practitioners is based on the arrangements between the parties.

(o) GOODWILL. Purchased goodwill amounting to $134,000 is being amortised over a ten year period.

(p) DEFINITION OF CASH. For the purposes of the statement of cash flows, the Hospital considers cash to include cash on hand and in banks and investments in money market instruments.

NOTE 2: CREDITORS AND BORROWINGS

	1992 / 93 $	1991 / 92 $
Creditors	2,407,778	3,752,730

All outstanding debts are aged less than one year. No creditors are a result of public borrowing or financial accommodation.

NOTE 3: FUNDS HELD FOR RESTRICTED PURPOSES

Medical – Special purpose		
Pathology	377,097	86,035
Radiology	311,653	208,816
Clinical Services	107,393	33,559
	796,143	328,410
Other		
Building and equipment	260,601	81,678
Specific building and equipment	29,304	29,304
General staff amenities	55,369	25,527
Nursing prizes	33,508	5,884
Nursing services	107,149	6,952
Education and research	46,279	29,752
Historical research	69,820	69,068
	602,030	248,165
TOTAL	1,398,173	576,575

NOTE 4: PROVISION FOR LONG SERVICE LEAVE

	Current $	Non-Current $	Total 1992 / 93 $	Total 1991 / 92 $
Long service leave				
Provision 5-10 years	–	1,501,140	1,501,140	1,491,102
Provision 10 years plus	430,000	1,832,366	2,262,366	2,273,247
	430,000	3,333,506	3,763,506	3,764,349

Long Service Leave paid during the year $832,121 (1991 / 92 $323,113).

NOTE 5: ACCRUED EMPLOYEE ENTITLEMENTS

Annual leave	2,269,768	2,590,166
Accrued days off	90,487	92,840
	2,360,255	2,683,006

NOTE 6: PATIENT FEES

	Patient Fees Raised 1992 / 93 $	Patient Fees Raised 1991 / 92 $	Patient Fees Receivable as at 1992 / 93 $	Patient Fees Receivable as at 1991 / 92 $
Inpatients	4,141,029	3,761,104	559,954	924, 127
Outpatients	109,516	102,421	39,784	38,113
	4,250,545	3,863,525	599,738	962,240
Less Provision for doubtful debts			[28,000]	[20,000]
Net patient fees receivable			571,738	942,240

DIAGNOSTIC FEES

	Diagnostic Fees Raised 1992 / 93 $	Diagnostic Fees Raised 1991 / 92 $	Diagnostic Fees Receivable as at 1992 / 93 $	Diagnostic Fees Receivable as at 1991 / 92 $
Pathology	1,981,876	1,676,681	440,974	280, 758
Radiology	1,305,889	1,057,576	155,222	143, 393
Computer Tomography	505,441	336,857	90,812	75,314

	Diagnostic Fees Raised 1992 / 93	Diagnostic Fees Raised 1991 / 92	Diagnostic Fees Receivable as at 1992 / 93	Diagnostic Fees Receivable as at 1991 / 92
	$	$	$	$
	3,793,206	3,071,114	687,008	499,465
Less Provision for doubtful debts			[32,000]	–
Net diagnostic fees receivable			655,008	499,465

Diagnostic Fees Reconciliation

	Diagnostic Fees Raised 1992 / 93	Diagnostic Fees Raised 1991 / 92	Diagnostic Fees Receivable as at 1992 / 93	Diagnostic Fees Receivable as at 1991 / 92
	$	$	$	$
Services supported by Health Services Agreement				
Pathology	1,250,467	1,088,567	264,585	162, 457
Radiology	536,115	404,357	102,422	96,634
Computer Tomography	489,942	325,288	90,812	75,314
	2,276,524	1,818,212	457,819	334,405
Services supported by Hospital and Community Initiatives				
Pathology	731,409	588,114	176,389	118,301
Radiology	769,774	653,219	52,800	46,759
Computer Tomography	15,499	11,569	–	–
	1,516,682	1,252,902	229,189	165,060
Total Diagnostic Fees	3,793,206	3,071,114	687,008	499,465

NOTE 7: STORES

	1992 / 93	1991 / 92
	$	$
Pharmaceuticals	188,521	159,107
Catering supplies	14,181	22,777
Housekeeping supplies	52,399	57,883
Medical and surgical lines	205,919	245,917
Administration stores	72,300	85,663
	533,320	571,347

NOTE 8: INVESTMENTS

Type of Investment	Specific Purpose Fund	Endowment Fund	Total 1993	Total 1992
	$	$	$	$
Current				
Interest bearing acc.	14,403	2,400	16,803	13,959
Preference shares		22	22	22
	14,403	2,422	16,825	13,981
Non-Current				
Debenture stock	224	48,200	48,424	50,805
Total investments	14,627	50,622	65,249	64,786

NOTE 9: NON-CURRENT ASSETS

At Cost	At Cost 30 / 6 / 93	Depreciation for 1992 / 93	Accum. Depreciation at 30 / 6 / 93	Net Assets at 30 / 6 / 93	Net Assets at 30 / 6 / 92
	$	$	$	$	$
Goodwill	134,000	13,400	53,673	80,327	93,791
Assets under construction	53,687	–	–	53,687	26,261,452
Library books	260,733	31,641	153,556	107,177	96,452
Plant and equipment	12,216,592	1,244,631	6,045,350	6,171,242	6,670,559
Office furniture and equip.	471,639	31,269	241,447	230,192	182, 679
Motor vehicles	498,608	118,720	112,040	386,568	329, 991
Total	13,635,259	1,439,661	6,606,066	7,029,193	33,634,924

At Valuation	At Valuation 30 / 6 / 93 $			Net Assets at 30 / 6 / 93 $	Netet Assets at 30 / 6 / 92 $
Land	1,837,500	–	–	1,837,500	562,697
Buildings	48,383,604	532,104	–	47,851,500	7,283,822
Total	50,221,104	532,104	–	49,689,000	7,846,519

The Hospital's land and buildings excepting residential properties were valued by Edward Rushton Pty. Ltd. on the 16th August, 1993. The valuation for residential properties was performed on the 30th August, 1993 by Mr. J.N. Tempany, A.V.L.E. (Val.) at Market Value for Existing Use, having regard to both physical depreciation and obsolescence factors.

NOTE 10: TRANSFER TO RESERVES

	1992 / 93 $	1991 / 92 $
Equipment funded from operations	–	296,561
Surplus from funds held for restricted purposes	821,598	326,025
	821,598	622,586

NOTE 11: TRANSFERS BETWEEN RESERVES

Equipment funded from funds held for restricted purposes	–	888,641

NOTE 12: DEBTORS AND ACCRUED REVENUE

	Less than 1 Year $	Total 1992 / 93 $	Total 1991 / 92 $
Government grants outstanding	85,400	85,400	263,800
Inter hospital debtors	207,254	207,254	170,032
Trade debtors	149,079	149,079	143,173
Accrued revenue	903	903	902
	442,636	442,636	577,907

NOTE 13: GOVERNMENT GRANTS

H&CS ordinary grants	38,389,840	35,824,639
H&CS Other Grants		
AIDS testing	71,297	71,142
Sexual assault clinic	140,180	115,369
Voluntary departure packages	951,691	266,438
Total Operating Grants	39,553,008	36,277,588
H&CS capital grants		
Capital works	7,350,504	18,243,700
Minor works	–	59,000
Medical equipment	22,027	110,000
Total Capital Grants	7,372,531	18,412,700

Grants for capital purposes are included in the statement of changes in equity and are included in the balance sheet as contributed capital.

Operating grants include $24,600 which relate to prior year operations (1991 / 92 $263,8000).

NOTE 14: INDIRECT CONTRIBUTIONS BY HEALTH DEPARTMENT VICTORIA

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

Audit fees	30,100	34,330
Insurance	299,559	270,150
Industrial relations service	10,684	10,131
Health computing service charges	52,155	44,213
	392,498	358,824

NOTE 15: OTHER REVENUE

	1992 / 93 $	1991 / 92 $
SERVICES SUPPORTED BY HEALTH SERVICES AGREEMENT		
Meals and accommodation	221,564	220,462
Recoveries	50,141	20,050
Rent	43,895	45,147
Proceeds from sale of vehicles	117,573	108,396
Proceeds from sale of P.A.B.X.	–	50,000
Sale of obsolete items	5,000	–
	438,173	444,055

NOTE 16: OTHER REVENUE

HOSPITAL AND COMMUNITY INITIATIVES

	1992 / 93 $	1991 / 92 $
Recoveries	274,901	91,368
Sale of obsolete items	1,873	9,066
Other medical services		
Medical reports	25,032	17,291
Audiology	–	156
E.E.G. services	68,775	76,343
Emergency services	26,301	663
Staff clinic	3,577	2,642
Ante-natal classes	2,586	2,952
Clinical services	19,079	26,238
Veterinary pathology	27,931	11,756
Community services – child care	9,257	10,815
Fees received – child care	12,915	14,189
Sundry fund raising	764	319
Gold phone	20,549	15,330
Lecturing fees	859	834
Commissions	22,542	24,347
Waste disposal	17,545	18,209
Print Shop	17,584	3,876
Electricity co-generation	213,159	–
Telephone/television systems	29,283	–
Car parking	63,726	63,320
	858,238	389,714

NOTE 17: OPERATING EXPENSES

	Acute Care 1992 / 93 $	Acute Care 1991 / 92 $
Services supported by health service agreement		
Salaries	32,181,589	31,754,450
Salary oncosts	3,781,616	2,870,676
Other	10,234,086	9,754,491
Total Expenses requiring fund outflows (per revenue and expense statement)	46,197,291	44,379,617
Add operating expenses not requiring Fund outflows		
Depreciation	2,051,722	1,563,553
Long service leave	843,412	613,583
Sub Total	2,895,134	2,177,136
Services supported by Hospital and community initiatives		
Salaries	461,119	292,011
Salary oncosts	–	–
Other	1,143,322	1,129,823
Total expenses requiring fund outflows (per revenue and expense statement)	1,604,441	1,421,834
TOTAL EXPENSES	50,696,866	47,978,587

Note	Acute Care 1992 / 93 $	Acute Care 1991 / 92 $
The loss on sale of non-current assets were as follows :		
Sale of P.A.B.X.	–	74,555
Sale of Motor Vehicles	–	6,167
The profit on sale of non-current assets were as follows :		
Sale of Motor Vehicles	75,175	5,720

NOTE 18: ABNORMAL ITEMS

Depreciation
Depreciation has been recalculated on depreciable assets over their estimated useful lives using the guidelines set down by the Department of Health and Community Services. The resulting charge of $393,756 has been included as an abnormal item.

Annual Leave Loading
The abolition of the 17.5% Annual Leave Loading resulted in a decrease of $364,261 in accrued annual leave entitlements as at 30th June 1993.

Voluntary Departure Packages
The Voluntary Departure Package component of the Departure Package of $913,848 has been included as an abnormal item as it does not represent a normal operating expense.

NOTE 19: CAPITAL WORKS COMMITMENT

	1992 / 93 $	1991 / 92 $
Outstanding Contracts for works and services - Building Redevelopment.	1,564,712	9,893,555

NOTE 20: UNFUNDED SUPERANNUATION LIABILITY

The Hospital contributes on behalf of all eligible employees to the HOSPITALS SUPERANNUATION FUND.
A basic benefit of 5% of employee salary is financed for each employee. This commenced in July 1988 as a 3% productivity pay increase. In addition employees can contribute 3% or 6% of their salary to a contributory scheme. The Hospital further finances the scheme for contributors in accordance with the HSB guidelines calculated on the amount of the contribution by each employee.

The notional share of unfunded superannuation liability attributable to the Hospital has been advised by the HOSPITALS SUPERANNUATION BOARD as $5.874 million.

The total amount of contributions made by the Hospital to the above fund during the past financial year, is as follows :

Contributing members	1,041,162
Non-contributing basic 5%	1,185,570
Total contributions to HSB	2,226,732

The amount in respect of any contributions outstanding in respect of the financial year is NIL.

In accordance with Section 29(2)(a) of the HOSPITALS SUPERANNUATION ACT 1988, contributions of the Hospital are calculated as a percentage of the employee's salary.
Separate contributions are determined for basic benefits and optional contributory benefits in accordance with Section 29(3). The rates for 1992/93 are, for all Class A participating institutions:

Basic Benefit		Contributory Employee	Contributory Employer
1 / 7 / 92 to 31 / 12 / 92	4.0%	3.0%	9.9%
1 / 1 / 93 to 30 / 6 / 93	5.0%	6.0%	14.7%

NOTE 21: LEASED ASSETS

	Cost as at 30 / 6 / 93 $	Amortisation for 1992 / 93 $	Accum. Amortisation at 30 / 6 / 93 $	Net cost of leased assets 30 / 6 / 93 $	Net cost of leased assets 30 / 6 / 92 $
Plant and equipment under lease	2,203,315	79,957	84,861	2,118,454	642, 660

NOTE 22: LEASE LIABILITIES

	1992 / 93 $	1991 / 92 $
Aggregate lease expenditure contracted for at balance date.		
Operating leases		
Not later than one year	94,276	32,992
Later than one year and not later than two years	91,523	32,992
Later than two years and not later than five years	168,531	30,239
	354,330	96,223
Representing :		
Cancellable operating leases	354,330	96,223
Finance leases		
Commitments in relation to finance leases are payable as follows :		
Not later than one year	260,577	93,087
Later than one year and not later than two years	285,046	186,049
Later than two years and not later than five years	1,662,611	599,249
Greater than five years	1,282,556	–
	3,490,790	878,385
Minimum lease payments	3,490,790	878,385
Less future finance charges	1,287,475	235,725
	2,203,315	642,660
Representing lease liabilities :		
Current	–	49,507
Non-current	2,203,315	593,153
	2,203,315	642,660

NOTE 23: BANK OVERDRAFT

The Hospital has an overdruft facility with a limit of $2,300,000, and a standby facility thereafter, with a peak limit of $3,000,000.

NOTE 24: CONTINGENT LIABILITIES

The Hospital is unaware of any cnntingent liabilities not recorded or disclosed in the financial statements as at 30th June 1993.

NOTE 25: ASSET REVALUATION RESERVE

The Hospital's Crown Land Allotment and Buildings were valued during August 1993 at Market Value for the Existing Use with the resultant increment being credited to the Asset Revaulation Reserve.

NOTE 26: RECONCILIATION OF CASH

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial positions as follows :

Operating Fund		
Bank overdraft	[7,057,716]	[4,556,562]
Cash on hand	895	59,436
	[7,056,821]	[4,497,126]
Capital Fund		
Deposits at call	867,434	1,177,993
Specific Purpose Fund		
Depusits at call	1,430,673	975,574
Cash on hand	700	520
	1,431,373	976,094
Endowment Fund		
Bank overdraft	[4,020]	[4,018]
	[4,762,034]	[2,347,057]

NOTE 27: NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year the Hospital acquired equipment with an aggregate fair value of $1,560,655 by means of a finance lease. This acquisition is not reflected in the statement of cash flows.

NOTE 28: RECONCILIATION OF NET CASH

RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO OPERATING RESULT

	1992 / 93 $	1991 / 92 $
OPERATING RESULT	[2,302,924]	[3,479,482]
Depreciation	2,445,478	1,563,553
Long Service Leave Paid	[832,121]	[323,113]
Decrease (Increase) in Accrued Expenses	254,310	[92,326
Decrease (Increase) in Interest Receivable	[1]	[758]
Decrease (Increase) in Patient Fees Receivable	362,502	31,406
Decrease (Increase) in Prepayments	129,833	[173,833]
Decrease in Accrued Revenue	178,400	12,600
Decrease (Increase) in Diagnostic Fees Receivable	[187,543]	178,981
Increase (Decrease) in Accrued Employee Entitlements	[41,510]	179,692
Increase (Decrease) in Creditors	[1,345,090]	2,242,566
Increase in Debtors	[43,128]	[75,013]
Increase (Decrease) in Income in Advance	[22,333]	22,333
Increase in Provision for Doubtful Debts	40,000	–
Increase (Decrease) in Provision for LSL	[843]	613,584
Decrease (Increase) in Stores	38,027	[57,225]
Profit on Sale of Motor Vehicles	[75,175]	[5,720]
Loss on Sale of Motor Vehicles	–	6,167
Loss on Sale of P.A.B.X.	–	74,555
Capital Donations	66,212	180,797
Government Revenues	[1,140,835]	[475,282]
NET CASH GENERATED FROM OPERATING ACTIVITES	[2,476,741]	423,482