

# 1997 **Financial** Statements



Balkrat Health Services



# BallaratHealthServices

AUDITOR GENERAL'S REPORT



**VICTORIAN  
AUDITOR-  
GENERAL'S  
OFFICE**

*Auditing in the  
Public Interest*

## Auditor-General's Report

### **Audit Scope**

The accompanying financial statements of Ballarat Health Services for the year ended 30 June 1997, comprising revenue and expense statement, balance sheet, statement of cash flows and notes to the financial statements, have been audited. The members of the Services' Board of Management are responsible for the preparation and presentation of the financial statements and the information they contain. An independent audit of the financial statements has been carried out in order to express an opinion on them as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the financial position of Ballarat Health Services and the results of its operations and its cash flows.

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

### **Audit Opinion**

In my opinion, the financial statements present fairly the financial position of Ballarat Health Services as at 30 June 1997 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the *Financial Management Act 1994*.

MELBOURNE  
2 / 12 / 1997

C.A. BARAGWANATH  
*Auditor-General*

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# BallaratHealthServices

CERTIFICATION

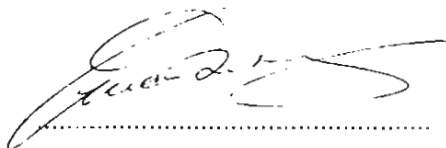
In our opinion the Report of Operations and the Financial Statements of Ballarat Health Services comprising statement of cash flows, balance sheet, revenue and expense statement and notes to the financial statements have been prepared in accordance with the provisions of the Financial Management Act 1994 and the Directions of the Minister for Finance - Part 9 Reporting Provisions.

In our opinion the financial statements present fairly the financial transactions for the year ended 30 June 1997 and the financial position as at that date of Ballarat Health Services.

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



.....  
Chairperson (on behalf of the Board)  
(Dr B Hassett)



.....  
Chief Executive Officer  
(Accountable Officer)  
(Mr A Hughes)

Dated the 25th day of November, 1997, Ballarat



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# REVENUE AND EXPENSES STATEMENT FOR THE YEAR ENDED 30 JUNE 1997

|  | Notes | Total<br>1996/97<br>\$(000) |
|--|-------|-----------------------------|
| <b>OPERATING REVENUE</b>                           |       |                             |
| Grants From Other Governments                      | 2     | 436                         |
| Investment Income                                  | 3     | 847                         |
| Sale of Goods and Services                         | 4     | 101,759                     |
| Net Revenue from Disposal of Physical Assets       | 5     | 34                          |
| Other  | 6     | 6,871                       |
| <b>TOTAL REVENUE</b>                               |       | <u>109,947</u>              |
| <b>LESS OPERATING EXPENSES</b>                     |       |                             |
| Employee Entitlements                              |       | 72,997                      |
| Superannuation                                     |       | 4,486                       |
| Supplies and Consumables                           |       | 24,069                      |
| Depreciation                                       | 7     | 5,132                       |
| Amortisation                                       | 8     | 13                          |
| Interest and Other Finance Costs                   | 9     | 164                         |
| Other  | 10    | 3,632                       |
| <b>TOTAL EXPENSES</b>                              | 12    | <u>110,493</u>              |
| <b>OPERATING DEFICIT FOR THE YEAR</b>              |       | <u>(546)</u>                |
| Abnormal Item                                      | 29    | 9,690                       |
| <b>OPERATING SURPLUS AFTER ABNORMAL ITEMS</b>      |       | 9,144                       |
| Extraordinary Items                                | 11    | (933)                       |
| <b>OPERATING SURPLUS AFTER EXTRAORDINARY ITEMS</b> |       | 8,211                       |
| <b>Retained Earnings at 1 July</b>                 |       | -                           |
| Aggregate of amounts transferred to Reserves       | 13    | 1,748                       |
| Amount available for Appropriation                 |       | 6,463                       |
| <b>Retained Earnings at 30 June</b>                |       | <u>6,463</u>                |



# BALANCE SHEET AS AT 30 JUNE 1997

|                                       | Notes | Total<br>1996/97<br>\$(000) |
|---------------------------------------|-------|-----------------------------|
| <b>EQUITY</b>                         |       |                             |
| <b>Special Purpose Reserve</b>        |       |                             |
| Funds Held for Restricted Purpose     | 14    | 8,086                       |
| Contributed Capital                   | 38    | 75,858                      |
| Retained Earnings                     |       | 6,463                       |
| <b>TOTAL EQUITY</b>                   |       | <u>90,407</u>               |
| <b>LIABILITIES</b>                    |       |                             |
| <b>Current Liabilities</b>            |       |                             |
| Bank Overdraft                        |       | 1,356                       |
| Payables                              | 15    | 3,980                       |
| Employee Entitlements                 | 16    | 9,994                       |
| Monies Held in Trust                  | 17    | 3,308                       |
| Borrowings                            | 18    | 1,635                       |
| Other                                 | 19    | 462                         |
| <b>Total Current Liabilities</b>      |       | <u>20,735</u>               |
| <b>Non-Current Liabilities</b>        |       |                             |
| Employee Entitlements                 | 16    | 6,931                       |
| Borrowings                            | 18    | 4,069                       |
| <b>Total Non-Current Liabilities</b>  |       | <u>11,000</u>               |
| <b>TOTAL LIABILITIES</b>              |       | <u>31,735</u>               |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> |       | <u>122,142</u>              |
| <b>ASSETS</b>                         |       |                             |
| <b>Current Assets</b>                 |       |                             |
| Cash at Bank and on Hand              |       | 3,837                       |
| Inventory                             | 20    | 571                         |
| Prepayments                           |       | 119                         |
| Receivables                           | 21    | 3,247                       |
| Investments                           | 22    | 10,553                      |
| <b>Total Current Assets</b>           |       | <u>18,327</u>               |
| <b>Non-Current Assets</b>             |       |                             |
| Investments                           | 22    | 4                           |
| Land                                  | 23    | 6,030                       |
| Buildings                             | 23    | 73,302                      |
| Buildings Under Construction          | 23    | 5,973                       |
| Plant and Equipment                   | 23    | 14,101                      |
| Motor Vehicles                        | 23    | 2,668                       |
| Linen Stock                           | 23    | 1,711                       |
| Intangible Assets                     | 24    | 27                          |
| <b>Total Non-Current Assets</b>       |       | <u>103,815</u>              |
| <b>TOTAL ASSETS</b>                   |       | <u>122,142</u>              |



# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1997

|  | Notes | Total<br>1996/97<br>\$'(000) |
|--|-------|------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>            |       |                              |
| <b>Receipts</b>  |       |                              |
| Grants from Government                                 |       | 436                          |
| Sale of Goods and Services                             |       | 101,539                      |
| Interest Received                                      |       | 847                          |
| Abnormal Item  |       | 10,279                       |
| Other  |       | 6,871                        |
| <b>Total Receipts</b>                                  |       | <u>119,972</u>               |
| <b>Payments</b>  |       |                              |
| Employee Entitlements                                  |       | (70,990)                     |
| Superannuation   |       | (4,486)                      |
| Supplies and Consumables                               |       | (23,492)                     |
| Finance Costs  |       | (164)                        |
| Other  |       | (3,202)                      |
| <b>Total Payments</b>                                  |       | <u>(102,334)</u>             |
| <b>NET CASHFLOWS GENERATED BY OPERATING ACTIVITIES</b> | 26    | <u>17,638</u>                |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>             |       |                              |
| Purchase of Properties, Plant & Equipment              |       | (14,588)                     |
| Proceeds from Sale of Properties, Plant & Equipment    |       | 667                          |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>           |       | <u>(13,921)</u>              |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>             |       |                              |
| Repayment of Borrowings                                |       | (1,032)                      |
| Cash Inflow on merger                                  |       | 6,947                        |
| Proceeds from sale of Investments                      |       | 15                           |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>           |       | <u>(5,930)</u>               |
| <b>NET INCREASE/DECREASE IN CASH HELD</b>              |       | 9,6471                       |
| <b>CASH AT 1 JULY</b>                                  |       | nil                          |
| <b>CASH AT 30 JUNE</b>                                 | 25    | <u>9,647</u>                 |





# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1997

## NOTE 1: STATEMENT OF ACCOUNTING POLICIES

The financial statements of Ballarat Health Services have been prepared in accordance with the provisions of the Financial Management Act 1994. These requirements incorporate relevant Accounting Standards issued jointly by the Australian Society of Certified Practising Accountants and the Institute of Chartered Accountants in Australia .

### a. Accrual Basis

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

### b. Historic Cost

The financial statements have been prepared on an historic cost basis, whereby assets are recorded at cost and do not take into account changing money values nor the current cost of non-current assets (unless specially stated).

### c. Rounding Off

All amounts shown in the consolidated financial statement are expressed to the nearest thousand dollars.

### d. Investments

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

### e. Depreciation

Assets with a cost in excess of \$1,000 are capitalised and depreciation has been provided as applicable so as to allocate the cost or valuation over their estimated useful lives using the straight-line method. This depreciation charge is not funded by the Department of Human Services

### f. Inventories

Inventories are valued in the Balance Sheet at the lower of cost and net realisable value. Cost is determined principally by first-in, first-out method.

### g. Fixed Assets

#### *At Cost*

Fixed assets except where otherwise stated are valued at historic cost.

#### *At Valuation*

Land and buildings on the Ascot Street, Drummond Street and Queen Elizabeth Village sites have been revalued by directors. The directors' valuation for Drummond Street is based upon a valuation received from Mr P N Porter

Registered Valuer at December 1996. The directors' valuation for Ascot Street and Queen Elizabeth Village sites is based upon a valuation by the same valuer at 30 June 1997.

The valuation on Ascot Street resulted in a write down in the value of the buildings \$1,630,000 as it is expected a number will be replaced in the near future as part of the site's redevelopment. The Drummond Street revaluation has resulted in an increase in value \$1,041,000. The net effect is a write down of \$589,000.

### h. Employee Entitlements

Entitlements are based on pay rates current at balance date. On costs such as Workcover and Superannuation are included in the calculation of leave provisions.

#### *Long Service Leave*

The provision for long service leave is determined in accordance with Accounting Standard AAS30. Generally, the entitlement under various awards becomes payable upon completion of ten years service. The proportion of long service estimated to be payable within the next financial year is a current liability. The balance of the provision is classified as a non-current liability measured at the present value of the estimated future cash outflow arising from employee's services to date.

*Wages and Salaries, Annual Leave and Accrued Days Off*  
Liabilities for wages and salaries, annual leave and accrued days off are recognised, and are measured as the amount unpaid at the reporting date in respect of employee's services up to that date.

#### *Sick Leave*

No provision has been made for sick leave as it is non-vesting and the expense incurred during the year is representative of Ballarat Health Services' annual cost.

### i. Inter-Segment and Inter-Entity Transactions

Transactions between departments within Ballarat Health Services have been eliminated from the consolidated figures to reflect the extent of Ballarat Health Services' operations as a group.

### j. Donations

Donations are recognised as revenue when the cash is received. If donations are for a specific purpose, they may be appropriated to a reserve, for example specific purpose reserve.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 1997

## NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

### k. Incorporation

Ballarat Health Services is a body incorporated in accordance with provisions of the Health Services Act 1988. It is an amalgamation of the Ballarat Base Hospital, The Queen Elizabeth Centre, Ballarat and The Ballarat and District Aged Persons Homes Association Inc. It was incorporated on the 1st of January 1997. Approval has been received from the Minister for Finance to prepare one set of Financial Statements from the 1st of July 1997 for Ballarat Health Services, in accordance with section 53(1)(b) of the Financial Management Act 1994.

### l. Central Highlands Linen Service

The Central Highlands Linen Service is a self funding operation controlled by Ballarat Health Services' Board of Management. As the Linen Service operations are an integral part of the Service, with shared resources, its operations have been included with those of Ballarat Health Services for accountability purposes.

All material intra divisional transactions have been eliminated.

### m. Patient Trust Account

The Ballarat Health Services holds deposits in trust on behalf of residents. As the Ballarat Health Services has no claim on these funds they have been shown in the balance sheet as a liability.

### n. Fund Accounting

Ballarat Health Services operates on a fund accounting basis and maintains three funds:- Operating, Specific Purpose and Capital Fund. Capital and Specific Purpose Funds comprise unspent capital donations and receipts from fund-raising activities conducted solely in respect of these funds.

### o. Health Services Agreement/Budget Sector and Services supported by Hospitals and Community Initiatives

The activities classified under the Health Services Agreement are subsequently funded by the Department of Human Services funding while the Hospital and Community initiatives are funded by Ballarat Health Services own activities or local initiatives.

### p. Revenue Recognition

Revenue is recognised at the time when goods are sold or services rendered.

### q. Ingoing Contributions

Ingoing Contributions are paid by residents on admission to hostels controlled by Ballarat Health Services.

A proportion of the ingoing contribution is refunded on

discharge of residents depending on length of stay. The amount refundable to residents has been classified as a liability in the Balance Sheet as at 30 June, 1997. The non-refundable proportion of these contributions is recognised as income in the Revenue and Expenditure statement in the period in which it is earned.

### r. Foreign Currency Transactions

All foreign currency monetary assets and liabilities are revalued at rates of exchange prevailing at balance date. Unrealised gains and losses arising from foreign exchange dealings are included in profit and loss.

### s. Leased Equipment

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased non-current assets, and operating leases under which the lessor effectively retains all such risks and benefits. Where a non current asset is acquired by means of a finance lease, the minimum lease payments are discounted at the interest rate implicit in the lease. The discounted amount is established as a non-current asset at the beginning of the term and is amortised on a straight line basis over the expected economic life. A corresponding liability is established and each lease payment is allocated between the principle component and interest expense. Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged against revenue in the periods in which they are incurred.

### t. Private practice fees

The apportionment of private practice fees between the hospital and sessional practitioners is based on the arrangements between the parties.

### u. Goodwill

Purchased goodwill amounting to \$134,000 is being amortised over ten year period.

### v. Comparative Data

Due to Ballarat Health Services only being incorporated on 1 January 1997 no comparative data is available for 1995/96.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE, 1997

| <b>NOTE 2: GRANTS FROM OTHER GOVERNMENTS</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--|--------------------------------------|
| <b>Operating</b>                             |                                      |
| Commonwealth Respite Care                    | 38                                   |
| <b>SUB TOTAL</b>                             | 38                                   |
| <b>Capital</b>                               |                                      |
| Commonwealth Nursing Home Grant              | 398                                  |
| <b>SUB TOTAL</b>                             | 398                                  |
| <b>TOTAL</b>                                 | 436                                  |

| <b>NOTE 3: INVESTMENT INCOME</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|----------------------------------|--------------------------------------|
| Dividends                        | 2                                    |
| Interest                         | 845                                  |
| <b>TOTAL</b>                     | 847                                  |

| <b>NOTE 4: SALE OF GOODS AND SERVICES</b>     | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| Department of Human Services Operating Grants |                                      |
| - Casemix Grant                               | 43,873                               |
| - Aged Care Grant                             | 9,768                                |
| - Psychiatric Grant                           | 11,678                               |
| Department of Human Services Other Grants     |                                      |
| - Sexual Assault Clinic                       | 307                                  |
| - Primary Care Grant                          | 557                                  |
| - Public Health Grant                         | 65                                   |
| - Voluntary Departure Packages                | 179                                  |
| - Allied Health                               | 123                                  |
| - Paramedical Aides for Disabled              | 381                                  |
| - Respite Carers                              | 446                                  |
| - Before and After School Care                | 34                                   |
| - Fire Safety Audit                           | 16                                   |
| - Home and Community Care                     | 205                                  |
| - Aged Care Assessment Team                   | 442                                  |
| - Linkages                                    | 933                                  |
| - In Home Accommodation Service               | 158                                  |
| - Other                                       | 176                                  |
| <b>SUB TOTAL</b>                              | 69,341                               |



| <b>NOTE 4: SALE OF GOODS AND SERVICES (Continued)</b>    | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--|--------------------------------------|
| Indirect Contributions from Department of Human Services | 993                                  |
| Patient Fees   | -                                    |
| - Hospital Inpatients Acute                              | 3,149                                |
| - Hospital Inpatients Extended Care                      | 757                                  |
| - Nursing Home   | 13,999                               |
| - Hostel   | 5,393                                |
| - Radiology  | 3,858                                |
| - Hospital Outpatients Acute                             | 112                                  |
| Central Highlands Linen Service Charges                  | 4,157                                |
| <b>SUB TOTAL</b>   | <u>32,418</u>                        |
| <b>TOTAL</b>   | <u><u>101,759</u></u>                |

Commonwealth Nursing Home Benefits and Hostel Subsidy have been included in patient fee revenue.

Includes \$181,414 (Program 308) which relates to 1995/96 year end adjustment, that is the amount owed to Ballarat Health Services to finalise funding for 1995/96 based on performance during the year under Health Service Agreement.

| <b>NOTE 5: NET REVENUES FROM DISPOSAL OF PHYSICAL ASSETS</b>  | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| During the reporting period, Ballarat Health Services sold Motor Vehicles and other minor equipment |                                      |
| - Proceeds from Disposal  | 667                                  |
| - less Written-Down Value of Assets Sold  | 633                                  |
| <b>NET REVENUES FROM DISPOSAL OF PHYSICAL ASSETS</b>  | <u>34</u>                            |



**Total**  
**1996/97**  
**\$(000)**

**NOTE 6: OTHER OPERATING REVENUE**

**Supported By Health Services Agreement**

|                                 |     |
|---------------------------------|-----|
| - Salaries and Wages Recoveries | 148 |
| - Rehabilitation Services       | 520 |
| - Use of Hospital Facilities    | 225 |

**SUB TOTAL**

893

**Supported By Hospital and Community Initiatives**

|                                       |     |
|---------------------------------------|-----|
| - Rental Income                       | 153 |
| - Donations (specific)                | 718 |
| - Recoveries                          | 296 |
| - Sale of Obsolete Items              | 2   |
| - Medical Reports                     | 29  |
| - Clinical Services                   | 41  |
| - Community Services Child Care       | 68  |
| - Kiosk                               | 158 |
| - Education Services                  | 309 |
| - Commissions                         | 16  |
| - Car Parking                         | 52  |
| - Meals and Accommodation             | 434 |
| - Community Medicine                  | 8   |
| - Meals on Wheels                     | 376 |
| - Equipment Sales                     | 77  |
| - Diabetic Shop                       | 85  |
| - Hites Program                       | 28  |
| - Domiciliary Charges                 | 86  |
| - Lederman Hall                       | 235 |
| - External Recovery of Wages          | 239 |
| - Merger Costs Recovery               | 44  |
| - Linkages Client Fees                | 126 |
| - Drycleaning                         | 17  |
| - Orthotic Sales                      | 101 |
| - Medical Income                      | 117 |
| - Pharmacy Income                     | 39  |
| - Book and Bags Sales                 | 18  |
| - Safety Link                         | 690 |
| - Queen Elizabeth Aged Care Solutions | 364 |
| - Ingoing Contribution Income         | 328 |
| - Co Generation                       | 453 |
| - Clothing Sales                      | 25  |
| - Other                               | 246 |

**SUB TOTAL**

5,978

**TOTAL**

6,871



| <b>NOTE 7: DEPRECIATION EXPENSES</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--------------------------------------|--------------------------------------|
| Buildings                            | 1,638                                |
| Plant                                | 2,031                                |
| Transport                            | 193                                  |
| Leased Assets                        | 145                                  |
| Linen Stock                          | 659                                  |
| Furniture and Fittings               | 466                                  |
| <b>TOTAL</b>                         | <u><u>5,132</u></u>                  |

| <b>NOTE 8: AMORTISATION EXPENSES</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--------------------------------------|--------------------------------------|
| Goodwill                             | 13                                   |
| <b>TOTAL</b>                         | <u><u>13</u></u>                     |

| <b>NOTE 9: INTEREST AND OTHER FINANCE COSTS</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| Finance Charges on Finance Leases               | 156                                  |
| Interest on Short Term Borrowings               | 8                                    |
| <b>TOTAL</b>                                    | <u><u>164</u></u>                    |

| <b>NOTE 10: OTHER OPERATING EXPENSES</b>            | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| Maintenance   | 2,450                                |
| Operating Leases                                    | 30                                   |
| Audit Expenses                                      |                                      |
| -Auditor General                                    | 39                                   |
| -Other  | 5                                    |
| Bad and Doubtful Debts                              | 114                                  |
| Indirect Costs paid by Department of Human Services | 994                                  |
| <b>TOTAL</b>  | <u><u>3,632</u></u>                  |



**NOTE 11: EXTRAORDINARY ITEMS**

**Income**

|   |     |
|---|-----|
| Value of Assets from Department of Human Services<br>for Psychiatric Services | 520 |
|   | 520 |

**Expenditure**

|   |       |
|---|-------|
| Value of Employee Liabilities from Department of Human Services<br>for Psychiatric Services | 1,453 |
|   | 1,453 |

**TOTAL**

(933)

During the year funding for psychiatric services was transferred from the Department of Human Services to Ballarat Health Services. Assets were taken up at current written down value (\$520,000) and employee liabilities were taken up at transfer date.

**NOTE 12: OPERATING EXPENSES**

|   | Acute<br>Care<br>\$(000) | Mental<br>Health<br>\$(000) | Aged<br>Care<br>\$(000) | Primary<br>Health<br>\$(000) | Disability<br>Services<br>\$(000) | Other<br>\$(000) | Total<br>\$(000) |
|---|--------------------------|-----------------------------|-------------------------|------------------------------|-----------------------------------|------------------|------------------|
| <b>Services Supported by Health Service Agreement</b>     |                          |                             |                         |                              |                                   |                  |                  |
| Salaries and Wages  | 30,041                   | 9,392                       | 22,209                  | 472                          | 146                               |                  | 62,260           |
| Workcover   | 303                      | 177                         | 533                     | 9                            | 4                                 |                  | 1,026            |
| Superannuation  | 2,227                    | 236                         | 1,480                   | 47                           | 8                                 |                  | 3,998            |
| Departure Packages  |                          |                             | 179                     |                              |                                   |                  | 179              |
| Drug Supplies   | 2,208                    | 283                         | 396                     |                              |                                   |                  | 2,887            |
| Medical and Surgical Supplies                             | 6,726                    | 47                          | 1,205                   |                              | 405                               |                  | 8,383            |
| Food Supplies   | 257                      | 226                         | 2,586                   |                              |                                   |                  | 3,069            |
| Energy Costs  | 665                      | 115                         | 389                     |                              |                                   |                  | 1,169            |
| Domestic Services   | 975                      | 240                         | 1,197                   |                              |                                   |                  | 2,411            |
| Repairs and Maintenance                                   | 998                      | 270                         | 1,573                   |                              |                                   |                  | 2,841            |
| Patient Transport   | 134                      |                             | 29                      |                              |                                   |                  | 163              |
| Administrative Expenses                                   | 507                      | 911                         | 520                     | 94                           | 100                               |                  | 2,132            |
| Interest and Other Finance Charges                        |                          |                             | 8                       |                              |                                   |                  | 8                |
| Audit Fees  |                          |                             | 44                      |                              |                                   |                  | 44               |
| <b>TOTAL EXPENSES REQUIRING FUND OUTFLOWS</b>             | <b>45,041</b>            | <b>11,897</b>               | <b>32,346</b>           | <b>622</b>                   | <b>663</b>                        | <b>0</b>         | <b>90,569</b>    |
| <b>ADD OPERATING EXPENSES NOT REQUIRING FUND OUTFLOWS</b> |                          |                             |                         |                              |                                   |                  |                  |
| Depreciation  | 2,505                    | 11                          | 1,210                   |                              | 1                                 |                  | 3,727            |
| Long Service Leave  | 757                      | 197                         | 149                     |                              |                                   |                  | 1,103            |
| Cost Funded by Department of Human Services               | 589                      |                             | 404                     |                              |                                   |                  | 993              |
| <b>TOTAL</b>  | <b>48,892</b>            | <b>12,104</b>               | <b>34,109</b>           | <b>622</b>                   | <b>664</b>                        | <b>0</b>         | <b>96,392</b>    |



**NOTE 12: OPERATING EXPENSES (continued)**

|   | Acute<br>Care<br>\$(000) | Mental<br>Health<br>\$(000) | Aged<br>Care<br>\$(000) | Primary<br>Health<br>\$(000) | Disability<br>Services<br>\$(000) | Other<br>\$(000) | Total<br>\$(000) |
|---|--------------------------|-----------------------------|-------------------------|------------------------------|-----------------------------------|------------------|------------------|
| <b>Services Supported by<br/>Hospital and Community Initiatives</b> |                          |                             |                         |                              |                                   |                  |                  |
| Salaries and Wages  |                          |                             |                         |                              |                                   | 5,875            | 5,875            |
| Workcover   |                          |                             |                         |                              |                                   | 177              | 177              |
| Superannuation  |                          |                             |                         |                              |                                   | 488              | 488              |
| Drug Supplies   |                          |                             |                         |                              |                                   | 10               | 10               |
| Medical and Surgical Supplies                                       |                          |                             |                         |                              |                                   | 256              | 256              |
| Food Supplies   |                          |                             |                         |                              |                                   | 1,710            | 1,710            |
| Energy Costs  |                          |                             |                         |                              |                                   | 500              | 500              |
| Domestic Services   |                          |                             |                         |                              |                                   | 850              | 850              |
| Repairs and Maintenance   |                          |                             |                         |                              |                                   | 1,240            | 1,240            |
| Administrative Expenses   |                          |                             |                         |                              |                                   | 1,553            | 1,553            |
| <b>TOTAL EXPENSES REQUIRING FUND OUTFLOW</b>                        | <u>0</u>                 | <u>0</u>                    | <u>0</u>                | <u>0</u>                     | <u>0</u>                          | <u>12,659</u>    | <u>12,659</u>    |
| <b>ADD OPERATING EXPENSES NOT REQUIRING<br/>FUND OUTFLOWS</b>       |                          |                             |                         |                              |                                   |                  |                  |
| Depreciation  |                          |                             |                         |                              |                                   | 1,418            | 1,418            |
| Long Service Leave  |                          |                             |                         |                              |                                   | 24               | 24               |
| <b>SUB TOTAL</b>  | <u>0</u>                 | <u>0</u>                    | <u>0</u>                | <u>0</u>                     | <u>0</u>                          | <u>14,101</u>    | <u>14,101</u>    |
| <b>TOTAL EXPENSES</b><br>(as per Revenue and Expense Statement)     | <u>48,892</u>            | <u>12,104</u>               | <u>34,109</u>           | <u>622</u>                   | <u>664</u>                        | <u>14,101</u>    | <u>110,493</u>   |

| <b>NOTE 13: TRANSFERS FROM RESERVES</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| Transfer to Reserves                    | 1,748                                |
| <b>TOTAL</b>                            | <u>1,748</u>                         |



**Total  
1996/97  
\$(000)**

**NOTE 14: SPECIAL PURPOSE RESERVE**

|                          |              |
|--------------------------|--------------|
| Building and Equipment   |              |
| - Queen Elizabeth Centre | 1,389        |
| - Ballarat Base Hospital | 1,986        |
| Patient Comforts         | 637          |
| Hostel Development       | 1,335        |
| Debt Reduction           | 1,000        |
| Business Units           | 176          |
| Radiology                | 53           |
| Clinical Services        | 222          |
| Nursing Education        | 154          |
| Nursing Services         | 396          |
| Education and Research   | 561          |
| Other                    | 177          |
| <b>TOTAL</b>             | <b>8,086</b> |

**Total  
1996/97  
\$(000)**

**NOTE 15: PAYABLES**

|                                  |              |
|----------------------------------|--------------|
| Trade Creditors                  | 3,277        |
| Residents Fees in Advance        | 237          |
| Grants Received in Advance       | 370          |
| Other Income Received in Advance | 96           |
| <b>TOTAL</b>                     | <b>3,980</b> |

**Total  
1996/97  
\$(000)**

**NOTE 16: EMPLOYEE ENTITLEMENTS**

|                            |              |
|----------------------------|--------------|
| <b>Current</b>             |              |
| Long Service Leave         | 2,691        |
| Accrued Wages and Salaries | 1,954        |
| Annual Leave               | 5,239        |
| Accrued Days Off           | 110          |
| <b>TOTAL</b>               | <b>9,994</b> |
| <b>Non-Current</b>         |              |
| Long Service Leave         | 6,931        |
| <b>TOTAL</b>               | <b>6,931</b> |



|                                      |                                      |
|--------------------------------------|--------------------------------------|
| <b>NOTE 17: MONIES HELD IN TRUST</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--------------------------------------|--------------------------------------|

|                                 |              |
|---------------------------------|--------------|
| Patient Monies held in Trust    | 648          |
| Refundable Ingoing Contribution | 2,660        |
| <b>TOTAL</b>                    | <b>3,308</b> |

**Represented by:**

|                        |              |
|------------------------|--------------|
| Cash and Cash at Bank  | 9            |
| Short Term Investments | 3,299        |
| <b>TOTAL</b>           | <b>3,308</b> |

|                            | less than<br>1 year<br>\$(000) | 1-2<br>years<br>\$(000) | 2-5<br>years<br>\$(000) | Total<br>1996/97<br>\$(000) |
|----------------------------|--------------------------------|-------------------------|-------------------------|-----------------------------|
| <b>NOTE 18: BORROWINGS</b> |                                |                         |                         |                             |
| Hire Purchase Agreements   | 523                            | 589                     | 480                     | 1,592                       |
| Other Borrowings           | 1,112                          | 1,000                   | 2,000                   | 4,112                       |
| <b>TOTAL</b>               | <b>1,635</b>                   | <b>1,589</b>            | <b>2,480</b>            | <b>5,704</b>                |

Bank Overdraft Limit is \$1,000,000 for Ballarat Base account and \$750,000 for Queen Elizabeth Centre Account.

|                                   |                                      |
|-----------------------------------|--------------------------------------|
| <b>NOTE 19: OTHER LIABILITIES</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|-----------------------------------|--------------------------------------|

|                  |            |
|------------------|------------|
| Accrued Expenses | 441        |
| Other            | 21         |
| <b>TOTAL</b>     | <b>462</b> |

|                           |                                      |
|---------------------------|--------------------------------------|
| <b>NOTE 20: INVENTORY</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---------------------------|--------------------------------------|

|                                       |            |
|---------------------------------------|------------|
| Pharmaceuticals                       | 213        |
| Catering                              | 113        |
| Housekeeping                          | 30         |
| Medical and Surgical                  | 69         |
| Administration                        | 59         |
| Safety Link                           | 74         |
| Clothing                              | 17         |
| <b>SUB TOTAL</b>                      | <b>575</b> |
| less Provision for Stock Obsolescence | 4          |
| <b>TOTAL</b>                          | <b>571</b> |



**Total  
1996/97  
\$(000)**

**NOTE 21: RECEIVABLES**

**Trade Debtors**

|                                 |       |
|---------------------------------|-------|
| Acute Inpatients                | 498   |
| Extended Care Residents         | 792   |
| Outpatients                     | 13    |
| Radiology                       | 224   |
| Central Highlands Linen Service | 599   |
| Sundry                          | 1,023 |
| Accrued Investment Income       | 94    |
| Department of Human Services    | 105   |

|              |       |
|--------------|-------|
| <b>TOTAL</b> | 3,348 |
|--------------|-------|

|                                   |     |
|-----------------------------------|-----|
| less Provision for Doubtful Debts | 101 |
|-----------------------------------|-----|

|  |       |
|--|-------|
| <b>NET DEBTORS AND ACCRUED REVENUE</b> | 3,247 |
|--|-------|

| <b>NOTE 22: INVESTMENTS</b> | <b>Specific<br/>Purpose<br/>\$(000)</b> | <b>Operating<br/>\$(000)</b> | <b>Trust<br/>\$(000)</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|-----------------------------|---|------------------------------|--------------------------|--------------------------------------|
|-----------------------------|---|------------------------------|--------------------------|--------------------------------------|

**Current**

|                    |       |     |     |       |
|--------------------|-------|-----|-----|-------|
| Trustee Company    | 652   | 20  | 243 | 915   |
| Commercial Bills   | 6,896 | 423 | 366 | 7,685 |
| Investment Account | 882   | 450 | 30  | 1,362 |
| Deposits           | 512   |     |     | 512   |
| Shares             | 76    |     |     | 76    |
| Debenture Stock    | 3     |     |     | 3     |

**Non-Current**

|                 |   |  |  |   |
|-----------------|---|--|--|---|
| Debenture Stock | 4 |  |  | 4 |
|-----------------|---|--|--|---|

|              |       |     |     |        |
|--------------|-------|-----|-----|--------|
| <b>TOTAL</b> | 9,025 | 893 | 639 | 10,557 |
|--------------|-------|-----|-----|--------|

Analysed as follows:

|                    | <b>Year<br/>1<br/>\$(000)</b> | <b>Year<br/>2<br/>\$(000)</b> | <b>Year<br/>2-5<br/>\$(000)</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--------------------|-------------------------------|-------------------------------|---------------------------------|--------------------------------------|
| <b>Current</b>     |                               |                               |                                 |                                      |
| Trustee Company    | 915                           |                               |                                 | 915                                  |
| Commercial Bills   | 7,685                         |                               |                                 | 7,685                                |
| Investment Account | 1,362                         |                               |                                 | 1,362                                |
| Deposits           | 512                           |                               |                                 | 512                                  |
| Shares             | 76                            |                               |                                 | 76                                   |
| Debenture Stock    | 3                             |                               |                                 | 3                                    |
| <b>Non-Current</b> |                               |                               |                                 |                                      |
| Debenture Stock    |                               |                               | 4                               | 4                                    |
| <b>TOTAL</b>       | 10,553                        | 0                             | 4                               | 10,557                               |



|                                    | Gross Cost/<br>Valuation<br>1997<br>\$(000) | Accumul<br>Dep'n<br>1997<br>\$(000) | Written<br>Down<br>Value<br>1997<br>\$(000) | Additions<br>1997<br>\$(000) | Disposals<br>1997<br>\$(000) |
|------------------------------------|---|-------------------------------------|---|------------------------------|------------------------------|
| <b>NOTE 23: NON CURRENT ASSETS</b> |   |                                     |   |                              |                              |
| <b>AT COST</b>                     |   |                                     |   |                              |                              |
| Buildings                          | 67  |                                     | 67  | 67                           |                              |
| Buildings Under Construction       | 5,973                                       |                                     | 5,973                                       | 5,973                        |                              |
| Plant and Equipment                | 34,549                                      | 20,448                              | 14,101                                      | 2,799                        | 121                          |
| Motor Vehicles                     | 3,171                                       | 503                                 | 2,668                                       | 1,716                        | 727                          |
| Linen Stock *                      | 4,073                                       | 2,362                               | 1,711                                       | 714                          |                              |
| <b>TOTAL</b>                       | <b>47,833</b>                               | <b>23,313</b>                       | <b>24,520</b>                               | <b>11,269</b>                | <b>848</b>                   |

**AT VALUATION**

|              |               |            |               |               |  |
|--------------|---------------|------------|---------------|---------------|--|
| Land         | 6,030         |            | 6,030         |               |  |
| Buildings    | 74,020        | 785        | 73,235        | 3,857         |  |
| <b>TOTAL</b> | <b>80,050</b> | <b>785</b> | <b>79,265</b> | <b>15,126</b> |  |

\* Linen Value is net of \$346,835 provision for Linen Loss

|                                   | Gross<br>Cost<br>1997<br>\$(000) | Accumulated<br>Amortisation<br>1997<br>\$(000) | Written<br>Down<br>Value<br>1997<br>\$(000) | Additions<br>1997<br>\$(000) | Disposals<br>1997<br>\$(000) |
|-----------------------------------|----------------------------------|--|---|------------------------------|------------------------------|
| <b>NOTE 24: INTANGIBLE ASSETS</b> |                                  |  |   |                              |                              |
| Goodwill                          | 134                              | 107  | 27  |                              |                              |
| <b>TOTAL</b>                      | <b>134</b>                       | <b>107</b>                                     | <b>27</b>                                   |                              |                              |

| <b>NOTE 25: RECONCILIATION OF CASH</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--|--------------------------------------|
|--|--------------------------------------|

For the purpose of the Statement of Cash Flows Ballarat Health Services considers cash to include cash on hand and in banks and investments in money market investments.

|                           |              |
|---------------------------|--------------|
| Cash at Bank and on Hand  | 3,837        |
| Bank Overdraft            | (1,356)      |
| Short Term Investments    | 10,474       |
| less Monies held in Trust | (3,308)      |
| <b>TOTAL</b>              | <b>9,647</b> |

|   | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| <b>NOTE 26: RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES<br/>TO OPERATING RESULT</b> |                                      |
| <b>Operating Surplus for the Year</b>   | 8,221                                |
| <b>NON CASH MOVEMENTS</b>   |                                      |
| Depreciation  | 5,132                                |
| Amortisation  | 13                                   |
| Extraordinary Item  | 933                                  |
| Provision for Doubtful Debts  | 53                                   |
| Increase/(Decrease) in Payable  | 439                                  |
| Increase/(Decrease) in Borrowings   | 3,141                                |
| Increase/(Decrease) in Employee Entitlements  | 3,038                                |
| Net Revenue from Sale of Plant and Equipment  | (633)                                |
| (Increase)/Decrease in Other Current Assets   | 76                                   |
| (Increase)/Decrease in Receivable   | 273                                  |
| <b>NET CASH USED IN OPERATING ACTIVITIES</b>  | <u>17,638</u>                        |

| <b>NOTE 27: LEASED ASSETS</b> | <b>Cost</b>    | <b>Accumulated</b>  | <b>Written</b>    |
|-------------------------------|----------------|---------------------|-------------------|
|                               |                | <b>Amortisation</b> | <b>Down Value</b> |
|                               |                | <b>Assets</b>       | <b>1996/97</b>    |
|                               | <b>\$(000)</b> | <b>1997</b>         | <b>1996/97</b>    |
|                               |                | <b>\$(000)</b>      | <b>\$(000)</b>    |
| Leased Assets                 | 2,203          | 667                 | 1,536             |
| <b>TOTAL</b>                  | <u>2,203</u>   | <u>667</u>          | <u>1,536</u>      |

| <b>NOTE 28: PATIENT FEES</b>       | <b>Patient Fees<br/>Raised<br/>1996/97<br/>\$(000)</b> | <b>Patient Fees<br/>Receivable<br/>1997<br/>\$(000)</b> |
|------------------------------------|--|---|
| <b>Patient Fees</b>                |  |   |
| - Hospital Inpatients BBH          | 3,149  | 498   |
| - Hospital Inpatients QEC          | 757  | 174   |
| - Nursing Home                     | 13,999   | 396   |
| - Hostel                           | 5,393  | 222   |
| - Radiology                        | 3,858  | 224   |
| - Hospital Outpatients BBH         | 112  | 13  |
|                                    | <u>27,268</u>  | <u>1,527</u>  |
| less Provision For Doubtful Debts  |  | 101   |
| <b>NET PATIENT FEES RECEIVABLE</b> | <u>27,268</u>  | <u>1,426</u>  |

Commonwealth Nursing Home and Hostel benefits are included in patient fee revenue  
Ballarat Health Services charge fees in accordance with the Department of Human  
Services directives.

| <b>Bad and Doubtful Debts</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|-------------------------------|--------------------------------------|
| Bad Debts                     | 61                                   |
| Doubtful Debts                | 53                                   |
| <b>TOTAL</b>                  | <u>114</u>                           |

| <b>NOTE 29: ABNORMAL ITEMS</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|--------------------------------|--------------------------------------|
| <b>ABNORMAL REVENUE</b>        |                                      |
| <b>Capital Grants</b>          |                                      |
| - Redevelopment QEC            | 1,658                                |
| - Psychiatric Services QEC     | 1,680                                |
| - Psychiatric Services BBH     | 5,007                                |
| - Other                        | 1,440                                |
| - Equipment                    | 494                                  |
| <b>TOTAL</b>                   | <u>10,279</u>                        |
| <b>ABNORMAL REVENUE</b>        |                                      |
| -Building Write Down           | 589                                  |
|                                | <u>589</u>                           |
| <b>TOTAL</b>                   | <u>9,690</u>                         |



| <b>NOTE 30: COMMITMENTS</b> | <b>Total<br/>1996/97<br/>\$(000)</b> |
|-----------------------------|--------------------------------------|
| <b>Capital Commitments</b>  |                                      |
| Land and Buildings          | 1,479                                |
| Plant and Equipment         | 830                                  |
| <b>TOTAL</b>                | <b>2,309</b>                         |

| <b>NOTE 31: LEASE LIABILITIES</b>                                 | <b>Total<br/>1996/97<br/>\$(000)</b> |
|---|--------------------------------------|
| <b>Aggregate lease expenditure contracted for at balance date</b> |                                      |
| <b>Operating Lease</b>  |                                      |
| Not later than one year   | 149                                  |
| Later than one year and not later than two years                  | 48                                   |
| <b>TOTAL</b>  | <b>197</b>                           |
| <b>Representing</b>   |                                      |
| Cancellable Operating Leases                                      | 197                                  |

#### **NOTE 32: CONTINGENT LIABILITIES**

A former controlled entity (Ballarat and District Aged Persons Homes Association Inc.) now part of Ballarat Health Services entered into an agreement with The Redemptorist Fathers Property Association (the Order), from which it had acquired land and buildings forming part of the Queen Elizabeth Village, to provide accommodation to a limited number of members of the Order. In the event that Ballarat Health Services transfers its interest in the Village to a body other than a charitable organisation, which is prepared to continue to provide such accommodation, Ballarat Health Services will pay the Order, by way of agreed compensation, an amount of \$25,000 for each remaining year of the agreed term of 40 years, or, at the option of the Order, provide such accommodation elsewhere. At 30 June 1997, such compensation would amount to \$850,000.

#### **NOTE 33: SUPERANNUATION**

Ballarat Health Services contributes to the Hospital Superannuation Scheme and the State Superannuation Scheme on behalf of its employees. During 1996/97 Ballarat Health Services contributed \$4,486,000 to the schemes, and employer contributions. There was zero amounts outstanding as at 30 June 1997. The policy for calculating employee contributions is in accordance with the Hospital Superannuation Act 1988 and State Superannuation Act 1988.

#### **NOTE 34: SEGEMENT REPORTING**

| <b>SEGMENT</b> | <b>Segment<br/>Revenue<br/>\$(000)</b> | <b>Segment<br/>Expenditure<br/>\$(000)</b> | <b>Surplus/<br/>Deficit<br/>\$(000)</b> | <b>Segment<br/>Assets<br/>\$(000)</b> | <b>Segment<br/>Liabilities<br/>\$(000)</b> | <b>Segment<br/>Equity<br/>\$(000)</b> |
|----------------|--|--|---|---------------------------------------|--|---------------------------------------|
| Hospital       | 50,774                                 | 47,042                                     | 3,732                                   | 62,793                                | 10,664                                     | 52,129                                |
| Nursing Home   | 41,790                                 | 41,273                                     | 517                                     | 35,626                                | 9,854                                      | 25,772                                |
| Linen Service  | 4,157                                  | 5,128                                      | (971)                                   | 7,700                                 | 638  | 7,062                                 |
| Mental Health  | 14,365                                 | 13,363                                     | 1,002                                   | 1,408                                 | 1,965                                      | (557)                                 |
| Other          | 9,139                                  | 5,209                                      | 3,931                                   | 14,615                                | 8,614                                      | 6,001                                 |
| <b>TOTAL</b>   | <b>120,225</b>                         | <b>112,041</b>                             | <b>8,211</b>                            | <b>122,142</b>                        | <b>31,735</b>                              | <b>90,407</b>                         |

## NOTE 35: RESPONSIBLE PERSON RELATED DISCLOSURES

### (a) Responsible Persons

Dr B Hassett  
Mr B Clark  
Mr M Schultz  
Mr C Deans  
Mr J Gay  
Mr D Manton  
Mr W Crawford  
Ms S Lia  
Mr A Hughes - Chief Executive Officer

### (b) Remuneration of Responsible Persons

Remuneration received or due and receivable by Responsible Persons from the reporting entity:

|             |             |
|-------------|-------------|
|             | <b>1997</b> |
|             | <b>\$</b>   |
| \$0-\$9,999 | <b>NIL</b>  |

Total remuneration for the reporting period for Responsible Persons included above amounted to nil. For the purposes of reporting remuneration the chief executive officer is not a member of the board.

### (c) Retirement Benefits of Responsible Persons

Retirement benefits paid by the reporting entity in connection with the retirement of Responsible Persons of the reporting entity amounted to \$nil.

### (d) Other Transactions of Responsible Persons and their Related Parties

A Responsible Person Mr J Gay is a director of G Gay & Co which has provided building products to Ballarat Health Services on commercial terms and conditions.

The aggregate amounts in respect of the following types of transactions with Responsible Persons and related parties were:

|                   |                 |
|-------------------|-----------------|
|                   | <b>Total</b>    |
|                   | <b>1996/97</b>  |
|                   | <b>\$'(000)</b> |
| Building Products | 9               |

### (e) Executive Officer Remuneration

The total number of Executive Officers whose total remuneration exceeded \$100,000 are shown below in their relevant income bands

|                       |                 |
|-----------------------|-----------------|
|                       | <b>Total</b>    |
|                       | <b>1996/97</b>  |
|                       | <b>\$'(000)</b> |
| \$110,000 - \$119,999 | 1               |
| \$130,000 - \$139,999 | 1*              |
| \$140,000 - \$149,999 | 2*              |
|                       | <hr/>           |
|                       | 4               |
|                       | <hr/>           |

\* Includes Termination pay

Total remuneration for the reporting period for Executive Officers included above amounted to \$539,491

|  |                 |
|--|-----------------|
|  | <b>\$'(000)</b> |
| - Actual remuneration (other than bonuses) | 526             |
| - Bonuses                                  | 14              |
|  | <hr/>           |
|  | 540             |
|  | <hr/>           |



**NOTE 36: RECONCILIATION OF CHANGES IN EQUITY**

|   | <b>Total</b>    | <b>Retained</b> | <b>Contributed</b> | <b>Other</b>    |
|---|-----------------|-----------------|--------------------|-----------------|
|   | <b>1996/97</b>  | <b>Earnings</b> | <b>Capital</b>     | <b>Reserve</b>  |
|   | <b>\$'(000)</b> | <b>1996/97</b>  | <b>1996/97</b>     | <b>1996/97</b>  |
|   |                 | <b>\$'(000)</b> | <b>\$'(000)</b>    | <b>\$'(000)</b> |
| Balance at Beginning of Reporting Period  | 82,196          |                 | 75,858             | 6,338           |
| Operating Surplus/(Deficit) for the Year  | 8,211           | 8,211           |                    |                 |
| Transfer from Reserves                    |                 | (1,748)         |                    | 1,748           |
| <b>BALANCE AT END OF REPORTING PERIOD</b> | <b>90,407</b>   | <b>6,463</b>    | <b>75,858</b>      | <b>8,086</b>    |

**NOTE 37: ANNUAL FINANCIAL STATEMENT CONSOLIDATED ELIMINATION ENTRIES**

During 1996/97 financial year, transactions were undertaken with other State Government controlled entities, giving rise to the need for elimination entries in relation to resultant account balances. The aggregate eliminations included within the consolidated worksheets required to be prepared for input to the State's Annual Financial Statements are as follows:

|          | <b>Intra</b>    | <b>Inter</b>    |
|----------|-----------------|-----------------|
|          | <b>\$'(000)</b> | <b>\$'(000)</b> |
| Revenues | 79,624          |                 |
| Expenses | 1,024           | 2,350           |

The preparation of prior period comparative information has not been practicable or relevant for this financial year.



**NOTE 38: OPENING BALANCES**

The opening balances in the balance sheet are the net assets at 30 June 1996 of Ballarat Base Hospital and The Queen Elizabeth Centre, Ballarat as following:

|   | <b>QEC</b>      | <b>BBH</b>      | <b>TOTAL</b>    |
|---|-----------------|-----------------|-----------------|
|   | <b>\$'(000)</b> | <b>\$'(000)</b> | <b>\$'(000)</b> |
| <b>LIABILITIES</b>                      |                 |                 |                 |
| <b>Current Liabilities</b>              |                 |                 |                 |
| Bank overdraft                          | 528             |                 | 528             |
| Payables                                | 1,176           | 1,793           | 2,969           |
| Accured Expenses                        | 4,040           |                 | 4,040           |
| Provision For Long Service Leave        | 648             | 4,047           | 4,695           |
| Monies Held in Trust                    | 3,176           |                 | 3,176           |
| Borrowings                              |                 | 2,113           | 2,113           |
| Other                                   |                 | 9               | 9               |
| <b>Total Current Liabilities</b>        | <b>9,568</b>    | <b>7,962</b>    | <b>17,530</b>   |
| <b>Non-Current Liabilities</b>          |                 |                 |                 |
| Provision For Long Service Leave        | 2,239           | 3,517           | 5,756           |
| Borrowings                              |                 | 4,623           | 4,623           |
| <b>Total Non-Current Liabilities</b>    | <b>2,239</b>    | <b>8,140</b>    | <b>10,379</b>   |
| <b>TOTAL LIABILITIES</b>                | <b>11,807</b>   | <b>16,102</b>   | <b>27,909</b>   |
| <b>ASSETS</b>                           |                 |                 |                 |
| <b>Current Assets</b>                   |                 |                 |                 |
| Cash at Bank and on Hand                | 734             | 1,757           | 2,491           |
| Inventory                               | 449             | 269             | 718             |
| Receivables                             | 2,414           | 1,154           | 3,568           |
| Investments                             | 5,939           | 2,312           | 8,251           |
| <b>Total Current Assets</b>             | <b>9,536</b>    | <b>5,492</b>    | <b>15,028</b>   |
| <b>Non-Current Assets</b>               |                 |                 |                 |
| Investments                             |                 | 7               | 7               |
| Land                                    | 3,950           | 1,663           | 5,613           |
| Buildings                               | 26,989          | 44,959          | 71,948          |
| Buildings Under Construction            | 72              |                 | 72              |
| Plant and Equipment                     | 5,485           | 6,783           | 12,268          |
| Motor Vehicles                          | 986             | 759             | 1,745           |
| Plant and Equipment Under Hire Purchase |                 | 1,682           | 1,682           |
| Linen Stock                             | 1,702           |                 | 1,702           |
| Intangible Assets                       |                 | 40              | 40              |
| <b>Total Non-Current Assets</b>         | <b>39,184</b>   | <b>55,893</b>   | <b>95,077</b>   |
| <b>TOTAL ASSETS</b>                     | <b>48,720</b>   | <b>61,385</b>   | <b>110,105</b>  |
| <b>NET ASSETS</b>                       | <b>36,913</b>   | <b>45,283</b>   | <b>82,196</b>   |
| <b>SPECIAL PURPOSE</b>                  | <b>2,710</b>    | <b>3,628</b>    | <b>6,338</b>    |
| <b>CONTRIBUTED CAPITAL</b>              | <b>34,203</b>   | <b>41,655</b>   | <b>75,858</b>   |
| <b>TOTAL</b>                            | <b>36,913</b>   | <b>45,283</b>   | <b>82,196</b>   |





Ballarat**Health**Services

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**Base Hospital**

Drummond Street North, Ballarat Vic  
Telephone 03 5320 4000  
Facsimile 03 5320 4828

**Queen Elizabeth Centre**

102 Ascot Street South, Ballarat Vic  
Telephone 03 5320 3700  
Facsimile 03 5320 3860

**Grampians Psychiatric Services**

Sturt Street, Ballarat Vic  
Telephone 03 5320 4501  
Facsimile 03 5320 4835

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