



Confident, Proud and Primed for Growth

EDENHOPE & DISTRICT MEMORIAL HOSPITAL ANNUAL REPORT

2012-2013

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Life Governors

Mr M G Crawford	Dr R W Bade	Mr J S Warner
Mrs A Dubois	Mr E J Narik	Mrs I Oliver
Mr L M Bull	Mr J L Jenkins	Mr C Kealy
Mr R T Hood	Mrs C A Hood	Mrs E M M Edgar
Mrs A L Haddon	Mr R McDonald	Mrs J Grigg
Mrs L Stephens	Mr R R Hawkins	Mr M Holland

Acknowledgements

Edenhope and District Memorial Hospital would like to thank all Staff, Board Members, Doctors, other health professionals and community members who have contributed to the service throughout the year.

Disclosure Index

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

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Charter and Purpose - FRD 22D

Edenhope and District Memorial Hospital

Incorporating The Lakes Hostel, Kowree Nursing Home, Barkala Flats, Elsie Bennett Community Centre and Edenhope Hospital Medical Clinic

128-134 Elizabeth Street (PO Box 75), Edenhope, Victoria, 3318

Phone 03 5585 9800

Fax 03 5585 9891

Email info@edmh.org.au

Web www.edmh.org.au (under redevelopment)

The Hospital began in 1910 as a privately owned and managed private Hospital. The Hospital was rebuilt in 1930 on its present site, becoming two wards with a total of five beds. Donations for the construction were sought with the help of many district people.

The Hospital continued to function as two wards until 1950, at which time management of the Hospital was transferred to the Hospitals and Charities Commission.

During 1961 the Hospital underwent an upgrade and was extended to a 23 bed facility. In 1981 approval was given for eight beds in the Nurses Home to be reallocated as Nursing Home beds, raising the total number of Hospital beds to 31.

In 1988-89 a new Nursing Home was built consisting of 18 beds. This created a facility of 20 acute beds and 18 Nursing Home beds.

In 1998 the Hospital opened a 17 bed Hostel which is now known as the Lakes Hostel, and the Elsie Bennett Community Health Centre.

The ownership of 19 Barkala Flats was transferred to Edenhope and District Memorial Hospital in 2001.

In 2003, five beds were added to the Hostel, providing a total of 22 Hostel beds.

Master planning for redevelopment of the Hospital concluded in 2009. The redevelopment will include a new Nursing Home to be built co-located with the Hostel, extension of the Elsie Bennett Community Centre, and rebuild of the areas housing acute services, minor procedures, administration, and hotel services. Additionally, it is proposed that the Ambulance Station will be located on Hospital premises.

In early 2011 the Hospital secured funding through the Australian Government National Rural and Remote Health Infrastructure Program to build a medical clinic on-site. The medical clinic commenced operations in October 2012.

EDMH is actively pursuing funding for the first stages of the Master Plan, which includes the Nursing Home and administration wing, and are hopeful this will be achieved in the near future.

The relevant minister is The Hon David Davis MP, Minister for Health, Minister for Ageing

Vision Statement

To be the best quality provider of Healthcare that is responsive to community needs.

Mission Statement

To provide the highest standard of care and health related services, that reflects community need.

Chief Executive Officer

2012-13 has produced strong results again, with a sound financial position, very positive feedback from accreditation reviews and a range of quality improvements throughout the organization.

Governance

The Board of Management had a change of President in February, with the resignation of Mr Robert Carberry and installation of Mr Ron Hawkins. Incoming Board member this year was Mr Wayne Dubois who is integrally linked into the local community through his business and has lived in the area for many years.

The Incumbent CEO, Ms Emma Kealy commenced a period of extended leave from 30 December 2012 and relief CEO Ms Anne Bates has managed the service since that time, bringing a wide range of experience at senior management levels across different rural health services.

Dr David Senior replaced Dr Jack Best, as the Director of Medical Services from 1 February 2013. In this short time Dr Senior has enhanced the service through his mentoring of the local General Practitioners, clinical audits and contribution to planning and review of clinical practice.

Other senior positions within the organization are unchanged.

Training for Board members was held in March in Edenhope with 70-90% attendance for the two sessions covering Governance and Financial Management. Other education throughout the year has included various network meetings, development of the Board Annual Work Plan and other short presentations.

There has also been training for Executive Managers in the areas of Probity, Mediation, Bullying and Harassment, Budget preparation, Emergency Management, clinical leadership and Strategic Risk Management. These skills have been utilised already in the varied management responsibilities within the organization.

Activity

The launch of the new Medical Clinic providing General Practice and Family medicine services occurred in October 2012. Dr Lalani Udalamatta moved to Edenhope to take up the full time position as General Practitioner, providing another GP for the district to share the high workload that existed prior to her arrival. The official opening of the Medical Clinic by Hon. John Forrest was held on 18 December 2012. Activity at the Medical Clinic has been encouraging in spite of the challenges of establishing a new business. Practice Nurse services have been expanded to meet the emerging needs of the client group, ably assisted by the Reception staff and online Medicare bulk billing process. A new residence has been constructed for the doctor's use and was completed in June 2013.

A Shared Care Midwifery Model has been negotiated this year with two other regional hospitals allowing women in the Edenhope area to access their routine ante-natal care here rather travelling to a larger centre every month. This has been a welcome addition to our service profile for those women using the service. Other on-site and visiting services remain the same.

Improved use of technologies has featured this year with the addition of cardiology consults via video-conference, ongoing use of video-conferencing for education and meetings. In addition, the

organization is pursuing the use of tablets for clinical staff on outreach visits, as well as further mentoring regarding the use of financial management software.

New AIM software was introduced in July 2012 for Aged Care financial processes including bonds, monthly accounts, receipts, waiting lists. This has streamlined the administrative tasks and proven a valuable asset.

Director of Nursing

EDMH has had a very busy year with the opening of the Medical Clinic and three accreditation visits; Aged Care Standards agency accredited the Lakes Hostel in August 2012, EQUIP accreditation in the acute ward in September 2012 and AGPAL accreditation for the Medical Clinic in February 2013. Quality is not limited to accreditation and throughout the year areas for improving the care and services which are provided to the community are identified and addressed.

Key achievements for the 2012-2013 year include:

Clinical Development

- Training of two additional Registered Nurses to provide Haemodialysis to patients. This ensures the sustainability of the dialysis service at Edenhope hospital.
- A staff member completed the HIV, Hepatitis C counselling course through Latrobe University.
- Involvement in regional HACC (home and community care) Allied Health Project which employed a full time Physiotherapist and Occupational Therapist to work across three catchment areas. This has increased the access for community clients to allied health especially Occupational Therapy, where there was a gap previously.
- Participated in a pilot study with VICNISS (Healthcare Associated Infection Surveillance Coordinating Centre) regarding the prevalence of urinary tract infections in aged care facilities and the appropriate use of antibiotics.

Quality / Accreditation

- Establishment of the Edenhope Hospital Medical Clinic and recruitment of staff. The Medical Clinic commenced operation in October 2012. The Medical Clinic underwent accreditation in February through AGPAL and was fully compliant in all areas and received accreditation for 3 years.
- Renewed aged care accreditation in the Lakes Hostel in August 2012, assessment showed compliance in all of the 44 expected outcomes.
- EQUIP accreditation in the acute ward in September 2013, where a rating of EA (excellent achievement) in 6 out of 47 standards was achieved with the remaining 41 being MA (moderate achievement). This is an excellent result for the organisation.

Staffing

- Appointed 2 Graduate Nurses in February 2013.
- Appointed 2 Enrolled Nurse trainees in February 2013.
- Implemented VICPLACE which is a web based information management system for Clinical placement planning.

General Services Manager

Hotel Services

- External cleaning audit was completed on the 12-07-12 with an excellent score of 97.6% being achieved which is well above the accepted quality level of 90%.

- We have been up skilling HSA's to work with the Cooks as a Cooks Assistant. Both trade cooks have been involved with this sharing of knowledge and training of the staff.
- EDMH has experienced difficulty in attracting an apprentice cook locally and wider search across the State was needed to fill this position.
- Following a bullying and harassment training day, conducted by the Victorian Equal Opportunity & Human Rights Commission, ideas for planning performance development activities with staff to build positive team relationships and strengthen communication have been implemented.

Buildings & Maintenance

- University of Ballarat funded renovations to student accommodation.
- Contracts for the construction of an Executive Home were finalized and signed with Hotondo Homes of Horsham. The building is now completed and was handed over in June 2013.
- The final site meeting for the construction of the Medical Clinic was held on the 24 July and the building occupancy certificate was issued on the 10 August 2012.
- The Lakes Hostel has received some minor works with all main corridors and common areas being repainted.
- The tender for the construction of a Storage Shed has been accepted by the Board. The project has been funded by the Department of Health.

Emergency Management & Safety

- The Fire Safety Audit identified the need for revised evacuation plans, which have been updated to include pictographs and have been placed strategically throughout the site.
- EDMH received an SMR trunk radio funded by the Department of Health for emergency communications. The SMR system operates independently from the network so in an emergency we will be able to communicate with the region and other SMR users.
- Continuing involvement in the Municipal Emergency Management Planning Committee to ensure EDMH has input into the plans and training activities around Emergency Management within our LGA.
- OH&S officer has created a chemicals database with links to the Material Safety Data sheets and risk assessments for each product. This will be easier to update and ensure staff always access the most recent information.

EDMH provides a range of services across all the broad spectrum of ages, from children to elderly persons.

Urgent Care Service

- 24 hr, 7 day service (not registered)

Medical Services

- Haemodialysis
- Chemotherapy
- Acute Care

Medical Imaging – Bendigo Radiology

- X-Ray

Pathology – St John of God Pathology

- Daily pick-up and testing

Community Services

- Community Health Nurse
- District Nursing Service
- Post Acute Care
- Adult Day Centre

Primary Care

- Audiology*
- Dentistry*

- Diabetes Education
- Dietetics*
- Health Promotion
- Occupational Therapy*
- Physiotherapy*
- Podiatry*
- Social Work
- Speech Pathology*

Visiting Specialists*

- Cardiology
- Geriatrics
- Psychiatry

Residential Aged Care

- high care facility (Kowree Nursing Home)
- low care facility (The Lakes Hostel)
- Respite care

Medical Clinic

- General Practice

Management and Structure

Board of Management

Robert Carberry (Resigned 5 February 2013) – President
Ron Hawkins (5 February to 30 June 2013) – President
Mike Holland – Senior Vice President
Tony Kealy – Junior Vice President
Kathryn Hausler – Treasurer
Ann Warner – Assistant Treasurer
Jan Grigg – Board Member
Robert Okely – Board Member
Michael Rentsch – Board Member
Robert Tuncks – Board Member
Angela Wait – Board Member
Wayne Dubois – Board Member

Audit and Compliance Committee

Ron Hawkins – President
Kathryn Hausler – Treasurer and Chair
Ann Warner – Assistant Treasurer

Chief Executive Officer

Emma Kealy (to 30/12/12)
Anne Bates (from 31/12/12)

Areas of responsibility: Overall management of the organization with leadership in strategic planning and processes, support for the Board of Management and mentoring other managers to expand their range of skills and knowledge. Operational units include Administration, Quality and Medical workforce.

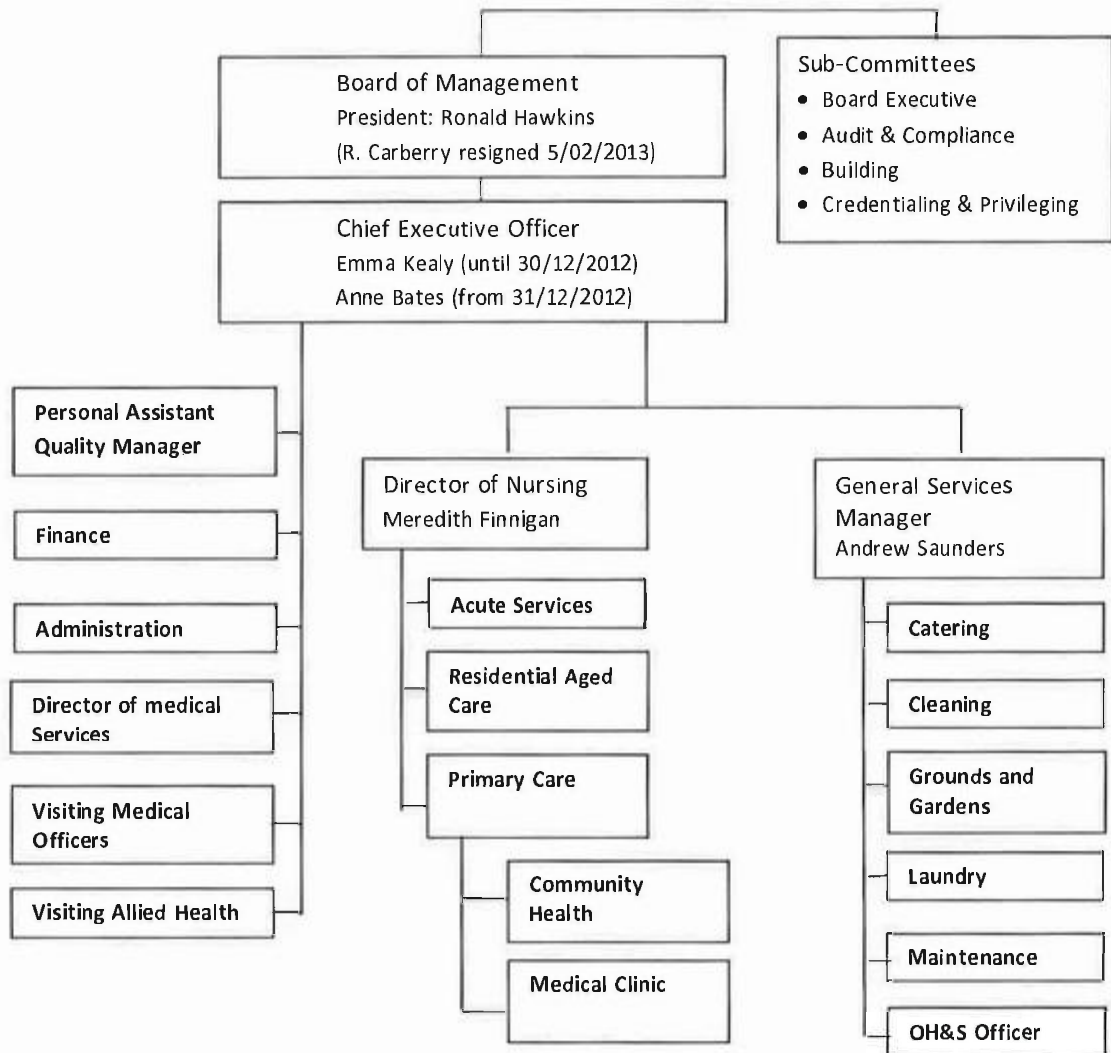
Director of Nursing - Meredith Finnigan

Areas of responsibility: Oversight of all clinical care within the organization, as well as part of the Executive Management team contributing to leadership, strategic and operational planning. Operational units include Acute hospital, Urgent Care, Residential Aged Care (High and Low) and Primary Care.

General Services Manager - Andrew Saunders

Areas of responsibility: Oversight of all non-clinical care within the organization, as well as part of the Executive team contributing to leadership, strategic and operational planning. Operational units include catering, cleaning, laundry, maintenance, property/building management and other business related services.

Organisational Structure



Workforce Data Disclosures

Employment and conduct principles have been maintained throughout the year.

Labour Category	JUNE		JUNE	
	Current Month FTE*		YTD FTE**	
	2012	2013	2012	2013
Nursing	34.12	33.39	34.16	32.25
Administration and Clerical	5.51	10.64	5.51	9.51
Medical Support				
Hotel and Allied Services	31.18	31.36	31.15	31.01
Medical Officers				
Hospital Medical Officers				
Sessional Clinicians				
Ancillary Staff (Allied Health)	1.90	1.00	1.92	1.00

Financial and Other Information

Summary of the financial results

Comparative Financial Results for the Past Five Financial Years					
	2013	2012	2011	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Revenue	8,887	8,500	7,437	6,417	6,544
Total Expenses	8,621	7,910	7,707	7,413	6,385
Net Result for the Year (inc. Capital and Specific Items)	266	590	(269)*	(996)*	159
Retained Surplus/ (Accumulated Deficit)	1,631	1,365	775	1,044	2,040
Total Assets	11,581	11,598	10,646	10,167	10,702
Total Liabilities	3,415	3,698	3,337	2,588	2,127
Net Assets	8,166	7,900	7,310	7,579	8,575
Total Equity	8,166	7,900	7,310	7,579	8,575

Summary of significant changes in financial position during the year:

Total revenue increased by \$387,000 in 2012/13 primarily as a result of the additional funding received from the State \$118,000 (Acute – Renal ,HACC Minor Capital & Men’s Shed), Commonwealth (Residential Aged Care) \$100,000 and the establishment of the medical clinic which raised \$180,000 in fees.

Total expenditure increased by \$711,000 in 2012/13 with an additional \$245,000 in employee benefits, there were two pay rate increases for Nurses in 2012/13 with the delayed EBA negotiations. Non Salary labour costs also increased by over \$200,000 with additional Visiting Medical Officer costs with increased throughput of acute inpatients and the establishment of the medical clinic mentioned above. Other expenditure items contributing to the increase include Healthsmart Fees from the Grampians Rural Health Alliance \$60,000 (2 years), increase in electricity \$40,000 and payments to the renal hub service provider \$40,000 under the new renal funding scheme (reflected in increase in funding).

Total liabilities have reduced by \$283,000 as a result of the movement in resident bonds held. This would normally lead to a decrease in cash/investments held however with the receipt of the \$500,000 of State capital funding (unspent), \$275,000 of Shire medical clinic recoveries along with the positive results over the past two years cash and investments has increased by over \$600,000. The depreciation expense of \$795,000 has ultimately led to total assets reducing by less than \$20,000.

The operational and budgetary objectives of the Health Service for the FY and performance against those objectives:

EDMH exceeded its operating budget surplus of \$44,331 (\$375,031 actual surplus) and overall budgeted deficit of \$538,739 (\$266,241 actual surplus).

EDMH Financial management and processes are based on the requirements of the Financial Management Act 1994 and the Standing Directions of the Minister for Finance (June 2003).

During 2012-13 a new Medical Clinic was established by EDMH, in a newly constructed building, with recruitment of an overseas trained doctor to provide General Practitioner services. Establishment of the environment, computer software and online Medicare registrations has taken considerable effort and resources.

Events subsequent to balance date:

There are no known events occurring after the balance sheet date that would affect the operations of the Health Service in subsequent years.

Details of Consultancies over \$10,000

Nil consultancies during the year costed in excess of \$10,000 (exclusive of GST) per consultancy.

Details of Consultancies under \$10,000

In 2012-13, Edenhope & District Memorial Hospital engaged two consultants with a total expenditure of \$9,600 (excluding GST).

Occupational Health and Safety

Kirily Ryan continues in the role of Occupational Health and Safety (OHS) Officer at EDMH on a part time basis, overseen by the General Services Manager.

Incident Reporting

EDMH uses the Victorian Health Incident Management System (VHIMS) to manage incident reporting. Non clinical reports are reviewed by the CEO and clinical reports by the Director of Nursing. Consolidated reports are presented to the Risk Management Committee, Continuous Improvement Committee and the Board of Management.

For all risks identified, remedial action is implemented to minimise or eliminate exposure to the risk. In 2012-13 there were 15 reported staff incidents of which three (20%) resulted in injuries. The number of reported incidents marginally increased in the past year (1.25%). Manual Handling and Aggression and Violence were the significant contributory factors in reportable injuries. Comparative lost time injuries over the past three years total 49.5 days (2012-13) 77.5 days (2011-12), 40 days (2010-11).

External Audits

An on-site visit or audit was not received by Worksafe over the past financial year.

Occupational Health and Safety Workgroup

The Occupational Health and Safety Workgroup meet on a bi-monthly basis. Health and Safety Representatives (designated workgroup representatives) for all sections of the hospital attend these meetings on behalf of staff. Members of the Workgroup contribute valuable input to minimising risk to the organisation, including conducting internal audits and providing recommendations to improve safety in the workplace.

Staff Training

Occupational Health and Safety is an integral aspect of continuous education at EDMH. In the past year staff, contractors and volunteers have undertaken training in various aspects of safety including:

- Orientation for new staff – manual handling, hand hygiene, fire and evacuation, VHIMS, OHS and clinical risk respectively
- No Lift and Manual Handling training
- Online fire safety training
- Fire safety training for Emergency Controllers and Area Wardens by Wormald
- Victorian Health Incident Management System (VHIMS) training
- eLearning via Grampians Loddon Mallee and E3 online learning portals
- Safe Environment Manual training
- OHS designated workgroup representative training
- Volunteer training package: manual handling, fire and evacuation, and electrical safety
- Contractors OHS package: evacuation and emergency procedure action plans and fire safety training.

Hazardous Substances

EDMH uses Dominant eco-friendly range of products where possible, significantly reducing the use of dangerous and hazardous chemicals on-site.

All chemicals used are accompanied with a Material Safety Data Sheet and where required have a Hazardous or Dangerous Risk Assessment completed. This information is co-located with stored chemicals for accessibility and is audited regularly. Staff are encouraged to access information prior to usage of chemicals.

The OH&S Officer maintains a main chemical register, hazardous chemical register and manual handling register for EDMH. Updates of material safety data sheets are sourced by the OHS Officer as required and are supplied to relevant Health and Safety Representatives. Main copies of these registers are located and kept in the OHS office.

Safety Initiatives

- Replacement of signage to indicate entry points, emergency exits, No parking, confined spaces.
- A number of activities to reduce slip/trip/fall hazards including use of Hazard tape on steps, grates in kitchen floor and painted on garden edgings.
- Aged Care courtyard fence erected to stop residents unintentionally wandering from the building.
- New shelving added in several offices to reduce manual handling issues.
- Pressure hose in kitchen marked to identify which end water comes from eliminating near misses.
- Hot water system unit lowered in kitchen for staff to be able to observe the water level in containers when filling them, thereby eliminating near misses.
- Additional Personal Protective Equipment located in cleaner's room for hotel services staff and extra hand sanitizing units placed in staff areas.
- Oxygen cylinders delivered to hospital by local supplier reducing Manual Handling issues for maintenance staff.
- Maintenance supervisor attended Confined Spaces and Working at Heights training.
- Health and Safety Representatives attended 2 yearly OHS refresher courses.
- Replacement of Fire Detection system throughout EDMH.

Building and Maintenance

All building and maintenance works comply with the provisions of the *Building Act 1993* in accordance with DHS Capital Development Guidelines (*Minister for Finance Guideline Building Act 1993/Standards for Publicly Owned Buildings 1994/Building (interim) Regulations 2005 and Building Code of Australia 2004*).

Freedom of Information

There were two requests under the Freedom of Information Act 1982 regulations and access to information was granted in full in both instances.

Statement on National Competition Policy

EDMH complies with all government policies regarding competitive neutrality with respect to all tender applications, including the requirements of the Government policy statement, *Competitive Neutrality Policy Victoria*, and subsequent reforms.

Additional Information - FRD 22D

In compliance with the requirements of FRD 22D *Standard Disclosures in the Report of Operations*, details in respect of the items listed below have been retained by Edenhope and District Memorial Hospital 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 major promotional, public relations and marketing activities undertaken by the 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;

- General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations;
- 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; and,
- Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

Other Information

Disclosure of Ex-Gratia Payments - FRD 11

No ex-gratia payments were made during 2012-13.

Victorian Industry Participation Policy Disclosures - FRD 25A

There were no contracts commenced or completed under the Victorian Industry Participation Policy (VIIP) Act 2003 during this reporting period.

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Edenhope and District Memorial Hospital for the year ending 30 June 2013.



Ron Hawkins
EDMH Board of Management, President
Edenhope
28th August 2013

3.	Expanding service, workforce and system capacity	Identify opportunities to address workforce gaps by optimising workforce capability and capacity and exploring alternative workforce models.	Expand local medical services and improve the security of medical workforce in Edenhope through the establishment of the EDMH Medical Clinic, including recruitment of appropriately skilled and qualified medical practitioners and a practice nurse by December 2012.	Edenhope Hospital Medical Clinic opened 1 October 2012 with full time General Practitioner. Delivering full time Practice Nurse services from October 2012.
4.	Increasing the system's financial sustainability and productivity	Identify opportunities for efficiency and better value service delivery	Improve the efficiency and accuracy of aged care financial systems at EDMH. through the implementation of the AIM aged care financial software system, and train all administration staff to use the program and better understand the intricacies of the aged care financial system by November 2012.	AIM aged care financial management system implemented July 2012 with relevant staff training. Further 'Aged Care Financial Pathway' training in September 2012.
5.	Implementing continuous improvements and innovation	Develop and implement improvement strategies that better support patient flow and the quality and safety of hospital services	Reduce demand on patient transport system, and provide more timely treatment for patients through provision of a radiology clinic on weekends, including training of registered nurses to perform x-rays locally by December 2012.	Further two Registered Nurses trained to take x-rays onsite. Total of nearly 100 x-rays taken for 37 patients this year. Awaiting quality review from Radiology provider. Client travel saved is estimated at 7,300 kms.
6.	Increasing accountability & transparency	Implement systems that support streamlined approaches to clinical governance at all levels of the organisation. Examine and reduce variation in administrative overheads.	By June 2013 revise and update the EDMH Strategic Plan, in collaboration with key stakeholders including community members, staff, executive management and the Board of Management. By July 2013 review large supplier contracts to ensure best value is being achieved. This includes investigation of group purchasing opportunities to decrease purchase price.	Five year Strategic Plan approved by Board 24 April 2013 following consultant facilitated sessions with representative groups of stakeholders. All major suppliers are now registered with Health Purchasing Victoria, contract compliance reviewed and satisfactory.

7.	Improving utilisation of e-health and communications technology.	Maximise the use of health ICT infrastructure to better connect a broad range of health care and other health-related workforces.	Expand utilisation of patient and/or multi-disciplinary team videoconferencing to/from remote locations to support improved patient access to specialist services by 10% to December 2013.	Now including Gerontology and Psychiatry videoconferencing consults. Also continuing Cardiology. Activity this year has increased by 45%.
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Part B: Performance priorities

Financial performance

Operating Result	Target	2012-13 actuals
Annual Operating result (\$m)	\$0.044	\$0.375

Cash Management	Target	2012-13 actuals
Creditors	<60 days	24 days
Debtors	<60 days	50 days

Quality and Safety	Target	2012-13 actuals
Health service accreditation	Full compliance	Full Compliance
Residential aged care accreditation	Full compliance	Full Compliance
Cleaning standards	Full compliance	Full Compliance
Submission of data to VICNISS	Full compliance	Full Compliance
Hand Hygiene (rate)	70	90
Victorian Patient Satisfaction Monitor: (OCI)	73	Full Compliance
Consumer Participation Indicator	75	Full Compliance
People Matter Survey	Full compliance	Full Compliance

Part C: Activity and Funding

Funding type	2012-13 Activity Achievement
Small Rural HACC	4,420 hours

Attestations

Data Integrity

I, Anne Bates, certify that the Edenhope and District Memorial Hospital has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Edenhope and District Memorial Hospital has critically reviewed these controls and processes during the year.



Anne Bates
Accountable Officer
Edenhope
28/08/2013

Insurance

I, Anne Bates, certify that the Edenhope and District Memorial Hospital has complied with Ministerial Direction 4.5.5.1



Anne Bates
Accountable Officer
Edenhope
28/08/2013

Australian/New Zealand Risk Management Standard

I, Anne Bates, certify that the Edenhope and District Memorial Hospital 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 Board of Management verifies this assurance and that the risk profile of the Edenhope and District Memorial Hospital has been critically reviewed within the last 12 months.



Anne Bates
Accountable Officer
Edenhope
28/08/2013

Edenhope and District Memorial Hospital Declaration

The attached financial statements for Edenhope and District Memorial Hospital 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 2013 and the financial position of Edenhope and District Memorial Hospital at 30 June 2013.

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

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



Kathryn Hausler
Board of Management,
Treasurer

Edenhope

20/8 /2013



Anne Bates
Chief Executive Officer

Edenhope

20/8/2013



Victorian Auditor-General's Office

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

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Edenhope and District Memorial Hospital

The Financial Report

The accompanying financial report for the year ended 30 June 2013 of Edenhope and District Memorial Hospital which comprises the 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 Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's declaration has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of Edenhope and District Memorial Hospital 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, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

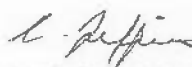
Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Edenhope and District Memorial Hospital as at 30 June 2013 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*.

Matters Relating to the Electronic Publication of the Audited Financial Report

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

MELBOURNE
27 August 2013


for John Doyle
Auditor-General

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL
 COMPREHENSIVE OPERATING STATEMENT
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
Revenue from Operating Activities	2	7,981,877	7,414,844
Revenue from Non-Operating Activities	2	203,737	235,614
Employee Expenses	3	(5,527,428)	(5,282,000)
Non Salary Labour Costs	3	(535,661)	(316,531)
Supplies and Consumables	3	(490,488)	(433,756)
Other Expenses from Continuing Operations	3	<u>(1,257,006)</u>	<u>(1,053,420)</u>
Net Result Before Capital and Specific Items		375,031	564,751
Capital Purpose Income	2	701,710	849,584
Depreciation	4	(794,026)	(810,403)
Expenditure using Capital Purpose Income	3	<u>(16,474)</u>	<u>(13,733)</u>
NET RESULT FOR THE YEAR		<u>266,241</u>	<u>590,199</u>
COMPREHENSIVE RESULT		<u>266,241</u>	<u>590,199</u>

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

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL
BALANCE SHEET
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	3,932,137	3,061,745
Receivables	6	390,749	797,445
Investments and Other Financial Assets	7	1,380,980	1,623,208
Inventories	8	26,278	26,369
Other Current Assets	9	19,454	26,145
Total Current Assets		<u>5,749,598</u>	<u>5,534,912</u>
Non-Current Assets			
Receivables	6	132,288	67,854
Property, Plant and Equipment	10	5,699,577	5,995,111
Total Non-Current Assets		<u>5,831,865</u>	<u>6,062,965</u>
TOTAL ASSETS		<u>11,581,463</u>	<u>11,597,877</u>
LIABILITIES			
Current Liabilities			
Payables	11	238,605	286,913
Provisions	12	1,528,740	1,492,050
Other Liabilities	14	1,484,834	1,751,471
Total Current Liabilities		<u>3,252,179</u>	<u>3,530,434</u>
Non-Current Liabilities			
Provisions	12	163,217	167,617
Total Non-Current Liabilities		<u>163,217</u>	<u>167,617</u>
TOTAL LIABILITIES		<u>3,415,396</u>	<u>3,698,051</u>
NET ASSETS		<u>8,166,067</u>	<u>7,899,826</u>
EQUITY			
Property, Plant and Equipment Revaluation Surplus	15a	2,276,565	2,276,565
Restricted Specific Purpose Surplus	15a	276,268	276,268
Contributed Capital	15b	3,981,684	3,981,684
Accumulated Surpluses / Deficits	15c	1,631,550	1,365,309
TOTAL EQUITY		<u>8,166,067</u>	<u>7,899,826</u>
Commitments for Expenditure	18		
Contingent Assets and Contingent Liabilities	19		

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

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

		Property, Plant and Equipment Revaluation Surplus	Restricted Specific Purpose Surplus	Contributed Capital	Accumulated Surpluses/ (Deficits)	Total
	Note	\$	\$	\$	\$	\$
Balance at 1 July 2011		2,276,565	276,268	3,981,684	775,110	7,309,627
Net result for the year	15c	0	0	0	590,199	590,199
Balance at 30 June 2012		2,276,565	276,268	3,981,684	1,365,309	7,899,826
Net result for the year	15c	0	0	0	266,241	266,241
Balance at 30 June 2013		2,276,565	276,268	3,981,684	1,631,550	8,166,067

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

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

	Note	2013 \$ Inflows/ (Outflows)	2012 \$ Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		6,372,907	5,628,813
Patient and Resident Fees Received		1,261,074	995,522
Donations and Bequests Received		13,088	123,669
GST (Paid to)/received from ATO		(9,625)	(6,094)
Interest Received		231,662	204,126
Other Receipts		610,534	469,605
Total Receipts		8,479,640	7,415,641
Employee Expenses Paid		(5,495,138)	(5,032,294)
Non-Salary Labour Costs		(535,661)	(316,531)
Payments for Supplies and Consumables		(1,671,661)	(1,198,571)
Total Payments		(7,702,460)	(6,547,396)
Cash Generated from Operations		777,180	868,245
Capital Grants from State Government		576,200	80,150
Capital Grants from Other Government		0	237,601
NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES	16	1,353,380	1,185,996
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Non-Financial Assets		(498,017)	(704,118)
Proceeds from Sale of Non-Financial Assets		15,930	0
(Purchase)/ Redemption of Investments		240,201	(96,018)
NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES		(241,886)	(800,136)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		1,111,494	385,860
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		1,290,896	905,036
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5	2,402,390	1,290,896

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 Edenhope and District Memorial Hospital for the period ending 30 June 2013. The purpose of the report is to provide users with information about the Health Services' stewardship of resources entrusted to it.

(a) Statement of compliance

These financial statements are a 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 AAS's.

The annual financial statements were authorised for issue by the Board of Edenhope and District Memorial Hospital on: 20 August, 2013.

(b) Basis of accounting preparation and measurement

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

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

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

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

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

The financial statements are prepared in accordance with the historical cost convention, except 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 losses. Revaluations are made and are reassessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;
- The fair value of assets other than land is generally based on their depreciated replacement value.

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

(b) Basis of accounting preparation and measurement (Continued)

In the application of AASs management is required to make judgements, estimates and assumptions about 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.

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

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

(c) Reporting Entity

The financial statements includes all the controlled activities of Edenhope and District Memorial Hospital.

Its principal address is:
128 - 132 Elizabeth Street
Edenhope Vic 3318

A description of the nature of Edenhope and District Memorial Hospital'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

Edenhope and District Memorial Hospital's overall objective is to provide the highest standard of care and health related services that is responsive to community needs, as well as improve the quality of life to Victorians.

Edenhope and District Memorial Hospital is predominately funded by accrual based grant funding for the provision of outputs.

(d) Principles of Consolidation

Intersegment Transactions

Transactions between segments within Edenhope and District Memorial Hospital have been eliminated to reflect the extent of Edenhope and District Memorial Hospital's operations as a group.

Jointly controlled assets or operations

Interest in jointly controlled assets or operations are not consolidated by Edenhope and District Memorial Hospital, 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

The Edenhope and District Memorial Hospital operates on a fund accounting basis and maintains one fund: Capital Funds. Edenhope and District Memorial Hospital's Capital Funds include unspent capital donations and receipts from fundraising 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 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.

(e) **Scope and presentation of financial statements (Continued)**

Comprehensive operating statement

The comprehensive operating statement includes the subtotal entitled 'Net Result Before Capital and Specific Items' to enhance the understanding of the financial performance of Edenhope and District Memorial Hospital. 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 a 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 consistency of results between years and Victorian Public Health Services. The 'Net Result Before Capital and Specific Items' is used by the management of Edenhope and District Memorial Hospital, the Department of Health and the Victorian Government to measure the ongoing operating performance of Health Services.

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

- * Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works and plant and equipment.
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
 - * 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 (j);
- * Depreciation, as described in note 1 (g);
- * Assets provided or received free of charge, as described in note 1 (f); and
- * 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.

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), 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 the 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.

(e) **Scope and presentation of financial statements (Continued)**

Rounding

All amounts shown in the financial statements are expressed to the nearest \$1.

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 as to the extent that it is probable that the economic benefits will flow to Edenhope and District Memorial Hospital and the income can be reliably measured. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue are, where applicable, net of returns, allowances 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

- Insurance is recognised as revenue following advice from the Department of Health.
- Long Service Leave (LSL) - Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 05/2013.

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 provision of meals to external users is recognised at the time the 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 reserve, such as specific restricted purpose reserve.

Interest Revenue

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

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 donated.

(g) **Expense recognition**

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

Employee expenses

Employee expenses include:

- Wages and salaries;
- Annual leave;
- Sick leave;
- Long service leave; and
- Superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Defined contribution superannuation plans

In relation to defined contributions (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 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 reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

Employees of the Edenhope and District Memorial Hospital are entitled to receive superannuation benefits and Edenhope & District Memorial Hospital contributes to both the defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years based on years of service and final average salary.

The name and details of the major employee superannuation funds and contributions made by Edenhope and District Memorial Hospital are disclosed in Note 13: Superannuation.

Depreciation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated (i.e. excludes 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.

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 and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health. Assets with a cost in excess of \$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.

(g) **Expense recognition (Continued)**
Depreciation (Continued)

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

	2013	2012
Buildings		
- Structure Shell Building Fabric	5 to 38 years	5 to 38 years
- Site Engineering Services and Central Plant	5 to 38 years	5 to 38 years
Central Plant		
- Fit Out	5 to 38 years	5 to 38 years
- Trunk Reticulated Building Systems	5 to 38 years	5 to 38 years
Plant and Equipment	10 years	10 years
Medical Equipment	5 to 10 years	5 to 10 years
Computers and Communication	2 to 3 years	2 to 3 years
Furniture and Fittings	3 to 5 years	3 to 5 years
Motor Vehicles	4 to 5 years	4 to 5 years

Please note: the estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

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

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset's useful life.

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 service costs which are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expenses 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

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

(h) **Other comprehensive income**

Other comprehensive income measure 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:

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 determined after deducting from the proceeds the carrying value of the asset at that time.

(i) **Financial Instruments**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one Health Service and a financial liability or equity instrument of another Health Service. Due to the nature of Edenhope and District Memorial Hospital'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.

(j) **Assets**

Cash and Cash Equivalents

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

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet.

Receivables

Receivables consist of:

- Contractual receivables, which includes of 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 rate method, less any accumulated impairment.

(j) **Assets (Continued)**

Receivables (Continued)

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 debt is recognised when there is objective evidence that an impairment loss has occurred and bad debts are written off when identified.

Investments and Other Financial Assets

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

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 Edenhope and District Memorial Hospital 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.

Edenhope and District Memorial Hospital 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 and 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 including land held for sale, are measured at the lower of cost and net realisable value.

Inventories acquired for no cost or nominal considerations 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 part of a merger/ machinery of government are transferred at their carrying amount.

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 restriction will no longer apply.

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

(j) **Assets (Continued)**

Property, plant and equipment (Continued)

Plant, equipment and vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Revaluations of non-current physical assets

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

Revaluation increments are recognised in 'other comprehensive income' and are credited directly 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 the 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 derecognition of the relevant asset.

In accordance with FRD 103D Edenhope and District Memorial Hospital's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required. This assessment did not identify any significant movements that would require a revaluation.

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) - 'other comprehensive income'.

Impairment of non-financial assets

Goodwill and intangible assets with indefinite lives (and intangible assets not yet available for use) are tested annually for impairment (as described below) and whenever there is an indication that the asset may be impaired.

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

- inventories;
- financial assets;
- investment properties that are measured at fair value;
- non-current physical assets held for sale; and
- assets arising from construction contracts.

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

(j) **Assets (Continued)**

Impairment of non-financial assets (continued)

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 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 to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Investments in jointly controlled assets and operations

In respect of any interest in jointly controlled assets, Edenhope and District Memorial Hospital recognises in the financial statements:

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

For jointly controlled operations Edenhope and District Memorial Hospital recognises:

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

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired; or
- the Health Service retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; 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 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 Edenhope and District Memorial Hospital assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit and loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as written off and allowances for doubtful receivables are expensed. Bad 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 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 percent 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 2013 for its portfolio of financial assets, Edenhope & District Memorial Hospital obtained a valuation based on the best available advice using an estimated market value through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2013. 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*.

(j) **Financial assets (Continued)**

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 loss or held-for-trading;
- Impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets and derecognition of financial liabilities.

(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 the 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.

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

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

(k) **Liabilities (Continued)**
Employee benefits (Continued)

Long Service Leave

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

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

The components of this current LSL liability are measured at:

- present value - component that the Edenhope and District Memorial Hospital does not expect to settle within 12 months; and
- nominal value - component that the Edenhope and District Memorial Hospital expects to settle within 12 months.

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

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

Termination Benefits

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

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

On-Costs

Employee benefit on-costs, such as payroll tax, workers compensation, superannuation are recognised separately from the provision for employee benefits.

Superannuation Liabilities

The Edenhope and District Memorial Hospital 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 obligations 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. All other leases are classified as operating leases.

(l) **Leases (Continued)**

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.

Lease incentives

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

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

Leasehold Improvements

The cost of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

(m) **Equity**

Contributed capital

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

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

Property, plant and equipment revaluation surplus

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

Restricted specific purpose surplus

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

(n) **Commitments**

Commitments for expenditure are not recognised on the balance sheet. Commitments for expenditure are disclosed 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.

(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 the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

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

(q) **AASs issued that are not yet effective**

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

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

Standard/ Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Health Service's Annual Statements
AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>	This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.
AASB 2010-2 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	This Standard makes amendments to many Australian Accounting Standards including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.
AASB 2011-2 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project- Reduced Disclosure Requirements</i> [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards - Reduced Disclosure Requirements.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.

(q) **AASs issued that are not yet effective (Continued)**

AASB 2011-4 Further Amendments to Australian Accounting Standards to remove Individual Key Management Personnel disclosure requirements [AASB 124]	This Standard amends AASB 124 <i>Related Party Disclosures</i> by removing the disclosure requirements in AASB 124 in relation to individual key management personnel (KMP)	Beginning 1 July 2013	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2011-6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	The objective of this Standard is to make amendments to AASB 127 <i>Consolidated and Separate Financial Statements</i> , AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i> to extend the circumstances in which an entity can obtain relief from consolidation, the equity method or proportionate consolidation.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.
AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	This Standard makes amendments to AASB 119 <i>Employee Benefits</i> (September 2011), to incorporate reduced disclosure requirements into the Standard for entities applying Tier 2 requirements in preparing general purpose financial statements.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not decided if RDRs will be implemented to Victorian Public Sector.

(r) **Category Groups**

Edenhope and District Memorial Hospital has used the following category groups for reporting purposes for the current and previous financial years.

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

Aged Care comprises revenue/expenditure from Home and Community Care (HACC) programs, Allied Health, Aged Care Assessment and support services.

Primary Health comprises revenue/expenditure for Community Health Services including health promotion and counselling, physiotherapy speech therapy, podiatry and occupational therapy.

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

Other Services excluded from Australian Health Care Agreement (AHCA) (Other)

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

Note 2: REVENUE	HSA 2013 \$	HSA 2012 \$	H&CI 2013 \$	H&CI 2012 \$	TOTAL 2013 \$	TOTAL 2012 \$
Revenue from Operating Activities						
Government Grants						
- Department of Health	4,295,727	4,177,306	0	0	4,295,727	4,177,306
- Dental Health Services Victoria	34,871	35,314	0	0	34,871	35,314
- Commonwealth Government						
- Residential Aged Care Subsidy	1,836,471	1,736,898	0	0	1,836,471	1,736,898
Total Government Grants	6,167,069	5,949,518	0	0	6,167,069	5,949,518
Indirect Contributions by Department of Health						
- Insurance	20,575	25,266	0	0	20,575	25,266
- Long Service Leave	64,434	9,101	0	0	64,434	9,101
Total Indirect Contributions by Department of Health	85,009	34,367	0	0	85,009	34,367
Patient and Resident Fees						
- Patient and Resident Fees (refer note 2b)	467,551	232,227	0	0	467,551	232,227
- Residential Aged Care (refer note 2b)	653,734	652,073	0	0	653,734	652,073
Total Patient and Resident Fees	1,121,285	884,300	0	0	1,121,285	884,300
Commercial Activities and Specified Purposes Funds						
Catering	0	0	118,715	115,790	118,715	115,790
Property Income	0	0	88,372	85,165	88,372	85,165
Other	0	0	0	2,584	0	2,584
Total Commercial Activities and Specific Purpose Funds	0	0	207,087	203,539	207,087	203,539
Grampians Rural Health Alliance	154,642	124,529	0	0	154,642	124,529
Other Revenue from Operating Activities	246,785	218,591	0	0	246,785	218,591
Total Revenue from Operating Activities	7,774,790	7,211,305	207,087	203,539	7,981,877	7,414,844
Revenue from Non-Operating Activities						
Interest	203,737	235,614	0	0	203,737	235,614
Total Revenue from Non-Operating Activities	203,737	235,614	0	0	203,737	235,614
Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	576,200	80,150	0	0	576,200	80,150
- Grampians Rural Health Alliance	495	6,557	0	0	495	6,557
Other Government Capital Grants	0	0	0	512,709	0	512,709
Residential Accommodation Payments (refer note 2b)	106,301	126,499	0	0	106,301	126,499
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2c)	0	0	5,626	0	5,626	0
Donations and Bequests	0	0	13,088	123,669	13,088	123,669
Total Capital Purpose Income	682,996	213,206	18,714	636,378	701,710	849,584
Total Revenue (refer to note 2a)	8,661,523	7,660,125	225,801	839,917	8,887,324	8,500,042

Indirect contributions by Department of Health:

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

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

Note 2a: ANALYSIS OF REVENUE BY SOURCE

	Admitted Patients 2013 \$	Residential Aged Care 2013 \$	Aged Care 2013 \$	Primary Health 2013 \$	Other 2013 \$	TOTAL 2013 \$
Revenue from Services Supported by Health Service Agreement						
Government Grants	3,244,121	2,433,135	365,692	124,121	0	6,167,069
Indirect Contributions by Department of Health	45,055	34,854	2,550	2,550	0	85,009
Patient and Resident Fees (refer note 2b)	243,544	653,734	0	44,065	179,942	1,121,285
Interest and Dividends	107,981	83,532	6,112	6,112	0	203,737
Grampians Rural Health Alliance	154,642	0	0	0	0	154,642
Other Revenue from Operating Activities	50,597	15,824	5,425	163,838	11,101	246,785
Capital Purpose Income (refer note 2)	576,695	106,301	0	0	0	682,996
Total Revenue from Services Supported by Health Services Agreement	4,422,635	3,327,380	379,779	340,686	191,043	8,661,523
Revenue from Services Supported by Hospital and Community Initiatives						
Catering	0	0	0	0	118,715	118,715
Property Income	0	0	0	0	88,372	88,372
Other Activities						
Capital Purpose Income (refer note 2)	0	0	0	0	18,714	18,714
Total Revenue from Services Supported by Hospital and Community Initiatives	0	0	0	0	225,801	225,801
Total Revenue	4,422,635	3,327,380	379,779	340,686	416,844	8,887,324

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: ANALYSIS OF REVENUE BY SOURCE (Continued)

	Admitted Patients 2012 \$	Residential Aged Care 2012 \$	Aged Care 2012 \$	Primary Health 2012 \$	Other 2012 \$	TOTAL 2012 \$
Revenue from Services Supported by Health Services Agreement						
Government Grants	3,187,062	2,300,816	347,033	114,607	0	5,949,518
Indirect Contributions by Department of Health	18,214	14,091	1,031	1,031	0	34,367
Patient and Resident Fees (refer note 2b)	208,678	652,073	0	23,549	0	884,300
Interest and Dividends	124,876	96,602	7,068	7,068	0	235,614
Grampians Rural Health Alliance	124,529	0	0	0	0	124,529
Other Revenue from Operating Activities	65,037	11,538	2,968	139,048	0	218,591
Capital Purpose Income (refer note 2)	86,707	126,499	0	0	0	213,206
Total Revenue from Services Supported by Health Services Agreement	3,815,103	3,201,619	358,100	285,303	0	7,660,125
Revenue from Services Supported by Hospital and Community Initiatives						
Catering	0	0	0	0	115,790	115,790
Property Income	0	0	0	0	85,165	85,165
Other Activities						
Capital Purpose Income (refer note 2)	0	0	0	0	636,378	636,378
Other	0	0	0	0	2,584	2,584
Total Revenue from Services Supported by Hospital and Community Initiatives	0	0	0	0	839,917	839,917
Total Revenue	3,815,103	3,201,619	358,100	285,303	839,917	8,500,042

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 2b: PATIENT AND RESIDENT FEES

	2013	2012
	\$	\$
Patient and Resident Fees Raised		
Recurrent:		
Acute		
- Inpatients (*)	243,544	208,678
- Outpatients	44,065	23,549
- Medical Clinic	179,942	0
Residential Aged Care		
- Nursing Home	289,002	297,369
- Hostel	364,732	354,704
	<u>1,121,285</u>	<u>884,300</u>
TOTAL PATIENT AND RESIDENT FEES RECEIVED	1,121,285	884,300
Capital Purpose:		
Residential Accommodation Payments (**)	106,301	126,499
	<u>106,301</u>	<u>126,499</u>
TOTAL CAPITAL	106,301	126,499

(*) Compensable payments (such as TAC, WIES and DVA throughput) are excluded.

(**) This includes accommodation charges, interest earned on accommodation bonds and retention amount.

NOTE 2c: NET GAIN/(LOSS) ON DISPOSAL OF NON-FINANCIAL ASSETS

	2013	2012
	\$	\$
Proceeds from Disposal of Non-Current Assets		
- Motor Vehicles	15,930	0
Total Proceeds from Disposal of Non-Current Assets	<u>15,930</u>	<u>0</u>
Less: Written Down Value of Non-Current Assets Disposed		
- Motor Vehicles	(10,304)	0
Total Written Down Value of Non-Current Assets Disposed	<u>(10,304)</u>	<u>0</u>
NET GAIN/ (LOSS) ON DISPOSAL OF NON-FINANCIAL ASSETS	<u>5,626</u>	<u>0</u>

Note 3: EXPENSES	HSA 2013 \$	HSA 2012 \$	H&CI 2013 \$	H&CI 2012 \$	TOTAL 2013 \$	TOTAL 2012 \$
Employee Expenses						
Salaries and Wages	4,874,633	4,629,611	4,004	3,689	4,878,637	4,633,300
Work Cover Premium	52,084	49,815	46	44	52,130	49,859
Long Service Leave	153,447	182,556	128	88	153,575	182,644
Superannuation	442,605	415,757	481	440	443,086	416,197
Total Employee Expenses	5,522,769	5,277,739	4,659	4,261	5,527,428	5,282,000
Non Salary Labour Costs						
Fee for Service Visiting Officers	503,128	286,196	0	0	503,128	286,196
Agency Costs - Other	32,533	30,335	0	0	32,533	30,335
Total Non Salary Labour Costs	535,661	316,531	0	0	535,661	316,531
Supplies and Consumables						
Drug Supplies	42,956	47,711	0	0	42,956	47,711
Medical, Surgical Supplies and Prosthesis	105,242	94,824	0	0	105,242	94,824
Special Services	90,291	42,796	0	0	90,291	42,796
Food Supplies	251,999	248,425	0	0	251,999	248,425
Total Supplies and Consumables	490,488	433,756	0	0	490,488	433,756
Expenditure Using Capital Purpose Income						
Other Expenses	16,474	13,733	0	0	16,474	13,733
Total Expenditure Using Capital Purpose Income	16,474	13,733	0	0	16,474	13,733
Other Expenses						
Domestic Services and Supplies	56,766	54,135	123	180	56,889	54,315
Fuel, Light, Power and Water	161,197	128,934	23,086	13,836	184,283	142,770
Insurance costs funded by the Department of Health	935	9,101	0	0	935	9,101
Motor Vehicle Expenses	33,100	25,274	0	0	33,100	25,274
Repairs and Maintenance	124,079	106,953	13,810	27,767	137,889	134,720
Maintenance Contracts	39,280	22,590	891	528	40,171	23,118
Patient Transport	80,235	53,303	0	0	80,235	53,303
Other Administrative Expenses	700,595	593,256	12,009	6,913	712,604	600,169
Audit Fees						
- VAGO - Audit of Financial Statements	10,900	10,650	0	0	10,900	10,650
Total Other Expenses	1,207,087	1,004,196	49,919	49,224	1,257,006	1,053,420
Depreciation and Amortisation (refer note 4)	794,026	810,403	0	0	794,026	810,403
Total	794,026	810,403	0	0	794,026	810,403
Total Expenses	8,566,505	7,856,358	54,578	53,485	8,621,083	7,909,843

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

Note 3a: ANALYSIS OF EXPENSE BY SOURCE

	Admitted Patients 2013 \$	Residential Aged Care 2013 \$	Aged Care 2013 \$	Primary Health 2013 \$	Other 2013 \$	TOTAL 2013 \$
Services Supported by Health Services Agreement						
Employee Expenses	2,090,896	2,810,932	267,793	205,129	148,019	5,522,769
Non Salary Labour Costs	246,559	13,338	976	54,201	220,587	535,661
Supplies and Consumables	224,968	225,392	3,443	28,143	8,542	490,488
Other Expenses	672,936	421,302	48,267	23,997	57,059	1,223,561
Depreciation (refer note 4)	0	0	0	0	794,026	794,026
Total Expenses from Services Supported by Health Services Agreement	3,235,359	3,470,964	320,479	311,470	1,228,233	8,566,505
Services Supported by Hospital and Community Initiatives						
Employee Expenses	0	0	0	0	4,659	4,659
Other Expenses	0	0	0	0	49,919	49,919
Total Expense from Services Supported by Hospital and Community Initiatives	0	0	0	0	54,578	54,578
Total Expenses	3,235,359	3,470,964	320,479	311,470	1,282,811	8,621,083

	Admitted Patients 2012 \$	Aged Care 2012 \$	Residential Aged Care 2012 \$	Primary Health 2012 \$	Other 2012 \$	TOTAL 2012 \$
Services Supported by Health Service Agreement						
Employee Expenses	2,063,361	2,716,754	264,835	232,789	0	5,277,739
Non Salary Labour Costs	239,928	19,060	1,395	56,148	0	316,531
Supplies and Consumables	190,353	213,993	2,601	26,809	0	433,756
Other Expenses	572,004	367,215	46,338	18,639	13,733	1,017,929
Depreciation (refer note 4)	0	0	0	0	810,403	810,403
Total Expenses from Services Supported by Health Services Agreement	3,065,646	3,317,022	315,169	334,385	824,136	7,856,358
Community Initiatives						
Employee Expenses	0	0	0	0	4,261	4,261
Other Expenses	0	0	0	0	49,224	49,224
Total Expense from Services Supported by Hospital and Community Initiatives	0	0	0	0	53,485	53,485
Total Expenses	3,065,646	3,317,022	315,169	334,385	877,621	7,909,843

NOTE 4: DEPRECIATION

	2013	2012
	\$	\$
Depreciation		
Buildings	642,856	638,098
Plant and Equipment		
- Plant	57,605	56,121
- Major Medical	39,014	40,074
- Computers and Communication	10,528	20,925
- Motor Vehicles	37,041	41,173
- Furniture and Fittings	6,982	14,012
TOTAL DEPRECIATION	794,026	810,403

NOTE 5: CASH AND CASH EQUIVALENTS

For the purposes of the cash flow statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

	2013	2012
	\$	\$
Cash on Hand	600	600
Cash at Bank	1,406,610	1,518,624
Deposits at Call	2,524,927	1,542,521
TOTAL CASH AND CASH EQUIVALENTS	3,932,137	3,061,745

Represented by:

Cash for Health Service Operations (as per cash flow statement)	2,402,390	1,290,896
Cash for Grampians Rural Health Alliance	44,913	19,378
Cash for Monies Held in Trust		
- Cash at Bank	119,277	208,950
- Deposits at Call	1,365,557	1,542,521

TOTAL CASH AND CASH EQUIVALENTS

3,932,137 3,061,745

NOTE 6: RECEIVABLES

CURRENT

Contractual

	2013	2012
	\$	\$
Trade Debtors - Health Service	150,576	312,308
Patient Debtors	107,666	141,154
Accrued Investment Income	47,145	75,070
Accrued Revenue - Other	4,745	(325)
Receivables - Grampians Rural Health Alliance	32,691	36,555
	<u>342,823</u>	<u>564,762</u>

Statutory

Department of Health	0	194,382
GST Receivable - Health Service	47,926	38,301
	<u>47,926</u>	<u>232,683</u>

TOTAL CURRENT RECEIVABLES

390,749 797,445

NON CURRENT

Statutory

Long Service Leave- Department of Health	132,288	67,854
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TOTAL NON-CURRENT RECEIVABLES

132,288 67,854

TOTAL RECEIVABLES

523,037 865,299

NOTE 6: RECEIVABLES (Continued)

(a) Ageing analysis of receivables

Please refer to note 17(b) for the ageing analysis of receivables.

(b) Nature and extent of risk arising from receivables

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

NOTE 7: INVESTMENTS AND OTHER FINANCIAL ASSETS

	Capital Fund		Total	
	2013	2012	2013	2012
	\$	\$	\$	\$
CURRENT				
<i>Term Deposit</i>				
Aust. Dollar Term Deposits > 3 Months	1,380,980	1,623,208	1,380,980	1,623,208
TOTAL CURRENT OTHER FINANCIAL ASSETS	1,380,980	1,623,208	1,380,980	1,623,208
Represented by:				
Investments - Health Service	1,380,980	1,621,181	1,380,980	1,621,181
Investments - Grampians Rural Health Alliance	0	2,027	0	2,027
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	1,380,980	1,623,208	1,380,980	1,623,208

(a) Ageing analysis of other financial assets

Please refer to note 17(b) for the ageing analysis of other financial assets.

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

Please refer to note 17(b) for the nature and extent of credit risk arising from other financial assets.

NOTE 8: INVENTORIES

	2013	2012
	\$	\$
CURRENT		
Pharmaceuticals - at cost	11,990	10,664
Catering Supplies- at cost	3,655	5,195
Housekeeping Supplies - at cost	2,481	3,867
Medical and Surgical Lines - at cost	8,152	6,643
TOTAL INVENTORIES	26,278	26,369

Inventories held by the Health Service are held for short periods of time with regular turnover. There is no material loss of service potential in inventories held at the end of the year.

NOTE 9: OTHER ASSETS

	2013	2012
	\$	\$
CURRENT		
Prepayments - Health Service	18,131	25,778
Prepayments - Grampians Rural Health Alliance	1,323	367
TOTAL OTHER ASSETS	19,454	26,145

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2013	2012
	\$	\$
Land		
- Land at Cost	76,927	76,927
- Land at Valuation	965,000	965,000
Total Land	<u>1,041,927</u>	<u>1,041,927</u>
Buildings		
- Buildings Under Construction at Cost	17,000	578,497
- Buildings at Valuation	5,463,000	5,463,000
Less Accumulated Depreciation	2,515,904	1,886,929
	<u>2,947,096</u>	<u>3,576,071</u>
- Buildings at Cost	1,138,954	198,211
Less Accumulated Depreciation	28,773	14,893
	<u>1,110,181</u>	<u>183,318</u>
Total Buildings	<u>4,074,277</u>	<u>4,337,886</u>
Plant and Equipment		
- Plant and Equipment at Fair Value	1,111,631	1,057,803
Less Accumulated Depreciation	803,698	746,094
Total Plant and Equipment	<u>307,933</u>	<u>311,709</u>
Medical Equipment		
- Medical Equipment at Fair Value	955,392	955,392
Less Accumulated Depreciation	868,941	829,927
Total Medical Equipment	<u>86,451</u>	<u>125,465</u>
Computers and Communication		
- Grampians Rural Health Alliance at Fair Value	63,551	46,519
Less Accumulated Depreciation	31,636	25,383
- Computers and Communication at Fair Value	411,232	403,434
Less Accumulated Depreciation	365,886	355,357
Total Computers and Communications	<u>77,261</u>	<u>69,213</u>
Motor Vehicles		
- Motor Vehicles at Fair Value	282,464	277,321
Less Accumulated Depreciation	234,395	220,631
Total Motor Vehicles	<u>48,069</u>	<u>56,690</u>
Furniture and Fittings		
- Furniture and Fittings at Fair Value	266,669	248,249
Less Accumulated Depreciation	203,010	196,028
Total Furniture and Fittings	<u>63,659</u>	<u>52,221</u>
TOTAL	<u>5,699,577</u>	<u>5,995,111</u>

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Motor Vehicles	Furniture & Fittings	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2011	1,005,000	4,397,487	362,632	147,540	32,919	97,863	50,585	6,094,026
Additions	36,927	578,497	5,198	17,999	49,849	0	15,648	704,118
Disposals	0	0	0	0	0	0	0	0
Grampians Rural Health Alliance	0	0	0	0	7,370	0	0	7,370
Depreciation (note 4)	0	(638,098)	(56,121)	(40,074)	(20,925)	(41,173)	(14,012)	(810,403)
Balance at 1 July 2012	1,041,927	4,337,886	311,709	125,465	69,213	56,690	52,221	5,995,111
Additions	0	379,247	53,829	0	7,797	38,724	18,420	498,017
Disposals	0	0	0	0	0	(10,304)	0	(10,304)
Grampians Rural Health Alliance	0	0	0	0	10,779	0	0	10,779
Depreciation (note 4)	0	(642,856)	(57,605)	(39,014)	(10,528)	(37,041)	(6,982)	(794,026)
Balance at 30 June 2013	1,041,927	4,074,277	307,933	86,451	77,261	48,069	63,659	5,699,577

Land and Buildings Carried at Valuation

An independent valuation of Edenhope & District Memorial Hospital's property was performed by the *Valuer-General Victoria* to determine the fair value of the land and buildings. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. The effective date of the valuation is 30 June 2009.

NOTE 11: PAYABLES

	2013	2012
	\$	\$
CURRENT		
Contractual		
Trade Creditors	132,429	172,788
Payables - Grampians Rural Health Alliance	46,930	22,680
Other Accrued Expenditure	43,380	91,149
	222,739	286,617
Statutory		
GST Payable - Grampians Rural Health Alliance	4,410	296
Department of Health	11,456	0
	15,866	296
TOTAL PAYABLES	238,605	286,913

(a) Maturity analysis of payables

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

(b) Nature and extent of risk arising from payables

Please refer to note 17(c) for the nature and extent of risks arising payables.

NOTE 12: PROVISIONS

	2013	2012
	\$	\$
Current Provisions		
Employee Benefits (i)		
- unconditional and expected to be settled within 12 months (ii)	720,206	822,035
- unconditional and expected to be settled after 12 months (iii)	638,674	529,253
	1,358,880	1,351,288
Provisions related to employee benefit on-costs		
- unconditional and expected to be settled within 12 months (ii)	90,026	74,604
- unconditional and expected to be settled after 12 months (iii)	79,834	66,158
	169,860	140,762
Total Current Provisions	1,528,740	1,492,050
Non-Current Provisions		
Employee Benefits (i)	145,082	148,993
Provisions related to employee benefit on-costs	18,135	18,624
Total Non-Current Provisions	163,217	167,617
Total Provisions	1,691,957	1,659,667
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and related on-costs		
Unconditional Long Service Leave Entitlements	834,832	786,193
Annual Leave Entitlements	509,198	457,537
Accrued Salaries and Wages	156,697	225,221
Accrued Days Off	28,013	23,099
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements (iii)	163,217	167,617
Total Employee Benefits and Related On-Costs	1,691,957	1,659,667
(b) Movements in Provisions		
Movement in Long Service Leave:		
Balance at start of year	953,810	853,565
Provision made during the year		
- Revaluations	7,220	(16,314)
- Expense Recognising Employee Service	153,076	210,097
Settlement made during the year	(116,057)	(93,537)
Balance at end of year	998,049	953,810

Notes:

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

(ii) The amounts disclosed are nominal amounts.

(iii) The amounts disclosed are discounted to present values.

NOTE 13: SUPERANNUATION

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

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

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 expensed in relation to the major employee superannuation funds and contributions made by the Health Service are as follows:

NOTE 13: SUPERANNUATION (Continued)

Fund	Paid Contributions for the year		Outstanding Contributions at Year End	
	2013	2012	2013	2012
	\$	\$	\$	\$
Defined Benefit Plans: Health Super	42,845	46,167	0	0
Defined Contribution Plans: Health Super / HESTA / Other	400,241	370,030	0	0
Total	443,086	416,197	0	0

NOTE 14: OTHER LIABILITIES

	2013	2012
	\$	\$
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust	67,270	68,046
- Accommodation Bonds (Refundable Entrance Fees)	1,365,557	1,641,181
- Other	52,007	42,244
TOTAL CURRENT	1,484,834	1,751,471
* Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer to Note 5)	119,277	208,950
Deposits at Call (refer to Note 5)	1,365,557	1,542,521
TOTAL OTHER LIABILITIES	1,484,834	1,751,471

NOTE 15: EQUITY

	2013	2012
	\$	\$
(a) Surpluses		
Property, Plant & Equipment Revaluation Surplus¹		
Balance at beginning of the reporting period		
- Land	634,567	634,567
- Buildings	1,641,998	1,641,998
Balance at the end of the reporting period	2,276,565	2,276,565
Represented by:		
- Land	634,567	634,567
- Buildings	1,641,998	1,641,998
	2,276,565	2,276,565
(1) The property, plant and equipment asset revaluation surplus arises on the revaluation of property, plant and equipment.		
Restricted Specific Purpose Surplus		
Balance at the beginning of the reporting period	276,268	276,268
Balance at the end of the reporting period	276,268	276,268
Total Surpluses	2,552,833	2,552,833
(b) Contributed Capital		
Balance at the beginning of the reporting period	3,981,684	3,981,684
Balance at the end of the reporting period	3,981,684	3,981,684
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	1,365,309	775,110
Net Result for the Year	266,241	590,199
Balance at the end of the reporting period	1,631,550	1,365,309
(d) Total Equity at end of financial year	8,166,067	7,899,826

NOTE 16: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES

	2013	2012
	\$	\$
NET RESULT FOR THE YEAR	266,241	590,199
Non-cash movements		
Depreciation	794,026	804,934
Share of Net Result from Joint Ventures	(3,015)	18,035
Movements included in investing and financing activities		
Net (Gain)/Loss from Disposal of Plant and Equipment	(5,626)	0
Movements in assets and liabilities		
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	338,398	(500,140)
(Increase)/Decrease in Prepayments	7,647	21,997
Increase/(Decrease) in Payables	(76,672)	(37)
Increase/(Decrease) in Provisions	32,290	249,705
Change in Inventories	91	1,303
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,353,380	1,185,996

NOTE 17: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

Edenhope & District Memorial Hospital's principal financial instruments comprise of:

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

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 financial risk management committee of the Health Service.

The main purpose in holding financial instruments is to prudentially manage Edenhope & District Memorial Hospital's financial risk within the government policy parameters.

Categorisation of financial instruments

	Carrying Amount	Carrying Amount
	2013	2012
	\$	\$
Financial Assets		
Cash and cash equivalents	3,932,137	3,061,745
Loans and Receivables	342,823	564,762
Available for sale	1,380,980	1,623,208
Total Financial Assets (i)	5,655,940	5,249,715
Financial Liabilities		
At amortised cost	1,707,573	2,038,088
Total Financial Liabilities(ii)	1,707,573	2,038,088

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

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

NOTE 17: FINANCIAL INSTRUMENTS (Continued)
(a) Financial Risk Management Objectives and Policies (Continued)

Net holding gain/(loss) on financial instruments by category

	Net holding gain/ (loss) 2013 \$	Net holding gain/ (loss) 2012 \$
Financial Assets		
Cash and cash equivalents(i)	203,737	235,614
Total Financial Assets	203,737	235,614

(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 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.

(b) Credit Risk

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

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

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

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are 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 Edenhope & District Memorial Hospital 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) \$	Government agencies (AAA credit rating) \$	Government agencies (BBB credit rating) \$	Other (min BBB credit rating) \$	Total \$
2013					
Financial Assets					
Cash and Cash Equivalents	3,932,137	0	0	0	3,932,137
Receivables					
- Trade Debtors	0	0	0	258,242	258,242
- Other Receivables (i)	0	4,745	0	79,836	84,581
Available for Sale					
- Term Deposit	1,380,980	0	0	0	1,380,980
Total Financial Assets	5,313,117	4,745	0	338,078	5,655,940
2012					
Financial Assets					
Cash and Cash Equivalents	3,061,745	0	0	0	3,061,745
Receivables					
- Trade Debtors	0	0	0	453,462	453,462
- Other Receivables (i)	0	(325)	0	111,625	111,300
Available for Sale					
- Term Deposit	1,623,208	0	0	0	1,623,208
Total Financial Assets	4,684,953	(325)	0	565,087	5,249,715

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

NOTE 17: FINANCIAL INSTRUMENTS (Continued)
(b) Credit Risk (Continued)

Ageing analysis of financial asset 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 \$	
2013							
Financial Assets							
Cash and Cash Equivalents	3,932,137	3,932,137	0	0	0	0	0
Receivables							
- Trade Debtors	258,242	226,408	22,773	5,126	3,935	0	0
- Other Receivables	84,581	84,581	0	0	0	0	0
Available for Sale							
- Term Deposit	1,380,980	1,380,980	0	0	0	0	0
Total Financial Assets	5,655,940	5,624,106	22,773	5,126	3,935	0	0
2012							
Financial Assets							
Cash and Cash Equivalents	3,061,745	3,061,745	0	0	0	0	0
Receivables							
- Trade Debtors	453,462	330,239	5,625	109,109	6,684	1,805	0
- Other Receivables	111,300	111,300	0	0	0	0	0
Available for Sale							
- Term Deposit	1,623,208	1,623,208	0	0	0	0	0
Total Financial Assets	5,249,715	5,126,492	5,625	109,109	6,684	1,805	0

Contractual financial assets that are neither past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently the Health Service does not hold any collateral as security nor credit enhancements relating to 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 their carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

(c) Liquidity Risk

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due. The Health Service operates under the Government's fair payments policy of setting 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:

- Term Deposits and cash held at financial institutions are managed with variable maturity dates and take into consideration cash flow requirements of the Health Service from month to month.

The following table discloses the contractual maturity analysis for Edenhope & District Memorial Hospital financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

(c) Liquidity Risk (Continued)

Maturity analysis of financial liabilities as at 30 June

	Total Carrying Amount	Nominal Amount	Maturity Dates			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
	\$	\$	\$	\$	\$	\$
2013						
Financial Liabilities						
Payables	222,739	222,739	218,283	4,456	0	0
Other Financial Liabilities (i)						
- Monies Held in Trust	1,484,834	1,484,834	67,270	1,417,564	0	0
Total Financial Liabilities	1,707,573	1,707,573	285,553	1,422,020	0	0
2012						
Financial Liabilities						
Payables	286,617	286,617	284,561	2,056	0	0
Other Financial Liabilities (i)						
- Monies Held in Trust	1,751,471	1,751,471	68,046	1,683,425	0	0
Total Financial Liabilities	2,038,088	2,038,088	352,607	1,685,481	0	0

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

(d) Market Risk

Edenhope & District Memorial Hospital'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 paragraphs below.

Currency Risk

Edenhope & District Memorial Hospital 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 risks arise primarily through the Edenhope & District Memorial Hospital's other financial assets. Minimisation of risk is achieved by mainly holding fixed rate or non-interest bearing financial instruments. For financial assets the Health Service mainly holds financial assets 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 movements in interest rates on a daily basis.

Other Price Risk

The Health Service is exposed to normal price fluctuations from time to time through market forces. Where adequate notice is provided by suppliers, additional purchases are made for long term goods. Supplier contracts are also in place for major product lines purchased by the Health Service on a monthly basis. These contracts have set price arrangements and are reviewed on a regular basis.

NOTE 17: FINANCIAL INSTRUMENTS (Continued)
(d) Market Risk (Continued)

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate \$	Variable Interest Rate \$	Non- Interest Bearing \$
2013					
Financial Assets					
Cash and Cash Equivalents	2.85	3,932,137	1,365,557	2,565,980	600
Receivables					
- Trade Debtors	0.00	258,242	0	0	258,242
- Other Receivables	0.00	84,581	0	0	84,581
Other Financial Assets					
- Term Deposit	4.23	1,380,980	1,380,980	0	0
Total Financial Assets		5,655,940	2,746,537	2,565,980	343,423
Financial Liabilities					
Payables	0.00	222,739	0	0	222,739
Other Financial Liabilities					
- Monies Held in Trust	0.00	1,484,834	0	0	1,484,834
Total Financial Liabilities		1,707,573	0	0	1,707,573
2012					
Financial Assets					
Cash and Cash Equivalents	3.60	3,061,745	1,542,521	1,518,624	600
Receivables					
- Trade Debtors	0.00	453,462	0	0	453,462
- Other Receivables	0.00	111,300	0	0	111,300
Other Financial Assets					
- Term Deposit	5.57	1,623,208	1,621,181	2,027	0
Total Financial Assets		5,249,715	3,163,702	1,520,651	565,362
Financial Liabilities					
Payables	0.00	286,617	0	0	286,617
Other Financial Liabilities					
- Monies Held in Trust	0.00	1,751,471	0	0	1,751,471
Total Financial Liabilities		2,038,088	0	0	2,038,088

NOTE 17: 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, Edenhope & District Memorial Hospital Service believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 6%; and
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%.

The following table discloses the impact on net operating result and equity for each category of interest bearing financial instrument held by Edenhope & District Memorial Hospital at year end as presented to key management personnel, if changes in the relevant risk occur.

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1% Profit	-1% Equity	+1% Profit	+1% Equity	-1% Profit	-1% Equity	+1% Profit	+1% Equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2013									
Financial Assets									
Cash and Cash Equivalents	3,931,537	(39,315)	(39,315)	39,315	39,315	0	0	0	0
Receivables									
- Trade Debtors	258,242	0	0	0	0	0	0	0	0
- Other Receivables	84,581	0	0	0	0	0	0	0	0
Other Financial Assets									
- Term Deposit	1,380,980	(13,810)	(13,810)	13,810	13,810	0	0	0	0
Financial Liabilities									
Payables	222,739	0	0	0	0	0	0	0	0
Other Financial Liabilities									
- Monies Held in Trust	1,484,834	0	0	0	0	0	0	0	0
		(53,125)	(53,125)	53,125	53,125	0	0	0	0
2012									
Financial Assets									
Cash and Cash Equivalents	3,061,145	(30,611)	(30,611)	30,611	30,611	0	0	0	0
Receivables									
- Trade Debtors	453,462	0	0	0	0	0	0	0	0
- Other Receivables	111,300	0	0	0	0	0	0	0	0
Other Financial Assets									
- Term Deposit	1,623,208	(16,232)	(16,232)	16,232	16,232	0	0	0	0
Financial Liabilities									
Payables	286,617	0	0	0	0	0	0	0	0
Other Financial Liabilities									
- Other	1,751,471	0	0	0	0	0	0	0	0
		(46,844)	(46,844)	46,844	46,844	0	0	0	0

NOTE 17: 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 Service considers that the carrying amount of 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

	Total Carrying Amount	Fair Value	Total Carrying Amount	Fair Value
	2013 \$	2013 \$	2012 \$	2012 \$
Financial Assets				
Cash and Cash Equivalents	3,932,137	3,932,137	3,061,745	3,061,745
Receivables (i)				
- Trade Debtors	258,242	258,242	453,462	453,462
- Other Receivables	84,581	84,581	111,300	111,300
Other Financial Assets				
- Term Deposits	1,380,980	1,380,980	1,623,208	1,623,208
Total Financial Assets	5,655,940	5,655,940	5,249,715	5,249,715
Financial Liabilities				
Payables	222,739	222,739	286,617	286,617
Other Financial Liabilities (i)				
- Monies Held in Trust	1,484,834	1,484,834	1,751,471	1,751,471
Total Financial Liabilities	1,707,573	1,707,573	2,038,088	2,038,088

(i) The carrying amount excludes types of statutory financial assets and liabilities (i.e. GST input tax credit and GST payable).

NOTE 18: COMMITMENTS FOR EXPENDITURE

	2013 \$	2012 \$
a) Commitments other than public private partnerships		
Capital expenditure commitments		
Payable:		
Land and Buildings	42,250	304,511
Total capital expenditure commitments	<u>42,250</u>	<u>304,511</u>
Lease commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	50,435	0
Total lease commitments	<u>50,435</u>	<u>0</u>
Operating leases - motor vehicles		
Operating lease for two motor vehicles payable as follows:		
<i>Cancellable</i>	50,435	0
Total operating lease commitments	<u>50,435</u>	<u>0</u>
Total Commitments other than public private partnerships	<u>92,685</u>	<u>304,511</u>

NOTE 18: COMMITMENTS FOR EXPENDITURE (Continued)	2013	2012
	\$	\$
b) Commitments payable		
Capital expenditure commitments payable		
Land and Buildings - Staff Accomodation Designs		
No later than one year	42,250	0
Total	<u>42,250</u>	<u>0</u>
Land and Buildings - Hospital Residence		
No later than one year	0	294,608
Total	<u>0</u>	<u>294,608</u>
Land and Buildings - Medical Clinic		
No later than one year	0	9,903
Total	<u>0</u>	<u>9,903</u>
Total capital expenditure commitments expenditure	<u>42,250</u>	<u>304,511</u>
Lease commitments payable		
Motor Vehicles - Toyota Aurion		
Less than 1 year	9,330	0
Longer than 1 year but not longer than 5 years	18,660	0
Total	<u>27,989</u>	<u>0</u>
Motor Vehicles - Toyota Camry		
Less than 1 year	7,482	
Longer than 1 year but not longer than 5 years	14,964	0
Total	<u>22,446</u>	<u>0</u>
Total lease commitments	<u>50,435</u>	<u>0</u>
Total commitments	<u>92,685</u>	<u>304,511</u>

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no known contingent liabilities and contingent assets for Edenhope & District Memorial Hospital as at the date of this report (2012: Nil).

NOTE 20: OPERATING SEGMENTS

	HEALTH SERVICES		RACS		OTHER SERVICES		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
External Segment Revenue	5,248,696	5,159,411	3,243,848	3,105,017	191,043	0	8,683,587	8,264,428
Total Revenue	5,248,696	5,159,411	3,243,848	3,105,017	191,043	0	8,683,587	8,264,428
EXPENSES								
External Segment Expenses	(4,307,318)	(4,164,286)	(3,758,355)	(3,610,341)	(555,410)	(135,216)	(8,621,083)	(7,909,843)
Segment Result	941,378	995,125	(514,507)	(505,324)	(364,367)	(135,216)	62,504	354,585
Net Result from ordinary activities	941,378	995,125	(514,507)	(505,324)	(364,367)	(135,216)	62,504	354,585
Interest Income	120,205	139,012	83,532	96,602	0	0	203,737	235,614
Net Result for Year	1,061,583	1,134,137	(430,975)	(408,722)	(364,367)	(135,216)	266,241	590,199
OTHER INFORMATION								
Segment Assets	3,468,410	3,819,010	2,252,224	2,483,069	0	0	5,720,634	6,302,079
Unallocated Assets	0	0	0	0	5,860,829	5,295,798	5,860,829	5,295,798
Total Assets	3,468,410	3,819,010	2,252,224	2,483,069	5,860,829	5,295,798	11,581,463	11,597,877
Segment Liabilities	937,600	919,706	612,390	600,703	0	0	1,549,990	1,520,409
Unallocated Liabilities	0	0	0	0	1,865,406	2,177,642	1,865,406	2,177,642
Total Liabilities	937,600	919,706	612,390	600,703	1,865,406	2,177,642	3,415,396	3,698,051
Acquisition of property, plant and equipment	275,977	390,188	180,253	254,850	41,787	59,080	498,017	704,118
Depreciation expense	(440,010)	(449,086)	(287,391)	(293,319)	(66,625)	(67,998)	(794,026)	(810,403)
Non cash expenses other than depreciation	50,155	20,276	34,854	14,091	0	0	85,009	34,367

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

Business Segments

Health Services

Services

Acute Hospital services
Aged Care services
Primary Health services

Residential Aged Care

Nursing Home facilities
Hostel facilities

Geographical Segment

Edenhope & District Memorial Hospital Service operates predominantly in Edenhope, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Edenhope, Victoria.

NOTE 21: JOINTLY CONTROLLED OPERATIONS AND ASSETS

Name of Entity	Principal Activity	Ownership Interest	
		2013 %	2012 %
Grampians Rural Health Alliance	Information Systems	3.29	3.01

Edenhope & District Memorial Hospital 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 categories:

	2013	2012
Current Assets	\$	\$
Cash and Cash Equivalents	44,913	19,378
Other Financial Assets	0	2,027
Receivables	28,281	36,259
Prepayments	1,323	367
Total Current Assets	74,517	58,031
Non Current Assets		
Property Plant and Equipment	31,915	21,136
Total Non Current Assets	31,915	21,136
Total Assets	106,432	79,167
Current Liabilities		
Payables	46,930	22,680
Total Current Liabilities	46,930	22,680
Total Liabilities	46,930	22,680
Net Assets	59,502	56,487

Edenhope & District Memorial Hospital interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

Revenues		
Grants	149,882	131,086
Total Revenue	149,882	131,086
Expenses		
Information Technology and Administrative Expenses	147,701	129,919
Depreciation	4,422	5,469
Total Expenses	152,123	135,388
Profit	(2,241)	(4,302)

Contingent Liabilities and Capital Commitments

There are no known contingent liabilities or capital commitments for Grampians Rural Health Alliance as at the date of this report.

NOTE 22a: RESPONSIBLE PERSON 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 David Davis, MLC, Minister for Health and Ageing
The Honourable Mary Wooldridge, MLA, Minister for Mental Health

Period
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013

Governing Boards

Mr R Carberry
Mr M Holland
Mr R Hawkins
Mrs J Grigg
Mr A Kealy
Mr R Okely
Mrs K Hausler
Mrs A Warner
Mr M Rentsch
Mr R Tuncks
Mrs A Wait

01/07/2012 - 05/02/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013
01/07/2012 - 30/06/2013

Accountable Officers

Ms E Kealy
Ms A Bates

01/07/2012 - 26/12/2012
27/12/2012 - 30/06/2013

Remuneration of Responsible Persons

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

Income Band

\$0 - \$9,999
\$50,000 - \$59,999
\$60,000 - \$69,999
\$120,000 - \$129,999

	2013 No.	2012 No.
	11	12
	1	0
	1	0
	0	1
Total Numbers	13	13
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	\$125,145	\$120,100

Total Numbers

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

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

Other Transactions of Responsible Persons and their Related Parties

Mr R Okely is the proprietor of Okely Farm Supplies which provides goods to the Health Service on normal commercial terms and conditions.

	2013 \$	2012 \$
	2,128	13,537

NOTE 22b: EXECUTIVE OFFICER DISCLOSURES

Executive Officers' Remuneration

The number 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.

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

\$100,000 - \$109,999
\$110,000 - \$119,999

Total

Total annualised employee equivalents (AEE) (i)

Total Remuneration

	Total Remuneration		Base Remuneration	
	2013 No.	2012 No.	2013 No.	2012 No.
	1	0	1	0
	0	1	0	1
Total	1	1	1	1
	1.0	1.0	1.0	1.0
Total Remuneration	\$107,304	\$116,821	\$107,304	\$116,821

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

NOTE 23: REMUNERATION OF AUDITORS

	2013	2012
Victorian Auditor-General's Office	\$	\$
Audit or review of financial statement	10,900	10,650
	<u>10,900</u>	<u>10,650</u>

NOTE 24: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no known events occurring after the balance sheet date that would materially effect the financial result.

EDENHOPE AND DISTRICT MEMORIAL HOSPITAL

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

The attached financial statements for Edenhope and District Memorial Hospital 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 2013 and financial position of Edenhope and District Memorial Hospital at 30 June 2013.

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

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



Ron Hawkins
Board President

Edenhope

28/8/13



Anne Bates
Chief Executive Officer and
Chief Finance & Accounting Officer

Edenhope

28/8/13

