

The Queen Elizabeth
Geriatric Centre



Financial Statements

FOR YEAR ENDED 30th JUNE, 1986

THE QUEEN ELIZABETH GERIATRIC CENTRE
OPERATING FUND
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30th JUNE, 1986

	1985	1986
	\$	\$
Income		
Patient fees	10,619,415	10,955,269
State grants — ordinary	6,660,897	8,709,434
— other	190,428	492,554
Costs met by Health Department Victoria	580,869	562,565
Regional	151,696	175,298
Non-Operating	1,795,668	2,451,508
Total Income	19,998,973	23,346,628
Less Expenditure		
Administration—		
Administration and finance	1,158,441	1,243,664
Non-assigned employee benefits	902,243	1,150,477
Nursing and medical	482,692	598,427
	2,543,376	2,992,568
Services—		
* Energy costs	325,694	356,816
Engineering maintenance and supply	820,527	947,463
Food and dietary	1,713,411	1,967,074
Domestic services	2,173,895	2,146,627
Laundry linen and sewing	1,178,595	1,235,769
Other	43,388	25,118
	6,255,510	6,678,867
Medical services and support	1,777,372	1,838,896
Wards—		
Nursing home	6,311,698	6,758,122
Rehabilitation and assessment	596,232	700,572
Other	448,862	556,738
	7,356,792	8,015,432
Other services—		
Hostels	559,539	564,035
Domiciliary care	88,078	54,647
	647,617	618,682
Education and training	66,958	306,554
Regional	171,942	205,563
	238,900	512,117
Non-operating	1,865,891	2,854,770
Total Expenditure	20,685,458	23,511,332
Surplus (Deficit) for the year	(686,485)	(164,704)
Add (Deduct)		
Prior year deficit grant	576,465	97,917
Transfer of provision for depreciation to capital fund	109,298	132,132
Accumulated deficit (surplus) as at 1st July	(1,396,942)	(1,397,664)
	(711,179)	(1,167,615)
Accumulated deficit at 30th June	(1,397,664)	(1,332,319)

The accompanying notes form part of and should be read in conjunction with these accounts.

THE QUEEN ELIZABETH GERIATRIC CENTRE

OPERATING FUND

BALANCE SHEET AS AT 30th JUNE, 1986

	Note	1985 \$	1986 \$
Accumulated Deficits		1,397,664	1,332,319
Represented by			
Current Assets			
Cash at bank and on hand		7,825	370,801
Patients' fees		752,530	764,357
Accrued Income, Prepayments and Other Debtors		69,307	74,665
Stores on hand—at cost	4	124,392	184,038
		<u>954,054</u>	<u>1,393,861</u>
Less			
Current Liabilities			
Bank Overdraft		5,020	—
Trade creditors		235,186	464,922
Accrued expenses		1,228,161	1,371,174
Provision for long service leave	1(d)	446,769	453,028
Sundry creditors		7,303	1,620
		<u>1,922,439</u>	<u>2,290,744</u>
Non-Current Liabilities			
Provision for long service leave		429,279	435,436
Total Liabilities		<u>2,351,718</u>	<u>2,726,180</u>
Net Deficiency of Assets		<u>1,397,664</u>	<u>1,332,319</u>

The accompanying notes form part of and should be read in conjunction with these accounts.

CAPITAL ACCOUNT

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30th JUNE, 1986**

	1985 \$	1986 \$
Income		
Government grants: State	451,206	1,782,360
Commonwealth	—	849,500
Transfer from Special Purposes	(61,280)	411,535
Profit on Sale of Assets	37,301	19,601
	<u>427,227</u>	<u>3,062,996</u>
Expenditure		
Depreciation of fixed assets	109,297	132,132
Sundry	5,899	—
	<u>115,196</u>	<u>132,132</u>
Surplus for the year	<u>312,031</u>	<u>2,930,864</u>

The accompanying notes form part of and should be read in conjunction with these accounts.

THE QUEEN ELIZABETH GERIATRIC CENTRE

SPECIAL PURPOSES FUND

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 30th JUNE, 1986

	1985 \$	1986 \$
Income		
Bequests	255,607	506,107
Donations	84,684	81,760
Interest on investments	426,485	631,771
Transfer from Capital Account	61,280	—
Dept. of Community Services Reimbursement	—	351,100
Other	42,269	32,868
	<u>870,325</u>	<u>1,603,606</u>
Expenditure		
Transfer to Capital Fund	—	411,535
Expenses and sundry	44,917	350
	<u>44,917</u>	<u>411,885</u>
Surplus for the year	<u>825,408</u>	<u>1,191,721</u>

OTHER FUND BALANCE SHEETS

AS AT 30th JUNE, 1986

	Note	1985 \$	1986 \$
SPECIAL PURPOSE FUNDS			
Assets			
Cash at bank		122,399	21,272
Accrued income and prepayments		41,989	68,169
		<u>164,388</u>	<u>89,441</u>
Investments at cost—	2		
Short term		3,177,912	4,286,156
Long term		239,000	314,000
		<u>3,416,912</u>	<u>4,600,156</u>
		<u>3,581,300</u>	<u>4,689,597</u>
Less Liabilities			
Patients' trust account	3	688,550	648,250
Special Purpose Funds Balance		<u>2,892,750</u>	<u>4,041,347</u>
CAPITAL FUND			
Cash at bank		21,338	58,479
Land and buildings — at cost	1(e)	8,998,813	8,806,021
Plant and equipment — at cost	1(e)	1,968,219	2,239,906
Less provision for depreciation	1(e)	462,888	572,120
		<u>1,505,331</u>	<u>1,667,786</u>
Motor Vehicles — at cost	1(e)	159,039	167,255
Less provision for depreciation	1(e)	25,247	22,040
		<u>133,792</u>	<u>145,215</u>
Assets under construction		<u>373,810</u>	<u>3,453,879</u>
Capital Fund Balance		<u>11,033,084</u>	<u>14,131,380</u>

The accompanying notes form part of and should be read in conjunction with these accounts.

THE QUEEN ELIZABETH GERIATRIC CENTRE

**Notes to and forming part of the Accounts
for the year ended 30th June, 1986**

1. Summary of Significant Accounting Policies

Set out below are the significant accounting policies adopted by the Centre in the preparation of the accounts for the year ended 30th June, 1986. Unless otherwise stated such accounting policies were also adopted in the preceding financial year.

- (a) **Accrual Accounting.**
The accrual method of accounting has been adopted in the preparation of these accounts.
- (b) **Historical Cost.**
The accounts have been prepared in accordance with the historical cost convention and have not been adjusted to take account of the current cost of specific assets or their impact on the operating results.
- (c) **Stores on Hand.**
Stores on Hand as shown in the Balance Sheets are recorded at cost.
- (d) **Employee Benefits.**
The amounts expected to be paid to employees for their pro-rata entitlement to long service and annual leave are accrued annually at current pay rates. Long service leave has been provided to all employees with ten years continuous service. All long service leave entitlements where employees have less than fifteen years service have been classified as a non-current liability.
- (e) **Depreciation.**
Depreciation has been charged on all fixed assets (excluding land and buildings) for the year ended 30th June, 1986, using the straight line method based on the estimated remaining useful life of assets.

The depreciation policy stated above is in accordance with Section 6.3 of Part 1 of The Health Department Victoria Cost Centre Accounting and Budgeting System Procedures Manual.

2. Investments.

	1985	1986
Special Purpose Funds		
Deposits with banks	\$ 443,216	\$ 606,768
Commercial bills (bank endorsed)	2,255,296	2,866,566
Government and semi-government securities and loans (including inscribed stock)	345,400	416,926
Deposits with other corporations	373,000	709,896
	<u>3,416,912</u>	<u>4,600,156</u>

All investments are approved trustee investments.

3. Patients' Trust Funds

Interest earned on funds held in trust for in-patients and others is credited to the Special Purpose Fund and applied for the purchase of patients' comforts.

4. Stores on Hand

Stores on hand in the operating fund balance sheet comprise:

	1985	1986
	\$	\$
Pharmaceuticals	28,783	33,046
Medical and surgical supplies	21,586	25,910
Food	15,506	53,423
Domestic supplies	29,827	32,313
Paramedical and other	28,690	39,346
	<u>124,392</u>	<u>184,038</u>

5. Lease Commitments

Aggregate amounts contracted but not provided for in the accounts:

	1985	1986
	\$	\$
Within one year	48,200	4,351
One-two years	52,208	47,857
	<u>100,408</u>	<u>52,208</u>

6. Contingent Liabilities

As at the 30th June, 1986 The Queen Elizabeth Geriatric Centre has no contingent liabilities.

THE QUEEN ELIZABETH GERIATRIC CENTRE

OPERATING FUND

STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS

	1985	1986
	\$	\$
Sources of Funds		
Funds from operations—		
Inflows of funds from operations	20,575,438	23,444,545
Less outflows of funds from operations	20,685,458	23,511,332
Add Non-fund Items—		
Long Service Leave provisions	255,852	243,399
Transfer of depreciation to capital fund	109,298	132,132
	<u>255,130</u>	<u>308,744</u>
Reduction in Assets—		
Cash at bank and on hand	8,255	—
Accrued income and prepayments	8,506	34,992
Increase in liabilities—		
Trade creditors	84,507	229,736
Accrued expenses	311,922	143,013
	<u>668,320</u>	<u>716,485</u>
Applications of Funds		
Increase in Assets—		
Cash at bank and on hand	—	362,976
Patients' fees	83	11,827
Other debtors	12,578	40,350
Stores on hand	40,414	59,646
Decrease in Liabilities—		
Bank overdraft	405,498	5,020
Sundry creditors	8,254	5,683
Long Service Leave paid	201,493	230,983
	<u>668,320</u>	<u>716,485</u>

THE QUEEN ELIZABETH GERIATRIC CENTRE

AUDITOR'S REPORT

1. We have audited the accompanying financial statements, being the statements of income and expenditure of the Operating Fund, Specific Purposes Fund and Capital Fund for the year ended 30th June, 1986, the balance sheets of the Operating Fund, Specific Purposes Fund and Capital Fund as at that date, and the accompanying notes to the accounts, in accordance with Australian Auditing Standards.
2. As indicated in note 1(e), and in accordance with Health Department policy, depreciation has not been charged on buildings. This is a departure from Statement of Australian Accounting Standards AAS4 "Depreciation of Non-Current Assets". The reason for this departure with which we do not concur is set out in note 1(e). The financial effect of this departure has not been determined and it is impractical for us to do so. In our opinion, depreciation should be charged to the Operating Fund so as to absorb the cost of buildings over their useful economic lives.
3. In our opinion, except for the matter referred to in paragraph 2 above, the financial statements present fairly the financial position of the Queen Elizabeth Geriatric Centre at 30th June, 1986, and the results of its operations for the year ended on that date in accordance with Australian Accounting Standards and the Health Department of Victoria Cost Centre Accounting and Budgeting Systems Procedures Manual.

COOPERS & LYBRAND
Chartered Accountants

9th September, 1986
Ballarat.

By G. D. HARRY, Partner

Statistics

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
HOSPITAL						
Number of Beds	68	68	68	61	61	61
Daily Average	32.87	50.38	47.86	25.80	36.97	47.81
Admissions	410	647	655	353	532	715
Discharges	363	607	653	319	474	654
Deaths	27	27	40	19	40	61
Daily Average Bed Cost	\$85.65	\$92.05	\$114.30	\$159.53	\$133.61	\$123.34
NURSING HOME						
Number of Beds	499	487	487	415	415	415
Daily Average	478.87	477.93	462.56	426.12	406.50	399.37
Admissions	367	374	398	253	334	359
Discharges	268	271	280	197	247	268
Deaths	90	113	125	111	92	100
Daily Average Bed Cost	\$42.04	\$50.97	\$68.06	\$82.73	\$93.11	\$103.28
AMBULATORY						
Number of Beds in Flats	63	63	63	64	64	64
Number of Hostel and Centre Beds	159	149	149	126	126	126
Daily Average Hostel and Centre	145.88	136.65	130.29	112.06	117.89	115.62
Admissions Hostel and Centre	166	151	148	93	100	107
Discharges Hostel and Centre	180	152	168	87	103	109
Deaths Hostel and Centre	—	1	1	3	1	1
Daily Average Bed Cost Hostel and Flats	\$20.61	\$28.78	\$28.21	\$41.23	\$41.35	\$45.72
DAY HOSPITAL						
Attendances	20,775	22,259	25,417	24,749	25,005	22,576
Average Cost per Attendance	\$26.01	\$25.26	\$28.39	\$32.49	\$39.88	\$48.06
DOMICILIARY CARE						
Annual Cost	\$427,025	\$527,098	\$289,588	\$246,878	\$253,508	\$229,363
Number of Visits	25,610	26,216	25,041	17,511	15,097	15,320
Meals on Wheels	78,652	84,996	88,694	90,640	94,462	101,701
NUMBER OF PARAMEDICAL SESSIONS						
Physiotherapy	15,084	19,849	21,691	15,622	14,421	12,403
Occupational Therapy	17,780	13,800	18,118	8,854	8,529	5,127
Craft	24,630	21,246	26,398	22,811	29,498	28,462
Socialisation	34,492	36,907	25,721	29,126	28,742	21,999
Speech Therapy	1,455	1,521	1,263	953	1,274	1,693
Number of Podiatry Treatments	3,825	6,297	7,715	6,761	6,971	6,516
Number of Dental Treatments	655	594	633	493	496	715
Number of X-rays Taken	881	1,259	1,159	1,024	879	1,508
Number of Optometry Treatments	135	139	142	162	171	177
Number of Paid Staff	639.60	624.85	628.9	629.94	719.65	696.96
CENTRAL HIGHLANDS LINEN SERVICE						
Number of Paid Staff	40.5	43.8	44.5	49.5	47.8	47.69
Total Linen Issued (kg)	1,845,582	2,033,865	2,105,490	2,262,430	2,252,114	2,269,099
Service Charge (per kg)55	.55	.55	.63	.70	.73
Number of Participating Institutions	14	17	20	21	22	23