WWHS

WEST WIMMERA HEALTH SERVICE ANNUAL REPORT 2012/13

A YEAR IN FOCUS

Mission Vision and Values

Our Vision

To establish a health service without peer through the pursuit of excellence and by opening the doors to innovation and technology.

Our Mission

West Wimmera Health Service is committed to the delivery of health, welfare and disability services which are compassionate, responsive, accessible and accountable to individual and community needs, which result in quality outcomes for the people of the West and South Wimmera, and Southern Mallee.

Our Values

- Strong Leadership and Management
- A Safe Environment
- A Culture of Continuing Improvement
- Effective Management of the Environment
- Responsive Partnerships with Our Consumers

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THIS REPORT IS:

- A document outlining the guiding principles of West Wimmera Health Service,
- An overview of our services, their outcomes and information of value to our Consumers, Governments and Health Professionals
- An open disclosure of activities, achievements, improvements, planning and future strategies
- Compliant with Department of Treasury and Department of Health Guidelines.

Responsible Officers Attestation

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for West Wimmera Health Service for the year ending 30 June 2013.

Ronald Rosewall
President

Nhill, 31 July 2013

To The Hon. David Davis MP – Minister for Health

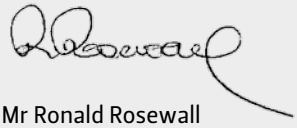
Minister we present to you and to our communities the 2012/13 Annual Report for West Wimmera Health Service.

The Report is an open disclosure of the activities and outcomes of this diverse Service for the reporting period I July 2012 to 30 June 2013.

It discloses performance against targets, the methods employed to meet those targets and our conscientious compliance with regulatory and reporting mandates.

Judicious financial management resulting in an Operating Surplus of $104,000 has maintained the viability of West Wimmera Health Service as a significant rural health service with the capability and expertise to heighten its role in the provision of a diverse range of healthcare for a large area of rural remote North West Victoria.

Minister this Report also highlights the manner in which we have heeded consumer advice, suggestions and demonstrated need to improve services and the way in which this Service has initiated partnerships and networks to *"deliver an optimal service mix for the local communities within our service area."* [1]



Mr Ronald Rosewall
President

Mr John N. Smith PSM
Chief Executive Officer

1. *Victorian Health Priorities Framework 2012-2022*

PRESIDENT & CHIEF EXECUTIVE OFFICER AN IMPRESSION OF THE YEAR

The multiplicity of communities and cultures which came together to create West Wimmera Health Service has brought about a unified Service with co-ordinated systems, assets and work practices while maintaining the inherent culture of each community.

Maintaining the position of this Service as a key provider of health services for the Wimmera and Mallee areas of Western Victoria and parts of the Tatiara District in South Eastern South Australia necessitates constant restructuring, changes to major elements of service delivery, development of the physical environment and the many other facets a progressive organisation must manage proactively to remain at the forefront of our field.

Promoting health and wellbeing across all ages and delivering quality care which actually meets the needs of customers by providing the 'right care in the right place at the right time' has set West Wimmera Health Service apart as a leader in rural health provision.

Performance Highs

This Service has experienced increased activity across the spectrum and achieved improved outcomes as highlighted by the distinctive results achieved in all accreditation programs. An accomplishment realised against a background of a funding increase of less than 1% - a challenge which required innovation, ingenuity in delivery and great vigilance in financial management.

Given this challenge we treated 20% more acute patients, experienced a rise of 53 surgical procedures undertaken at the Nhill Hospital with 99% of surgical patients residing in the Wimmera, Southern Mallee and South Eastern South Australia - providing access to essential surgery locally.

In the past five years there has been a 43% increase in the number of Same Day Surgical Patients treated at Nhill Hospital prompting an assessment of the Day Procedure amenities with a view to developing a dedicated suite offering a greater level of privacy and comfort for patients.

A 97% occupancy rate was maintained over our nine Residential Aged Care facilities ensuring aged members of our communities had the opportunity to obtain quality accommodation in a familiar environment.

Despite 2012/13 being possibly the tightest financial year in which the Service has operated in recent history we have managed to record a net surplus before capital items of $104,000.

This is our eighth consecutive surplus result and is testament to our ongoing efforts to grow our revenue base while delivering our service as cost effectively as possible. With over $6m of untied cash and investments held at 30 June 2013 we are well positioned to continue the execution of our capital development plan while at the same time responding successfully the financial challenges that lie ahead.

National Health Reform

The National Health Reform Agreement 2011, entered into by all State Governments with the Commonwealth Government has begun to take effect and will have profound implications, particularly for rural health services. The effects of the Agreement will become clearer as the application of funding reforms, clinical restructuring and the new safety and quality standards are implemented across the health sector.

It is undoubtedly a factor which will certainly change the dynamics and dimensions of the provision of Health, Aged Care, Mental Health and Disability Services from the system as it is at present.

In particular the Australian Commission on Safety & Quality in Health Care through the National Safety and Quality Health Service Standards "will ensure an improved patient experience and the delivery of appropriate care is being delivered in all health care settings".

The Clinical Quality Governance Committee was restructured to enhance monitoring of organisational compliance with 10 new Commonwealth standards and provide direct reporting to the Board.

We will work closely with the Australian Council on Healthcare Standards to address the requirements of the new National Standards to ensure the outstanding Accreditation Status of this Service is maintained and satisfies all aspects of these mandatory requirements.

As a matter of priority the potential impact of the National Health Reform on the operation of this Service has been assiduously analysed in preparation for its instigation from July 2013.

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20

PERCENT MORE ACUTE PATIENTS WERE TREATED

53

MORE SURGICAL PROCEDURES WERE PERFORMED

43

PERCENT INCREASE IN SAME DAY SURGICAL PATIENTS TREATED AT NHILL HOSPITAL OVER THE PAST FIVE YEARS

97

PERCENT AGED CARE OCCUPANCY RATE HAS BEEN MAINTAINED ACROSS OUR NINE SITES

Medical Services – Experienced, Enhanced, Reliable, Improved

The alliance forged with Tristar Medical Group has reaped untold benefits for the people living in our remote rural communities.

There are now more General Practitioners working in Tristar Clinics incorporated into our hospitals, a reliable After Hours Service has been introduced with experienced General Practitioners ensuring improved access to medical services 24 hours every day – positive outcomes from an Alliance that works!

Specialist Medical Services – Continued Expansion, Review and Access

The growth in Orthopaedic surgery, the sustained influence of all visiting physicians and surgeons to the delivery of a wide array of General, Ear Nose and Throat, Gynaecological and Ophthalmic Surgery facilitated by a very supportive group of specialist and general practitioner anaesthetists has contributed to a busy, rewarding year for the Nhill Hospital Operating Suite.

Consultant Anaesthetist, Dr Robert Ray attends fortnightly to provide specialist anaesthetic services, oversight and guidance for anaesthetics, critical care and resuscitation services – a highly regarded contribution which is gratefully acknowledged.

Meeting the Challenge of Extensive Surgical Care

The newly formed Clinical Quality Governance Committee reports to the Board of Governance on credentialing, definition of scope of practice and performance of General Practitioners, specialist Visiting Medical Practitioners, Dentists and other practitioners as well as matters relating to performance improvement, accreditation, legislative compliance, clinical risk management and consumer engagement.

To guarantee optimum Surgical Services are delivered, a comprehensive Review of Surgical Services was undertaken in June by an expert panel of prominent independent Medical Practitioners sourced Australia wide.

We await the Final Report, due to be received in August.

Dental Care – Expansion for Community Need

In recognition of the need to ensure services are provided where they are most needed, a service to Rainbow has begun in the recently refitted Dental Surgery located at the Rainbow Hospital.

An additional Dental Surgeon accessed through the Commonwealth Voluntary Dental Graduate Year Program has added to the highly skilled Dental team thus increasing the number of patients we have the capacity to treat – consequently improving access and reducing waiting lists.

Disability Services – Striding to Success

Our Disability Service has grown from strength to strength with the judicious relocation of 'Snappy Seconds - Pre Loved and Collectable Enterprise' to a modern, bright shop front co-located with Olivers 'Next Door' and adjacent to Oliver's Café.

Increased patronage at these Australian Disability Enterprises provides excellent workplace learning environments for supported employees.

Cooinda Disability Services is contracted to provide grounds maintenance and cleaning at specified Telstra Network sites, further enhancing supported employment opportunities for clients.

Communication – Foundation for Progress

Active communication with our consumers and stakeholders has set a sound basis for moving to the next level in our performance. The knowledge gained from the people who use our services, those who work for the Service and the support generated through regular communication on a personal basis and principally from regular Community Forums has stimulated change and driven improvements to services, programs, management systems and the strategies for reviewing the Service as a whole.

Proactively engaging with consumers, utilising feedback provided in the form of compliments, complaints and opportunities for improvement all aid in refining the policies, processes and response to community input – Communication a distinct advantage for improving what we do and how it is achieved.

Consumer participation and response provide us with the unique patient perspective and is incorporated when reviewing our standard of care.

Advancing Common Goals and Interests

It is vital the partnerships forged with Ballarat Health Services and Wimmera Health Care Group, the major health services to which we refer patients requiring a higher level of specialist care, continue to strengthen thus assuring the 'best' outcome for patients who seek our services.

In turn West Wimmera Health Service provides a number of services, particularly Primary and Community Health Programs to neighbouring Health Services. Relationships we value and will continue to foster. See Services page 18.

President, Ronald Rosewall continues to Chair the Wimmera and Southern Mallee Health Alliance, a group of Health Services which joined forces to build collaborative relationships within the Wimmera Southern Mallee Sub Region to advance sustainable health care for all.

Capital Redevelopment – The Ultimate in Buildings and Infrastructure

The bold and optimistic Capital Redevelopment Plan, adopted by the Board in 2010 for establishing quality infrastructure as a sound foundation to support the inevitable changes to healthcare and on which to build a sustainable Health Service is gathering speed.

The highlight of 2012/2013 was the opening of the 'Mira' Medical and Allied & Community Health Centre, bringing together medical and allied personnel in a purpose-built facility adjacent to the Nhill Hospital.

The Centre was made possible with a $500,000 grant received from the Commonwealth Government through the National Rural and Remote Hospital Infrastructure Program and a substantial contribution from this Service.

Modern, purpose built facilities such as we possess are pivotal in attracting and retaining experienced, skilled health care professionals to our Service. The development of the Goroke Community Health Centre nears completion and will bring to the Goroke community a truly ultramodern primary health care amenity accommodating an outstanding range of services which will meet their healthcare needs for many years.

The development was initiated by a $500,000 Commonwealth Government grant obtained through the Primary Care Infrastructure Program. Funding from West Wimmera Health Service capital reserves enabled the project reach its conclusion.

Governing for the Present and for the Future

Effective governance leading to innovative and progressive change will continue to be the force driving the Board of Governance.

Modifications to the Board Committee structure have again occurred in order to lead this change. The focus now being directed towards strategic management and planning with Board and Management ever mindful to balance the ever growing compliance, policy and regulatory requirements of State and Commonwealth governments while simultaneously moving forward with community needs.

Education constantly strengthens Board resilience and knowledge. An Australian Institute of Company Director's seminar which focused on developing a 'Strategic Board' resulted in a streamlined Board Agenda and greater emphasis on accountability and sustainability.

A major issue faced by the Board was the uncertainty regarding allocation of Commonwealth Funding with $170,000 being withdrawn by the Commonwealth Government. This fortunately was ultimately reinstated as a result of the Commonwealth acceding to State Government submissions which was very gratifying and appreciated.

West Wimmera Health Service – The Team

Our dedicated employees, the collective face of West Wimmera Health Service move with conviction towards the common goal of 'only the best will do' in every element of our service, exceeding all expectations of patients, residents and clients -THANK YOU.

The growing multicultural composition of our workforce has brought new ideas, different ways of thinking and improvements to professional practice – indeed a positive experience.

Volunteers

This Service is ceaselessly amazed by the number of generous people who contribute to patient, resident and client wellbeing: including Volunteers, Friends and Relative Groups, Auxiliaries, Community Service organisations, Visitors, Donors, Sponsors and those generous people who leave a lasting bequest.

Their commitment makes a notable difference to what we are able to achieve and the services we can maintain. Our heartfelt appreciation!

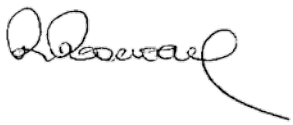
What will the Future Hold for West Wimmera Health Service?

The necessity to lobby Governments, State and Commonwealth Departments of Health is paramount to highlight to them the significance of quality, accessible health services for rural and remote communities. Major trials lie ahead for the Board to ensure Governments do understand the importance of this Service receiving its fair share of the limited health budget to meet these goals.

The progress achieved in 2012/13 will prove to be the groundwork needed to provide for the changing health needs of individuals and communities. Changes as described, together with programs and activities will be the cornerstone of future evolution strongly backed by stringent financial management, a strong investment in technology and diligent research into clinical service redesign.

As and when achieved, these components will provide health welfare and disability services that sit as the top echelon of the dynamic and essential healthcare industry.

Our passion for achieving the best possible health and welfare outcomes for our Region will never wane as we function under a resilient charter, a strong suite of values and more than considerable spirit to deliver equitable healthcare specialities which will significantly raise the health status of the people who reside in this diverse and wide reaching area of Rural Victoria and South Eastern South Australia.



Mr Ronald Rosewall
President

Mr John N. Smith PSM
Chief Executive Officer

STATEMENT OF PRIORITIES

The Statement of Priorities was introduced in 2012-2103 by the Department of Health as the formal funding and monitoring agreement between Victorian small rural health services and the Secretary for Health, and is in accordance with Section 26 of the Health Services Act 1988. The agreement which will be signed annually facilitates delivery of or substantial progress towards the key shared objectives of financial viability, improved access and quality of service provision.

PART A: STRATEGIC PRIORITIES FOR 2012/13

Developing a system that is responsive to people's needs

ACTION	DELIVERABLE	OUTCOME
In partnership with other providers within the local area apply existing service capacity frameworks to maximise the use of available resources across the local area.	Contribute to the deliberations of the Wimmera and Southern Mallee Health Alliance (W&SMHA) by being represented in Working Forums which are to be established to work towards the implementation of the Strategic Implementation Plan and Service Delivery Framework Phase One 2012/13.	> President of WWHS continues in his role as Chairman of W&SMHA. > Wimmera Primary Care Partnership has commenced as the W&SMHA Project Officer. > W&SMHA has agreed to continue the Strategic Implementation Plan and has drafted Phase Two 2013/14.
	Develop Specialist and sub-acute services collaboratively with other Wimmera and Southern Mallee health services by 30 June 2013.	WWHS was approached by the sub-regional hospital to assist with orthopaedic work to support their clinical load. Resulting in their Orthopaedic Surgeon commencing at Nhill Hospital with theatre lists in 2012/13.

Improving every Victorian's health status and experiences

ACTION	DELIVERABLE	OUTCOME
Consider new models of care and more coordinated services to respond to the specific needs of people with priority clinical conditions.	Prioritise and develop specialist acute services. Two new services developed by June 2013.	> April 2013 Venesection Clinic commenced in Nhill. > Commenced post-natal transfer and care from sub-regional hospital in June 2013.
	Establish explicit primary and community care service priorities and service level benchmarks addressing high burden of disease by 28 February 2013.	> Introduced the LIFE program focusing on diabetes management. > Conducted a chronic disease management clinic in collaboration with GPs in Natimuk focusing on diabetes and healthy living. > Enhanced chronic disease clinics conducted through the Medicare Benefits Scheme across the Service.
	Implement the actions of the Regional Oral Health Plan attributed to West Wimmera Health Service by 31 December 2012.	> WWHS successful with application to the new Federal Voluntary Dental Graduate Year Program. > WWHS representation on the Oral Health Network Committee continued. > Opening of the Rainbow Dental Clinic late 2012

Expanding service, workforce and system capacity

ACTION	DELIVERABLE	OUTCOME
Identify opportunities to address workforce gaps by optimising workforce capability and capacity, exploring alternative workforce models.	Develop a workforce recruitment package by 30 April 2013.	> Package/policy available for international recruitment – WWHS has no vacancies for Clinical or Allied Health staff. > Package redeveloped for Medical Practitioners for 1st year of practice with WWHS which includes accommodation and utilities and a vehicle.
	Increase clinical undergraduate placements by 10%.	Increase of 69% in Clinical Placement Days
Develop collaborative approaches to deliver professional education, training and support.	Work with Wimmera and Southern Mallee Health Alliance to implement a Nurse Practitioner and/or Advanced Practice Nurses by 30 June 2013.	Visit of the Grampians Regional Simulation mobile unit to all WWHS sites between February and April 2013.

Increasing the system's financial sustainability and productivity

ACTION	DELIVERABLE	OUTCOME
Identify opportunities for efficiency and better value service delivery.	Implement financial processes to meet the National Health Reforms by 30 June 2013.	Impact on Small Rural Health Service funding now being monitored through comparison of National Weighted Activity Units (NWAUs). Submissions forwarded to Commonwealth to advocate for Rural Aged Care facilities and the potential impact of the proposed reforms.
	Establish a policy position to deal with the ramifications that may arise in relation to primary health care services by virtue of the establishment of the Grampians Medicare Local.	WWHS will work collaboratively with Grampians Medicare Local to ensure the continuation of critical services to our rural and remote catchment.
	Consult Grampians Medicare Local to ascertain their approach to planning and funding processes associated with the introduction of their Charter.	Dialogue occurred with Grampians Medicare Local and Rural Primary Health Service programs continue in 2012/13.
Examine and reduce variation in administrative overheads.	Review Workforce structure to optimise operational efficiency.	> Review undertaken annually and is minuted against EFT and Budget. > Electronic rostering programme in final stages of implementation at 30th June 2013 which will assist in ensuring the correct skill mix is allocated to each shift.

Implementing continuous improvements and innovation

ACTION	DELIVERABLE	OUTCOME
Develop and implement improvement strategies that better support patient flow and the quality and safety of health care services.	Implement the introduction of National Mandatory Accreditation Standards simultaneously consolidating the continuous improvement and innovation opportunities provided by the EQuIP accreditation system by 30 June 2013.	Successful accreditation with Australian Council of Health Care Standards for four years achieved 2 Outstanding Achievements (OA), 9 Extensive Achievements (EA) and remaining criteria rated at Moderate Achievement.
	Address recommendations arising from ACHS Gap Analysis to be undertaken in Dec 2012 regarding National Mandatory Accreditation Standards by 30 June 2013.	WWHS will undertake a Gap Analysis utilising the tool provided by the Australian Commission on Safety & Quality in Healthcare in conjunction with ACHS. Decision made not to participate in ACHS Mandatory Accreditation Standards Gap Analysis.

Increasing accountability & transparency

ACTION	DELIVERABLE	OUTCOME
Continue to strengthen the capability of rural health service Boards and senior management to ensure that ongoing stewardship obligations of rural and regional health services can be met.	Undertake one Community Consultation Forum in each community serviced by WWHS by 30 June 2013.	Community Consultations successfully held in all communities during 2012/13.
	Conduct one Open Board Meeting in addition to the Annual General Meeting by 30 June 2013.	Community Consultations effectively cover the Open Board Meeting requirements.
	Implement a community newsletter twice yearly and provide quarterly reports to the Board in relation to news releases, social media and other general community publications commencing by 31 Dec 2013.	Community Newsletter template developed. At 30th June 2013 information is being collated for 1st edition.
	Provide Board and senior management education annually.	> Board and Senior Management education day focusing on 'The Strategic Board', facilitated by the Australian Institute of Company Directors, held in October 2012. > 4 Board Members attended 'Better Boards' Seminar in July 2012. > 13 Senior Staff including Directors of Nursing and Departmental Managers completed the Advanced Diploma of Business Management through University of Ballarat.

Improving utilisation of e-health and communications technology.

ACTION	DELIVERABLE	OUTCOME
Trial, implement and evaluate strategies that use ICT as an enabler of better patient care.	Actively participate in the Grampians Rural Health Alliance to ensure e-health communication and technology maintains a 'state-of-the-art' focus.	> Geriatrician using teleconference to follow up residents. > Allied Health using teleconference to consult with Specialists. > WWHS participated in the ARV TELEMET Project in Primary Care in March –July 2012. > Movi/Tandverg cameras installed at each site on one of the computers in consulting areas, to enable communication between Specialists, staff and patients.
	Extend e-health systems to embrace patient medical records over the period of the Strategic Plan 2012-2015.	Applied to register as a seed health service provider organisation for the national Personally Controlled Electronic Health Record system.
	Introduction of new website by 31 Dec 2012.	New website in final stages of testing with 'live' date anticipated early 2013/14.

PART B: PERFORMANCE PRIORITIES

Operating Result	Target	2012–13 actuals
Annual Operating result ($m)	$0.056	$0.104

Cash Management	Target	2012–13 actuals
Creditors	<60 days	28 days
Debtors	<60 days	29 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 99%
Submission of data to VICNISS	Full compliance	Full compliance
Hand Hygiene (rate)	70%	78.7%
Victorian Patient Satisfaction Monitor: (OCI)	73%	83.8% Wave 23 – Jun to Dec 2012
Consumer Participation Indicator	75%	82.3% Wave 23 – Jun to Dec 2012
People Matter Survey	Full compliance	Full compliance

PART C: ACTIVITY AND FUNDING

Funding type	2012–13 Activity/ Achievement
Mental Health and Drug Services	
Mental Health Residential	2009 bed days
Small Rural	
Small Rural HACC	2672 actual hours

OUR EVOLVING FUTURE
STRATEGIC DIRECTIONS 2012–2015

The central ***purpose*** of West Wimmera Health Service is to improve the health and well-being of our community. Our ***vision*** is to establish a health service without peer through the pursuit of excellence and by opening the doors to innovation and technology.

The Board of Governance adopted the new Strategic Directions to guide the achievement of our purpose and vision.

The Strategic Directions will see greater efforts made to meet the individual and collective Health, Welfare and Disability needs. They are also designed to respond to the specific changes of direction notified by the Commonwealth and Victorian Governments towards the end of 2011.

Our change of direction ushers in a new era by targeting specifically more responsive, clinically appropriate and cost-effective health care. Those objectives are to be achieved by better utilising the skills and resources available in the Wimmera and Southern Mallee and to continue to grow the health care capacity in our communities.

The Strategic Directions reflect not just continuing change but will give rise to a paradigm shift by driving an era of change in the context of many challenges, including—

- An ageing population raising the demand for health care close to where people live;
- Responding to the seven highest health risks in rural and regional areas – Arthritis, Depression and Anxiety, Cancer, Heart Disease, Diabetes, Osteoporosis and Stroke;
- Low socio-economic status of a significant portion of our population;
- Dealing with distance – a feature of our region and a potential barrier to timely access to services;
- Rising operating and capital costs;
- Restricted funding and fragmented funding sources; and
- Lack of flexible, effective processes and structures to allocate resources where they are needed most in the Wimmera and Southern Mallee.

The Strategic Directions meet these challenges faced in each of our key result areas:

KEY RESULT AREAS

Consumers

1. Match services with communities' changing needs.
2. Improve access to services.
3. Enhance communication with our communities

Financial

4. Maintain and enhance our financial sustainability.

Internal Processes

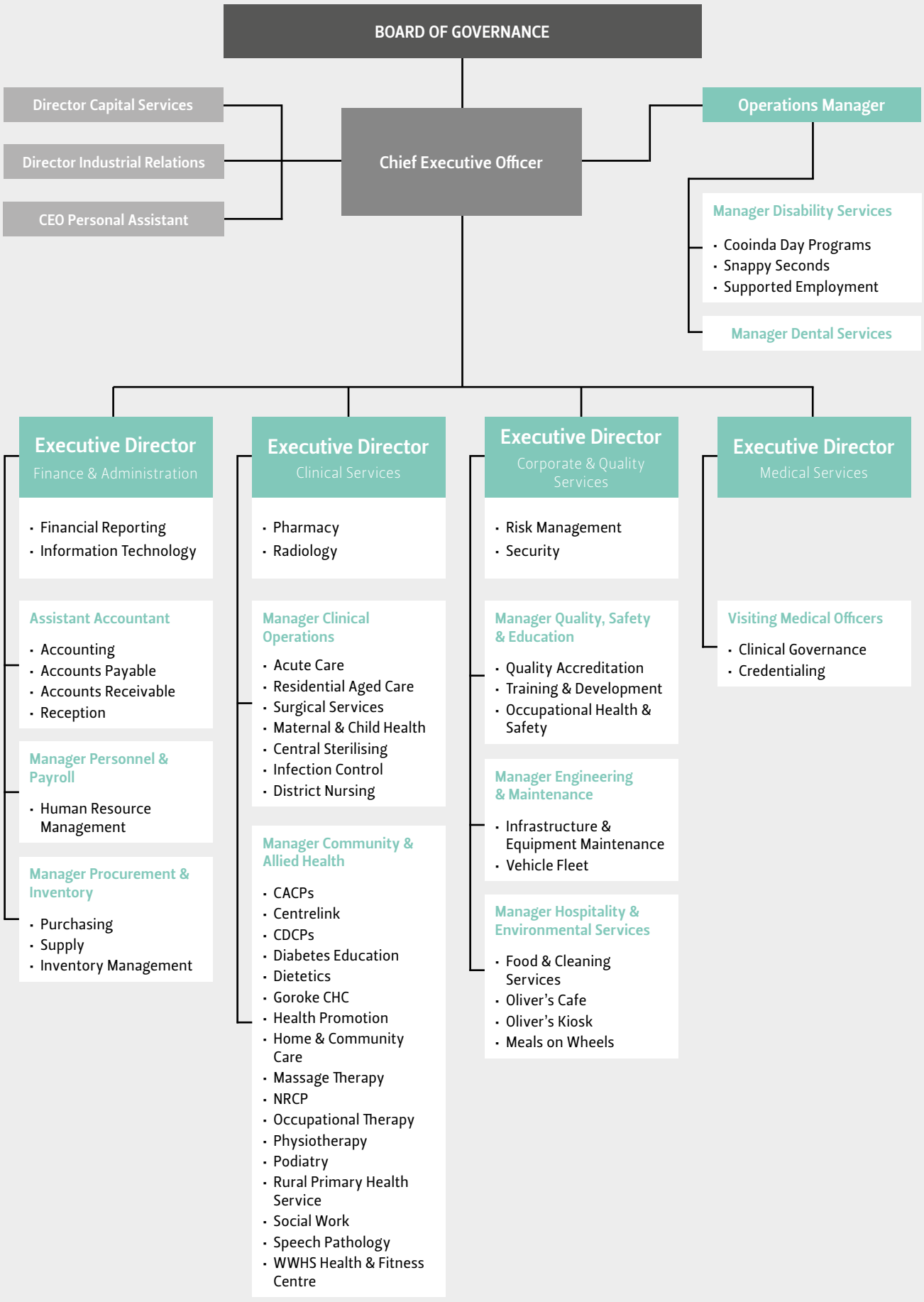
5. Adopt a flexible, collaborative approach to resource allocation in the region.
6. Continue to improve our facilities and equipment.
7. Strengthen and expand our professional relationships.
8. Use the latest technologies more effectively.

Learning and Growth

9. Build our people's capabilities.
10. Strengthen our governance, performance, transparency and accountability.

STRATEGIC DIRECTIONS

LINES OF COMMUNICATION



GOVERNANCE

THE BOARD OF GOVERNANCE

Setting the future direction for the lasting success of this Service through motivational leadership and establishing a robust Strategic Plan is the direct responsibility of the Board.

The governance of West Wimmera Health Service is delegated to the Board of Governance of which members are "appointed by the Governor-in-Council on the recommendation of the Minister for Health".

It is an incorporated public statutory authority established in 1995 under the *Health Service Act 1988* (The Act) and subsequent amendments.

Under the Act, the Board is accountable to government and the community for structuring the Service to meet its responsibilities in the areas of compliance and sustainability.

The Board investigates changes in the health industry, such as the National Health Reform, in its communities, in the financial outlook, in government priorities and on potential developments in technology and systems of care.

Staying abreast of current thinking has enabled proactive planning for the impact these factors may have on long term strategies and the opportunity to instigate changes which have cemented a positive direction for the future of this organisation.

True competent governance by the Board has relied heavily on the in-depth contribution of all members, whose diverse individual experience and expertise combined with the advice of the Chief Executive Officer has ensured effective delivery of health and welfare services and the preservation of a solid financial position.

Members of Board of Governance 2012/13

Mr R.S. Rosewall BA, SocSci – *President*
Ms L.G. Clarke JP – *Vice President*
Mr D.P. Buckley
Mr H.G. Champness BA, Dip Ed, Accredited Lay Preacher
Mr R.A. Ismay
Mr L.C. Maybery
Mr R.L. Stanford
Mrs J.M. Sudholz
Mr D.N. Walter
Mrs N.E. Zanker BA, Dip Ed

Audit & Quality Committee

Mr R.S. Rosewall BA, SocSci – *President*
Ms L.G. Clarke JP – *Vice President*
Mr D.P. Buckley (Chair to 31 July 2012)
Mr R.A. Ismay
Mr D.N. Walter
Mrs N.E. Zanker
Mr J.M. Hobday LLB – Independent Member
(Chair as at 11th December, 2012)

Attendances and Committees

	Board of Governance	Executive	Finance	Audit & Quality	Quality & Clinical	Clinical Appointments Credentialing & Review
Ronald Rosewall *President*	100%	100%	80%	100%	50%	100%
Leonie Clarke *Vice President*	86%	100%	67%	50%	100%	100%
David Buckley	71%	–	–	100%	100%	-
Harvey Champness	86%	80%	–	–	50%	–
Ron Ismay	100%	–	–	0%	100%	100%
Lester Maybery	86%	–	100%	–	–	–
Rodney Stanford	86%	80%	80%	–	–	–
Janice Sudholz	71%	–	100%	–	–	–
Darren Walter	57%	60%	–	50%	–	–
Naomi Zanker	86%	–	–	100%	100%	–
John Hobday	–	–	67%	100%	–	–

THE EXECUTIVE GROUP

John Smith
PSM, MHA, Grad Dip HSM, FAICD, AFACHSM, AFAHRI, FAHSFMA, AFAIM, Cert 111 OH&S
Chief Executive Officer

The provision of rigorous counsel to the Board, executing the Board's decisions and policies and managing the business and human assets of the Service are responsibilities of the Chief Executive Officer.

Establishing a framework of strong leadership and management to place the Service in a prime position to take optimal advantage of change and evolution in health service delivery, technology and financial strategies as they occur is in John's jurisdiction.

John is also expected to participate in National and International peak healthcare organisations and keep abreast of developments and innovations affecting health care delivery and management.

Dr Ian Graham
MBBS, MHP, FRACMA
Executive Director Medical Services

Dr Graham is responsible for the credentialing, appointment, definition of the scope of practice and performance management of Visiting Medical Practitioners which extends to General Practitioners in Nhill, Jeparit, Rainbow, Kaniva and Natimuk; Visiting Surgeons, Anaesthetists, Gynaecologists, Physicians and Psychiatrists.

His expertise comprises health management, education and information technology.

Ritchie Dodds
BCom (Acc), CA, FFin, MBA, GAICD
Executive Director Finance and Administration

Ritchie is responsible for the Financial Management of the Service, Information Technology and Human Resources. His position involves the management of Procurement and General Administration matters.

He also deputises for the Chief Executive Officer as and when required.

Janet Fisher
RN, RCNA, Grad Dip Bus Man
Executive Director Clinical Services

Janet is responsible for the management of Medical, Surgical, Primary Care Services, Allied and Community Health and the Goroke Community Health Centre, Radiology, Central Sterilising, Maternal & Child Health and Pharmacy.

Her position also carries the responsibility for Residential Aged Care and accountability for Commonwealth Accreditation.

Kaye Borgelt
Assoc Dip Med Rec Admin, Grad Certificate Mgt Org Change
Executive Director Corporate & Quality Services

In her role as Executive Director of Corporate & Quality Services, Kaye's responsibilities include the management of Catering and General Services, Engineering and Maintenance, Education and Health Information Services.

Kaye also oversees service-wide Quality and Accreditation, Occupational Health and Safety, Risk Management and Security.

Melanie Albrecht
LLB, BIS, Grad Cert HSM, AFCHSE
Operations Manager

Melanie provides assistance to the Chief Executive Officer with operational issues and special projects including Aged Care Finance, Contract Management, Compliments and Complaints.

Melanie is also responsible for the executive management of all matters associated with Disability Services and Dental Services.

Katrina Pilgrim
Cert IV Bus Management (Frontline)
Executive Assistant to Chief Executive Officer

Katrina is responsible for high level assistance to the Chief Executive Officer, co-ordinating major functions and attending to Departmental requirements.

As Minute Secretary to the Board of Governance and associated committees Katrina is responsible for tabling documentation pertaining to Meetings and collecting data including Statements of Pecuniary Interest.

DIVERSE SERVICES
RAISING THE HEALTH STATUS OF OUR REGION

AGED CARE

Aged Care Assessment
Community Aged Care Packages
Community and Home Based Aged Care
Consumer Directed Care Packages
National Respite for Carers Program
Residential Hostels & Nursing Homes

CLINICAL

Acute Hospital Care
Admission and Discharge Clinic
Audiology
Dental Diagnostic
Dental Prosthetic
Dialysis
Domiciliary Midwifery
ENT Surgery
Gastroenterology
General and Specialist Medical Care
General and Specialist Surgery
Laparoscopic Surgery
Maternity Shared Care Clinic
Nursing Traineeships
Obstetrics and Gynaecology
Ophthalmic Surgery
Oral Surgery
Orthopaedic Surgery
Palliative Care
Pathology
Pharmacy
Post Acute Care
Primary Care Casualty
Psychiatry
Reconstructive Surgery
Regional Discharge Planning Strategy

ALLIED AND COMMUNITY SUPPORT

Ante/Post Natal Classes
Asthma Education
Cancer Council Victoria
- Cancer Awareness
Cancer Support Group
Cardiac Rehabilitation Program
Community Health Nursing
Continence Education
Diabetes Education
Dietetics
District Nursing
Drug and Alcohol Program
Emergency Relief Program
Exercise Groups – Aerobics, Falls & Balance Group, Gentle Exercises & Tai Chi
Exercise Physiology
Farm Safety Education
Fitness Assessments
Football Practice for Farmers
Fun Fit & Fabulous
Gateway to GirlPower – Nhill, Kaniva, Rainbow
Gorgeous Girls School Program
Guys & Gals School Program
Gym/Weights Program
Hairdressing
Health and Fitness Centre
Health Education and Promotion – e.g. Wimmera Machinery Field Days, Healthy Habits Happy Life, Stroke Awareness Presentations & Men's Health Week
Healthy Weight Challenge
Hearing Services
Home and Community Care
Hospital in the Home
Hospital to Home
Immunisations - Staff WWHS and major local employers
Kindergarten Screenings - Podiatry, Speech Pathology, Occupational Therapy, Physiotherapy, with Dietetics awareness
Massage Therapy
Maternal and Child Health
Meals on Wheels
Men's Sheds
Moovers & Shakers Walking Groups
Mother/Daughter Puberty Nights
National Diabetes Service
Nutrition Education
Occupational Therapy
Optometry
Orthodontic Referral
Pap Smear & Health Check Clinics
Physiotherapy
Planned Activity Groups - (Adult Day Centres)
Podiatry
Puberty Biz for Grade 6 – Children and Parents
QUIT Trainer
Radiology – CT scanning, ultrasound, x-ray
Rural Primary Health Service
Secret Men's Business
Social Work - Welfare and Counselling Service
Speech Pathology
Strutting Strollers
WorkHealth Checks

The progress achieved this year will prove to be the groundwork needed to provide for the changing health needs of individuals and communities. Changes to our structure, programs and activities will be the cornerstone of the future evolution of the mix of services we deliver.

DISABILITY

Adult Day Service
Advocacy
Community Access
Community Inclusion Program
Exercise Program
Food Preparation and Sales
Future for Young Adults
Individual Support
Living Skills
Respite Care
Retail Assistant Training
Supported Employment
Therapy Programs
Vocational Training

REGIONAL

Allambi Elderly Peoples Home, Dimboola
Avonlea Hostel, Nhill
Dunmunkle Health Service
Edenhope Hospital
Goroke P-12 College
Jeparit Primary School
Kaniva College
Kindergartens - Nhill, Jeparit, Kaniva, Rainbow, Goroke
Lutheran Primary School, Nhill
Natimuk Primary School
Nhill College
Rainbow College
Rainbow Primary School
St Patrick's Primary School, Nhill
Woomelang Bush Nursing Centre

SERVICE SUPPORT

Education
Engineering and Maintenance
Environmental
Health Information Management
Hospitality
Library and Resource Centre
Volunteers

TRAINING AND ALLIANCES

Traineeships
Universities
- Australian Catholic
- Charles Darwin
- Charles Sturt
- Deakin
- Latrobe
- Ballarat
- Melbourne
- South Australia

Wimmera Football League – Physiotherapy
Wimmera Hub Inc
Work Experience
Work Placements

NURSING HOMES – HOSTELS

Nhill
Iona Digby Harris Home

Kaniva
Archie Gray Nursing Home
Kaniva Cottages Hostel

Jeparit
Jeparit & District Nursing Home

Rainbow
Rainbow Bush Nursing Home Annexe
Rainbow Bush Nursing Hospital Hostel

Natimuk
'Allan W Lockwood' Special Care Hostel
Trescowthick House Hostel
Natimuk Bush Nursing Home Annexe

COMMUNITY PROGRAMS

Hospital To Home (H2H)
The program supports patients in the transition from hospital to home. Patients must live in municipalities associated with West Wimmera Health Service.

Hospital in the Home (HITH)
HITH is the provision of hospital care in the comfort of the person's own home. Patients are regarded as hospital inpatients and remain under the care of their treating medical practitioner.

National Respite for Carers Program (NRCP)
Provides 'time out' for carers of people with Dementia. This program offers carers the opportunity to maintain their own interests while fulfilling the demanding role of carer.

Community Aged Care Packages (CACPs)
These packages offer comprehensive assistance to the elderly to support them in their homes, thus delaying entry into a hostel or nursing home.

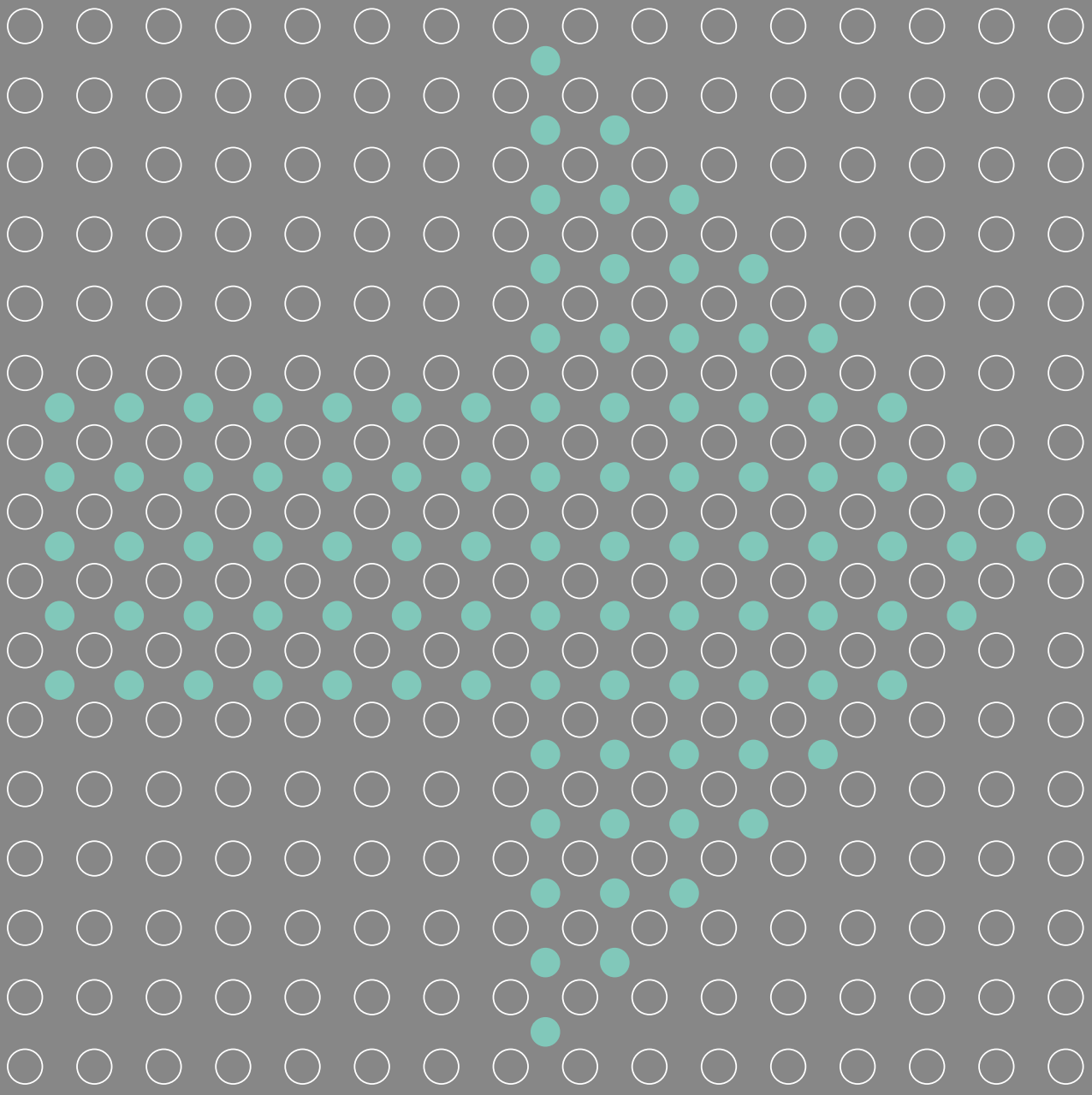
Post Acute Care (PAC)
Provides community based services such as community nursing and personal care.

Home and Community Care Program (HACC)
This program provides care in home and community settings to frail older adults, younger people with disabilities and their carers, promoting independence and avoiding premature or inappropriate admission to long term Residential Aged Care.

Consumer Directed Care Packages (CDC)
Consumers have the responsibility for managing their own Package and seek services they want tailored to their own special needs, hence maximising independent living within their home environment.

ACTIVITIES, PROGRAMS ACHIEVEMENTS

HEALTH WELFARE AND DISABILITY SERVICES FOR A SIGNIFICANT PORTION OF VICTORIA



The remote rural location of West Wimmera Health Service in North Western Victoria has, to a point, dictated the incredible range of services taken on as an inherent obligation for our communities.

We are the major health service in this area of Victoria and the last before the South Australian border, virtually non-existent public transport, and an aged population with a median age of 47 years against 37 years for Victoria and 7.6% of the population living with Diabetes against 5.4% for Australia.

Set against this background we have shouldered the enormous undertaking of providing a diverse range of care with the distinct aim of raising the health status of the communities we serve.

ACUTE HOSPITAL CARE

In direct response to our location, remoteness, low socioeconomic standing and chronic disease status West Wimmera Health Service has expressly set about establishing a range of Acute Care not normally found in a rural health service – care which is provided in our communities close to where people live.

We have 52 acute inpatient beds in 4 facilities - Nhill, Rainbow, Jeparit and Kaniva - providing a widespread range of general and specialist health care to those within our communities.

Admissions are primarily for medical and elective surgical admissions and emergency presentations. The four facilities offer 24 hour Urgent Care services for emergency presentations to be assessed.

If further medical management is required patients are admitted to an acute bed or the condition stabilised and the patient transferred to a more appropriate facility.

Our point of difference as a rural Service is the capability to offer General and Specialist Ear Nose &Throat, Gastroenterology, Laparoscopic, Obstetric, Gynaecological, Ophthalmology, Oral and Orthopaedic Surgery – at the Nhill Hospital, close to home for our community.

We provide:

> elective surgical services
> treatments for medical conditions, including chronic disease management
> sub-acute care for those requiring a period of convalescence, rehabilitation, geriatric assessment or palliation

All acute care is delivered in a modern, comfortable environment with the latest in equipment and procedures. Rehabilitation is provided by extremely well qualified and experienced Nursing Staff and Allied Health Professionals.

Patients using their Private Health Insurance have no excess charges or 'out-of-pocket expenses'. They also receive a Welcome Pack and the use of a comfortable bathrobe.

The achievements of a busy department:

> All Clinical Managers and many Associate Charge Nurses completed an Advanced Diploma in Management with the University of Ballarat.
> An increase in the number of Visiting Medical Officers (VMOs) at Nhill has provided welcome support for the VMOs at the outer sites.
> An additional Orthopaedic Surgeon was introduced in 2012.
> The completion of the 'Wireless Network' at Nhill and Kaniva has enabled staff to access and update aged care resident information from the bedside; improved nurse call systems; a stable and reliable wireless telephone system is now in place.
> The Mobile Telehealth Unit used for consultations with remote specialists can now be accessed throughout the Nhill Hospital.

- Positive response to trials to ascertain the benefits to be gained using 'iPad' technology in acute care include recording imaging of wounds and transmitting them to Specialists in larger centres for advice on the best treatment options. The VMOs also use this technology at the patient bedside to consult directly with Specialist Practitioners.
- We are joining with other health services in the Grampians Region in the roll out of The ISBAR process of Clinical Handover. ISBAR will improve safety when transferring critical patient information between health professionals and ensure that only relevant patient information is shared.

West Wimmera Health Service will incorporate ISBAR in all forms of clinical handover – nursing shift to nursing shift, nursing to allied health and ambulance, health service to health service and our Assessment Tools will be revised to fit under the ISBAR banner.

The ISBAR Process

IDENTIFY	Identify yourself, role and patient identifiers
SITUATION	What is going on with the patient, include urgency?
BACKGROUND	What is the clinical background/ context?
ASSESSMENT	Give assessment details – vital signs, clinical suggestions
REQUEST	What is recommended and required to manage patient care?

The Australian Commission on Safety and Quality in Health Care conducted a review of the ISBAR Communication Tool which in part revealed "many participants reported that the best elements of the ISBAR framework were that it was simple, memorable and portable and staff had increased confidence in giving and receiving clinical handover and audits of medical charts indicated that the quality of information improved", – our incentive to introduce ISBAR service.

- The CT scanner installed at Nhill has brought this essential diagnostic equipment to the people. Combined with the recruitment of an additional Radiographer, diagnostic services have expanded creating a very sustainable service for the people in our catchment and beyond.
- A review of the surgical admission process was undertaken to streamline our processes for admission for surgical procedures; and to reduce duplication of information collected whilst still ensuring the patient experience is safe and without complication.
- The BMI (Body Mass Index) of prospective surgical patients is monitored which has further decreased the risk for surgical patients.
- We are planning for the redevelopment of a dedicated Day Procedure unit at Nhill.
- Discussions are underway with the Grampians Integrated Cancer Service (GICS) to determine the options for cancer care which could be offered at WWHS.
- A review of medication management within the WWHS pharmacy and facilities has been undertaken.
- A regular Physiotherapy service has commenced from Natimuk.
- Clinical Pathways for arthroscopy, gastroscopy, colonoscopy and joint replacement procedures have been reviewed and now reflect current evidence based practice.
- A Venesection clinic for the treatment of Haemochromatosis (inherited iron overload disorder) has been introduced in the Nhill Hospital. Medical and Clinical staff attended training prior to the first clinic in April 2013.
- In June 2013 the first Midwifery postnatal patient was transferred back to Nhill Hospital after the birth offering additional convalescence and mothercraft skills for new mothers.
- An additional dialysis chair was commissioned in February 2013 providing more flexibility in the Unit and importantly, visitors to Nhill are now able to continue their renal dialysis.

To Stand Still is to Fall Behind

Persistent research into worldwide medical advances, attendance at industry forums, upgrading professional qualifications, investigating world standards, employing only the best are some of the reasons why West Wimmera Health Service is constantly introducing innovative, first class treatment and surgical procedures, new clinics as trends in the health of our people indicate are necessary.

With every nerve in our being we will make sure we never stand still when the care of our patients is at stake!

As we enter the new financial year our plans include:

- Recruiting a second VMO for Rainbow & Jeparit and also for Kaniva, a factor which will vastly improve access to General Practitioners, in particular, to 24 hour medical cover.

  A sole General Practitioner in a rural location has very little 'down time'. Therefore a second practitioner in these communities will also add to the wellbeing of the Practitioner who will then be able to attend further education forums and experience time away – a bonus for all.
- The Wireless Network will be extended to Jeparit, Rainbow and Natimuk bringing these facilities to the next level of ICT.
- The ISBAR based clinical handover will be stamped into our clinical soul.
- A purpose designed Day Procedure Unit at the Nhill Hospital will also include the Pre-admission Clinic and Anaesthetist Consulting Suites. This redevelopment will bring facilities for this growing service to accepted standards, in particular for the privacy of day stay patients.

2013/14 will be a year to remember in the progress of Acute Care at West Wimmera Health Service.

AGED CARE

Readily accessible care for the aged in our communities is a basic necessity but more importantly, an indisputable obligation for those of us employed in the health industry.

With this in mind the philosophy guiding our aged care services is always to treat our residents with the greatest respect; compassion and understanding while creating an environment conducive to a safe, happy and enjoyable lifestyle.

Accommodation for the 125 residents living under our care is modern and specifically designed to enhance the lives of our residents, satisfy individual needs and meet the expectations of the residents and their families.

We care for the residents of nine High and Low Aged Care units offering 125 places for the frail aged and those with special needs such as Dementia.

The word 'care' does not in any way express the love and enthusiasm with which our residents are encircled by our compassionate and experienced staff. The atmosphere of a loving and caring family environment is very evident in every home.

A Year of Positive Outcomes

> Full accreditation at all 9 Residential Aged Care facilities;
> Full compliance at all unannounced 'surprise' support visits;
> High occupancy rates when other aged care facilities in the Grampians region have vacancies;
> Consistent and validated ACFI income with the assistance of Health Metrics consulting and technology assistance;

The Aged Care Funding Instrument (ACFI) is the means by which funds are allocated to Residential Aged Care providers by considering all aspects of individual health and care needs of residents;

> Regular visits by a Visiting Pharmacist and a Geriatrician who review each resident has ensured continual review of the health status and needs of aged care residents.
> All Aged Care facilities are in the process of developing raised garden beds as part of their leisure and lifestyle programs.
> Night lights have been installed at the Rainbow Hostel as a means of reducing the risk of falls within the unit.
> A trial, using a tablet computer, is underway at Iona Digby Harris Home, Nhill to ascertain the advantage of entering information into iCare from the bedside. The information entered provides us with integrated clinical and carer management data for the continuing care of residents.

Plans for the Future

> Following community consultation planning will continue into the possibilities pertaining to the relocation of Kaniva Cottages to adjoin the Hospital and Nursing Home.
> In Iona Digby Harris Nursing Home, Nhill a breakfast bar will be added to the Dining Room and a Sensory Room will also be developed with funds from a Department of Health Dementia Care Grant. These innovative approaches will add to the homelike environment and create a pleasurable sensory experience by stimulating the primary senses in an atmosphere of trust and relaxation.
> External Dementia specific "Montessori" training attended by aged care staff proved to be extremely beneficial for residents. As a result of the experience on-site training will be held at WWHS in August 2013.

ALLIED AND COMMUNITY HEALTH

Our enthusiastic Allied Health Practitioners are specialists qualified to support clinical diagnosis, recovery and quality of life for patients.

They work closely together to research the changing face of primary health care and opportunities to introduce innovative programs to bring about improved outcomes for consumers.

Dedication to a multidisciplinary approach towards improved health outcomes has led to increased client participation in decisions made concerning their care; programs tailored to individual preferences and needs; and resulting services designed to improve quality of life.

A Year of Achievement and Innovation

The Allied and Community Health team has continued to deliver quality care to patients through a variety of avenues, in particular using technology for communication.

We have collaborated with Metropolitan Specialists, predominantly in Physiotherapy to reduce travel commitments for patients by arranging for follow up appointments to be conducted using Skype and iPads thus reducing long distance travel to capital cities.

Social Work has also scheduled Mental Health appointments through video link bringing Specialist Mental Health expertise to the patient – again reducing the need to travel for rural patients.

98 kindergarten students were screened in the areas of Speech Pathology, Dietetics, Occupational Therapy, Podiatry and Physiotherapy.

15% of these students required further assessments with 10% undergoing regular therapy across the disciplines to support them as they move towards entering Primary school.

Innovation and Ingenuity

The Department of Health recognised that the impact of the ageing population was leading to organisations within our catchment area experiencing difficulties reaching their Home and Community Care (HACC) targets raising the concern that fewer people were able to access these services.

To counteract this problem the "WHY" Project (West Wimmera, Hindmarsh and Yarriambiack Shires) was established to boost the delivery of HACC services in this Region.

Subsequently the Department decided to allocate the Regional Funding for the delivery of HACC Occupational Therapy and Physiotherapy Services for the Region to West Wimmera Health Service.

Our Therapists now travel extensively to deliver these services with early statistical indicators revealing an increased service uptake endorsing the theory that a regional approach to service delivery can improve access to care if well planned.

Sharing Services – Improving Access

We continued provision of outreach Allied and Community Health programs to many organisations. See Service Listing page 18.

With a view to increasing access to these services by rural communities we are currently investigating a cross border service to Bordertown, Serviceton and Keith, located in the Tatiara District of the South East of South Australia - Providing service equity for rural people.

Living at Home Longer

The Living At Home Assessment Project (LAHA) continued to build on the progress of 2012 with formal policies and pathways formed and officers trained in all Service locations.

A Living at Home Assessment is a gateway for a HACC service provider, in this case West Wimmera Health Service, to assist people to remain safely in their own home.

To increase the number of referrals for Living at Home Assessments, a Referral Project was conducted. Improved promotion of the service resulted in an increase of 10% in referrals of community clients by the Admissions Coordinator to the Living at Home Assessment Officer.

Upgrading Expertise

A grant of $20,000 was received from the Department of Health for a second consecutive year to assist with putting in place an Allied Health Assistant program. To meet this commitment we are collaborating with Edenhope District Memorial Hospital to train Enrolled Nurses in the skills required to integrate them into the Foot Care team for aged care residents.

The Project is in its infancy and expected to be completed by July 2014 when a review of its effect on the outcome of foot care treatment in Residential Aged Care facilities will be conducted.

Further education and training remains important for all employees, a factor supported wholeheartedly by the Board.

Participation in professional development is increasing and this year seven Allied and Community Health Professionals gained post graduate qualifications.

Successful Outcome for a Research Project

A "Plan Do Study Act" Project was undertaken in collaboration with the Practice Manager of Tristar Medical Group aiming to achieve better health outcomes for patients by increasing referrals from General Practitioners to our Allied Health Professionals.

Our expectations were surpassed with the trial achieving an 80% rise in referrals resulting in clients receiving a higher level of care.

A Challenge for an Innovative Program

Our Service is also working closely with the Grampians Medicare Local Inc. particularly to preserve the smooth operation of the Rural Primary Health Service Program (RPHS).

From July 2013 the Medicare Local will be the fund holders of the program. Despite a 2% decrease in funds we are determined the program will not lose its momentum or its community focus.

We have worked so hard since we first gained the grant to implement this innovative program and to build it to its present level and we are determined we will not allow it to decline.

The uncertainty facing this Service with respect to the RPHS program is shared across Victoria and discussions with the Minister for Health Mr David Davis took place in May 2013 with no definite outcome or conclusion reached.

Accreditation Accolade

We are very clear-cut with respect to the quality of our services for community members. As a measure to ensure best practice is observed and staff are practising in accordance with National Standards we conduct six monthly Medical File Audits.

An Audit completed in November 2012 revealed a 98% adherence to medical file documentation. This validated the view of the Accreditation Surveyors with respect to the quality of care provided by our Allied and Community Health Professionals and the multiplicity of programmes delivered.

Sharing Experiences Nationally and Internationally

Three of our team were invited to deliver presentations at National and International Conferences in the areas of Diabetes Management, Multidisciplinary Care for Chronic Disease, Implementing Medicare Benefits Schedule Billing and Dysphagia Management - a positive indication of the calibre of our Allied Health Professionals.

Into the Future

This has been a remarkable year for our Community and Allied Health team with the positive health outcomes achieved for clients endorsed by the excellent comments made by external assessors.

In contrast with previous years we have experienced only one vacancy in Allied Health staffing this year. The vacancy has now been resolved and an additional Podiatrist will commence in September 2013.

We will maintain the fruitful liaison with Tristar Medical Group in particular interacting with the new General Practitioners coming on board.

In the coming year the Community and Allied Health team is determined to continue providing first class services focusing on prevention and quality of care as well as research and innovation.

DENTAL CARE FOR THE COMMUNITY

Changes to Dental Care

To provide full dental access to our catchment West Wimmera Health Service has developed a unique dental model of care designed to provide access to a full range of treatment to public and private patients in our catchment.

The model of care has alleviated the need for clients to travel great distances for treatment.

We were accepted as a host site for the Commonwealth Voluntary Dental Graduate Year Program to introduce a Graduate Dentist to the Service in 2013.

This program offers newly qualified Dentists the opportunity to work in rural and remote locations obtaining a broad range of exposure to Dental healthcare needs.

The program has provided the Service with the capacity to treat more patients and significantly reduce the waiting list for low income patients.

During the year 600 more occasions of service were provided to dental patients than the 2011/12 year.

The Graduate Dentist program will operate for three years – A very important innovation which will increase our capability to extend Dental services to Kaniva.

We are working collaboratively with the Royal Flying Doctor service to provide a model of Dental Services to the Goroke community at the new Clinic at Goroke in 2013/14.

DISABILITY SERVICES ON THE MOVE

Major Improvements for Disability Enterprises

We have had an exciting year with major redevelopments to our Australian Disability Enterprises; Snappy Seconds and Oliver's Café.

Snappy Seconds relocated to newly renovated premises the Business District of Nhill. The move has captured increased foot traffic and visitors travelling through the town.

The new shop has been stocked with highly sought after collectable items and quality preloved clothing.

The considerable increase in customer numbers has made Snappy Seconds a very interesting and desirable work place for our supported employees.

The addition of Oliver's Next Door to Oliver's Café has doubled the dining area of the Café and includes a children's corner. The additional service capacity has been in high demand since its opening in June.

Individual supported employees work in various departments at West Wimmera Health Service providing extensive employment opportunities for people with a disability.

Clients funded through Department of Human Services programs have embraced the continually expanding and individualised programs on offer at Cooinda. The successful tender of gardening and maintenance services to the Telstra Exchange yards in collaboration with Scope Disability Service has provided additional employment opportunities.

Excitement surrounding the development of the Nhill Community Garden situated at Cooinda has risen with trial planting plots in place.

The Community Garden Committee is working tirelessly to secure funding for future facility development at the site.

CORPORATE & QUALITY SERVICES

What Defines Corporate & Quality Services at West Wimmera Health Service?

The Corporate & Quality Team provides the 'behind the scenes' support of Catering, Cleaning, Maintenance, Engineering, and Health Information Services which are pivotal to the delivery of quality care to our patients, residents and clients.

We have accomplished this by:

> Having a well maintained modern, safe, aesthetically pleasing, physical environment;

> Ensuring essential services including fire safety, nurse call, air conditioning, hot water, sterilizers and emergency generators are regularly serviced to guarantee they are in reliable working order;

> Providing fresh, nutritious meals catering for individual expectations and dietary requirements;

> Managing an internal and external education program ensuring continuous learning opportunities which provide staff with the skills and knowledge to sustain 'best practice' care; and

> Maintaining complete and accurate patient records readily accessible to health professionals thus facilitating quality, seamless and safe health care.

Highlights of the Year

Modern Safe Dependable

The Engineering and Maintenance Department ensures that frontline clinical care occurs in a safe and pleasant environment.

Much has been achieved in the last twelve months:

> Completion of capital redevelopment projects to improve the physical infrastructure of the Service:
  - Mira Medical and Allied & Community Health Centre;
  - Renovation and relocation of Snappy Seconds Pre loved clothing and collectables;
  - Renovation of Oliver's Next Door to provide additional seating and a 'child friendly' environment at Oliver's Café;
  - Construction of CT Scan Unit at Nhill Hospital;
  - Installation of new split system air conditioning units at Kaniva Medical Clinic and Cooinda Disability Service;

> Installation of new Master Key system for all medication storage in accordance with the *Drugs, Poisons and Controlled Substances Act 1981.*

> Review of waste management systems at Kaniva and Nhill resulting in a 37% increase in recycling and a $22,000 decrease in waste management costs for the year.
  - Installation of a back-up pumping system for the Dialysis Unit to guarantee the reliability of this significant service.
  - Purchased safety equipment for Engineering and maintenance employees.
  - Commenced introduction of LED lighting to replace traditional fluorescent lighting resulting in energy savings.
  - Training conducted in 'Working at Heights' and 'Confined Spaces'.
  - Paper-based requisition and preventative maintenance system, replaced with a purpose built electronic system.
  - Provided work opportunities and training for supported employees from Cooinda Disability Services.

Fresh Nutritious Hygienic – Catering and Environmental Services

Fresh, tasty, nutritious meals for patients, residents and staff are delivered daily from our contemporary registered commercial kitchens.

The high standard of cleanliness achieved has ensured patients and residents are accommodated in a safe and comfortable environment.

Staff worked meticulously to:

> Produce 180,908 freshly cooked meals at Nhill, Kaniva, Jeparit, Rainbow and Natimuk;
> Achieve 99% compliance in independent cleaning audits at all acute sites;
> Achieve an average of 95.5% compliance in independent cleaning audits undertaken at the nine Residential Aged Care sites;
> Achieve full compliance with external audits of food safety at all sites;
> Review and increase the number of internal cleaning audits undertaken at each site;
> Retain younger people in the community by providing 'gap-year' and 'after school' employment;
> Gain Certificate III Commercial Cookery qualifications;
> Offer the opportunity for Hospitality and Barista training for supported employees from Cooinda Disability Services at Olivers Café, at the same time promoting the integration of people of all ability levels within the local community.

Education

The Board of Governance and senior managers assist staff to attend a variety of internal and external education forums, ensuring knowledge and expertise in the most up to date techniques to improve the delivery of safe and effective care.

In 2012/13 the Service:

> Provided 235 education sessions with 1,403 attendees;
> Assisted 15 middle managers to participate in the Advanced Diploma of Business Management through the University of Ballarat;
> Provided 465 clinical placement days to undergraduate students from seven universities;
> Introduced the Grampians 'Sim Van', a mobile integrated learning environment which visits each site to provide 'hands on' clinical training.

Facing Challenges with Purpose

The major challenge we faced was the recruitment and retention of skilled staff, particularly Chefs and Cooks.

Another issue faced was in relation to our ageing workforce. Many of our skilled and dedicated staff have been employed at the Service for a considerable time and are now considering retirement.

In an attempt to combat this issue we introduced a 'gap year' program for school leavers in the Catering and General Services Department and encouraged staff to undertake Certificate III in Commercial Cookery.

Our multi-skilled workforce is employed on a rotating roster which fosters work/life balance, we appreciate it is important for the physical and mental well-being of employees.

The challenge of maintaining an optimum physical environment in a Service comprising six communities some distance apart presents an unenviable challenge and the introduction of the new Preventative Maintenance Program is expected to be a major influence in maintaining the reliability of equipment and facilities.

Where will we focus our energy next year?

We will continue to place emphasis on Occupational Health and Safety particularly the introduction of initiatives to minimise preventable injuries for our workforce and to ensure people accessing our facilities are safe at all times.

We will also continue to research innovative methods of improving our service delivery by the:

> Implementation of microfibre cleaning materials which will reduce the use of chemicals; and
> Minimisation of waste through an increased focus on recycling.

In our determination to continuously improve our services we will be persistent in our efforts to research and trial advanced systems, methods and concepts, compare results with like organisations and measure progress against past achievements to reach the highest level of performance for all responsibilities under the umbrella of Corporate and Quality Services.

HUMAN RESOURCE MANAGEMENT

Our employees and volunteers are the cornerstone of the scope and quality of the health services we provide. In turn we nurture their personal development and experience, encourage motivation to achieve satisfaction and an ethos of commitment to the Values of West Wimmera Health Service.

It is vital to maintain a well-trained, competent and engaged workforce. For this to occur mandatory competency components including police record checks, fire and emergency training, CPR, basic life support and professional registrations are monitored on a real time basis with an average annual compliance rate of 95% achieved over the year.

We employed 584 staff under 13 industrial agreements with a total Salary and Wage bill of $23,937,000.

There were again no working days lost to industrial action which is testament to the effective and close working relationship we maintain with both the Victorian Hospitals Industrial Association (VHIA) and relevant employee unions.

We continued to offer all staff and their immediate family members an independently provided Employee Assistance Program (EAP) provided by Davidson Trahaire Corpsych. This program offers a wide range of health and personal assistance and contributes an extra source of support should employees require it.

Staff turnover was 12.8% for the year which was materially lower than the 13.7% result that was achieved over 2011/12 and is evidence of a more satisfied workforce.

At 4.96% of basic wage costs, our sick leave rate rose compared to 4.6% for the prior year which is a sobering reminder of the overall ageing of our population and the staffing challenges which will require close attention in the coming year.

VPSM Survey – 3 Year Comparison

	2011	2012	2013
Values			
Providing the best standards of service and advice (Responsiveness)	98%	97%	96%
Earning and sustaining public trust (Integrity)	86%	83%	97%
Acting objectively (Impartiality)	91%	88%	92%
Accepting responsibility for decisions and actions (Accountability)	83%	82%	93%
Treating others fairly and objectively (Respect)	85%	87%	91%
Actively implementing, promoting and supporting the values (Leadership)	81%	76%	93%
Respecting and upholding human rights of the public (Human rights)	94%	98%	96%
Principles			
Choosing people for the right reasons (Merit)	NS*	NS*	90%
Respecting and balancing people's needs (Fair and reasonable treatment)	87%	88%	95%
Providing a fair go for all (Equal employment opportunity)	98%	95%	99%
Resolving issues fairly (Reasonable avenues of redress)	85%	84%	93%
Workplace wellbeing and commitment			
Workplace wellbeing	93%	92%	94%
Employee commitment	94%	91%	86%
Patient Safety			
Patient Safety	NS*	94%	97%

* NS – Not Surveyed

Workforce Composition

	June Current Month		Full Year	
Employees by Category	**2012**	**2013**	**2012**	**2013**
Nursing	149.6	147.3	140.4	148.9
Administration & Clerical	17.0	19.4	17.7	19.3
Hotel & Allied Services	149.5	152.1	147.6	147.5
Medical Officers	1.8	1.6	1.3	2.0
Ancillary Staff	22.2	22.2	21.0	20.4

Asking the opinion of our employees

The Service participates annually in the People Matter Survey which is wide ranging and independently conducted by the State Services Authority. The following table shows we continue to record high to very high outcomes in all areas and underlines the professionalism and commitment of our workforce.

WWHS is bound by the rules and regulations contained in the following legislation:

- *The Victorian Public Authorities (Equal Employment Opportunity) Act 1990.*
- *The Victorian Equal Opportunity Act 1995.*
- *The Victorian Public Sector Management and Employment Act 1998.*
- *The Commonwealth Disability Discrimination Act 1992.*
- *The Commonwealth Racial Discrimination Act 1975.*
- *The Victorian Public Administration Act 2004.*

Through the application of Service policies and protocols and monitoring of compliance with relevant industrial relations instruments we aim to:

- Ensure open competition in recruitment, selection, transfer and promotion
- Base employment decisions on merit
- Treat employees fairly and reasonably
- Provide employees with a reasonable avenue of redress against unfair or unreasonable treatment
- Avoid discriminating between employees on the basis of their gender, age, impairment, industrial activity, marital status and religious or political beliefs

We do not tolerate bullying or harassment in any form.

Leadership for our employees, listening to them, researching and acting on appropriate suggestions will build a workforce which will be our competitive advantage in an industry where only the 'best' succeed.

Information and Communications Technology

To operate in today's healthcare sector is by definition to be heavily reliant on the use of information and communications technology (I&CT). I&CT impacts all aspects of our operations in a myriad of both direct and indirect ways and indeed is a 'mission critical' component of our capacity to achieve our stated strategic goals.

Once again there were no materially sized I&CT related disruptions to our operations experienced and we remain grateful for the excellent service provided by Dulkeith Computer Solutions.

We continued to affect our I & CT Refreshment Plan with the oldest 25% of all relevant hardware replaced.

The execution of our plan to make the Service fully wireless in I&CT terms commenced during the year with the completion of the Nhill and Kaniva campus stages of this project. The benefits of wireless access to our I&CT systems include staff being able to access and update aged care resident clinical information from the bedside; a greatly enhanced staff duress alarm system; mobile videoconferencing now available throughout the facility; and improved functionality of existing nurse call systems.

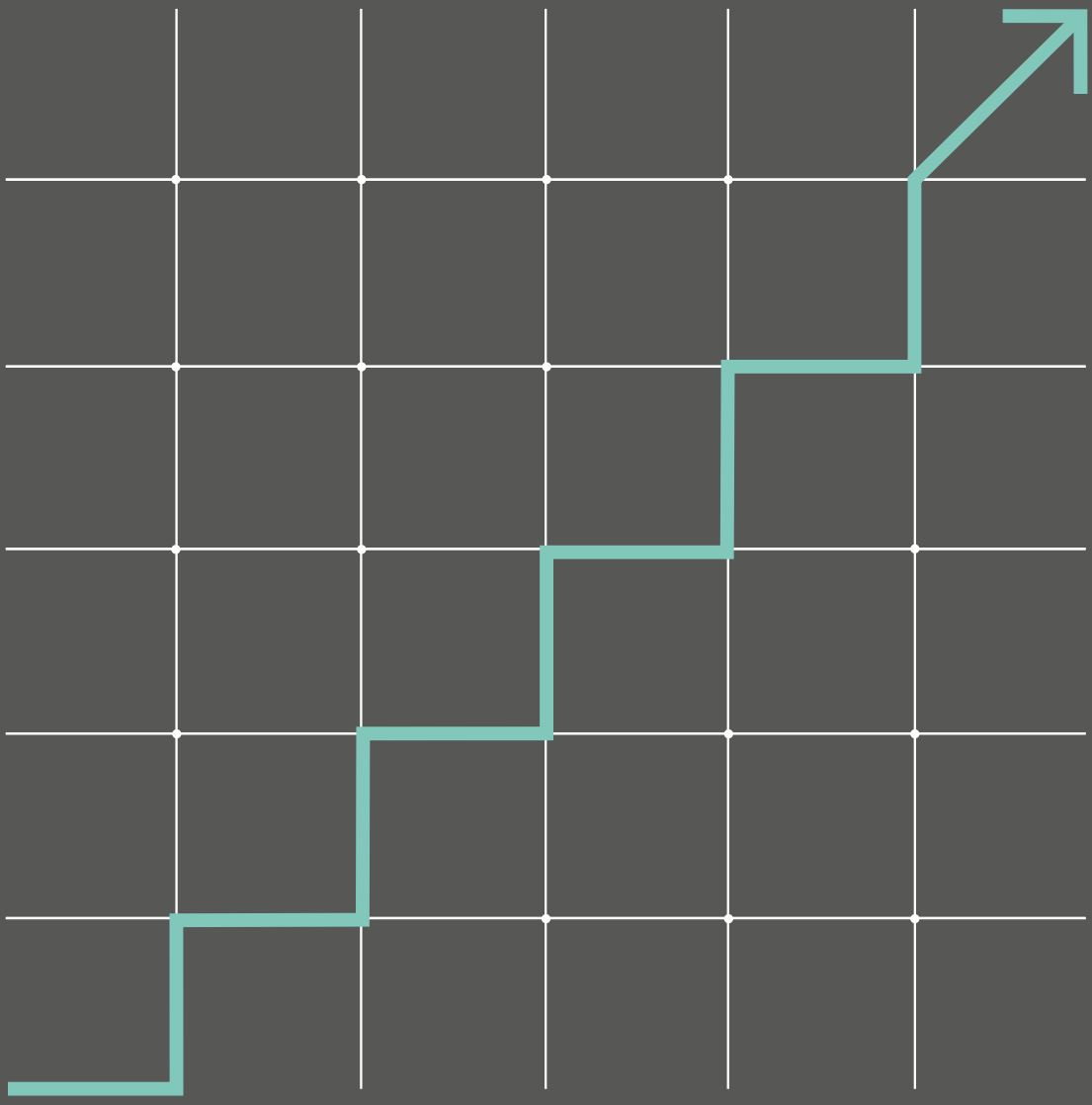
The installation of a fully integrated security system throughout the Nhill campus was also completed during the year. Area and door specific access is now allocated only to those who require it during specific hours thereby greatly reducing the likelihood of unauthorised access to any specific site area. This new system also provides real time video monitoring and recording of specific locations further increasing our ability to maintain a safe and secure facility at all times.

We also strengthened our system for ensuring managers and employees remain fully aware of any competencies that have expired or about to expire by introducing an automated email reporting system which provides all relevant information to relevant parties by email on a fortnightly basis.

Information and Communication Technology touches every part of our Service. Keeping a step ahead of technological advances in medical equipment, administrative systems and indeed actual computer hardware will be the mainstay behind our future directions in line with the Mission of West Wimmera Health Service ....".by opening the doors of innovation and technology".

FINANCIAL PERFORMANCE A SYNOPSIS

With six geographically dispersed sites and as the provider of a wide variety of health, aged care and disability services, West Wimmera Health Service faces its own unique set of fiscal imperatives.



The Service has weathered arguably its most financially challenging year on record. We have had to contend with higher than inflation increases in employee and medical supply costs; a below inflation increase in our major funding source; greater uncertainty in relation to the magnitude of our existing recurrent grant revenue base; and less than hoped for donation and bequest levels.

Operating Statement

Despite these strengthening financial headwinds we have managed to do more with less. This year marks the eighth consecutive year for which a surplus Net Result before Capital and Specific Items (income less expenses before capital items) has been reported.

Total Income

Some 52% (2011/12: 55%) of total income was sourced from the Victorian State Government (predominantly the Department of Health) with Commonwealth Government Residential Aged Care Subsidies making up close to a further quarter of the total at 23% (23%), highlighting the significant part of our business which now relates to aged care.

Total Expenditure (excluding depreciation)

Total employee related costs made up 76% (73%) of total expenditure underlining the importance of effective staff management.

Balance Sheet

The table opposite (page 31) shows the Service's summary Balance Sheet in the context of the past five years.

Cash and Investments

It is vital that the Service retains a healthy level of cash and investments to maintain the quality of service provision of both the health services we currently offer and those we plan to develop in future.

Total Cash and Investments totalled $10.28m at 30 June 2013 ($10.87m at 30 June 2012). Of these amounts $6.15m ($7.3m) represented the Service's holdings with the remaining $4.13m ($3.57m) being for residential aged care accommodation bonds.

Financial Ratios

Current Ratio: 1.18

The Current Ratio (Current Assets divided by Current Liabilities) is used to indicate how well the Service is able to meet its short term financial commitments. At 30 June 2013 the Service's Current Ratio was 1.18 (1.33 at 30 June 2012) which remains well above the Departmental benchmark minimum of 0.7.

Quick Asset Ratio: 1.43

The Quick Asset Ratio is similar to the Current Ratio but provides a better indication of the Service's short term solvency by only including those current assets and current liabilities of an easily liquefiable nature. This result means that the Service has $1.43 ($1.73) in liquid assets for every dollar of short term liabilities.

Debt to Equity (Gearing) Ratio: 0.29

This ratio is used to indicate the degree to which the Service is reliant on externally sourced funding and the result at 30 June 2013 of 0.29 (0.27) shows that only a very small amount of such funding is required.

Debtors Days: 29

On average it took the Service 29 days (35) to recoup money owed to it for patient, client and resident fees over the year.

Creditors Days: 28

This measure shows that it took the Service on average 28 days (35) to pay its creditors over the year.

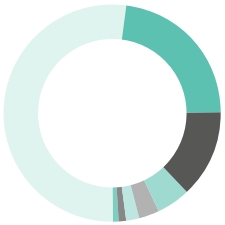
Operating Results – Five Year Comparison

	Financial Year Ending 30 June				
	2009 $'000s	2010 $'000s	2011 $'000s	2012 $'000s	2013 $'000s
Revenue	26,733	28,396	29,453	32,496	33,583
Employee Related Expenditure	(18,339)	(20,162)	(21,212)	(22,210)	(23,938)
Non-Salary Labour Costs	(1,201)	(1,042)	(1,104)	(1,458)	(1,553)
Supplies & Consumables	(2,224)	(2,208)	(2,218)	(2,263)	(2,269)
Other Expenses	(4,370)	(4,352)	(4,722)	(6,353)	(5,719)
Net Result before Capital Items	**599**	**632**	**197**	**212**	**104**
Net Capital Items & Specific Items	(174)	(2,398)	(2,847)	(2,211)	(2,120)
Net Result for the Year	**425**	**(1,766)**	**(2,650)**	**(1,999)**	**(2,016)**

Balance Sheet – Five Year Comparison

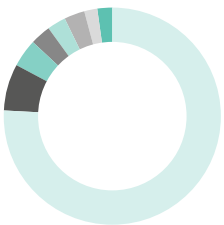
	Financial Year Ending 30 June				
	2009 $'000s	2010 $'000s	2011 $'000s	2012 $'000s	2013 $'000s
Current Assets	8,228	9,941	11,108	11,636	11,408
Non-Current Assets	52,596	49,944	46,885	45,842	50,013
Current Liabilities	(8,580)	(9,287)	(10,002)	(11,391)	(12,975)
Non-Current Liabilities	(522)	(639)	(802)	(897)	(981)
Net Assets (Equity)	51,722	49,959	47,189	45,190	47,465

Total Income by Category



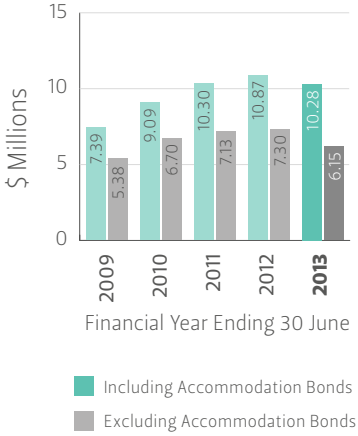
- Victorian State Government Grants – 52%
- Commonwealth Government Residential Aged Care Subsidies – 23%
- Patient Fees – 13%
- Commonwealth Government Grants – 5%
- Other Revenue – 3%
- Interest – 2%
- Retail Sales – 1%
- Donations – 1%

Total Expenditure by Category

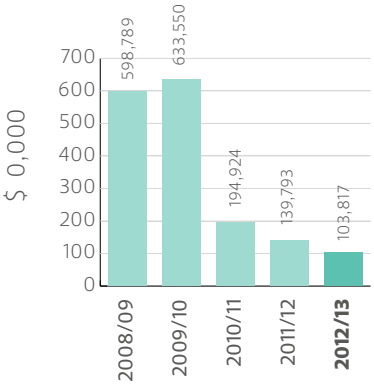


- Employee Related Costs – 76%
- General Supplies & Services – 7%
- Medical & Pharmaceutical Supplies – 4%
- Food Supplies – 3%
- Administrative Expenses – 3%
- Information & Communications Technology – 3%
- Repairs & Maintenance – 2%
- Electricity, Gas & Water – 2%

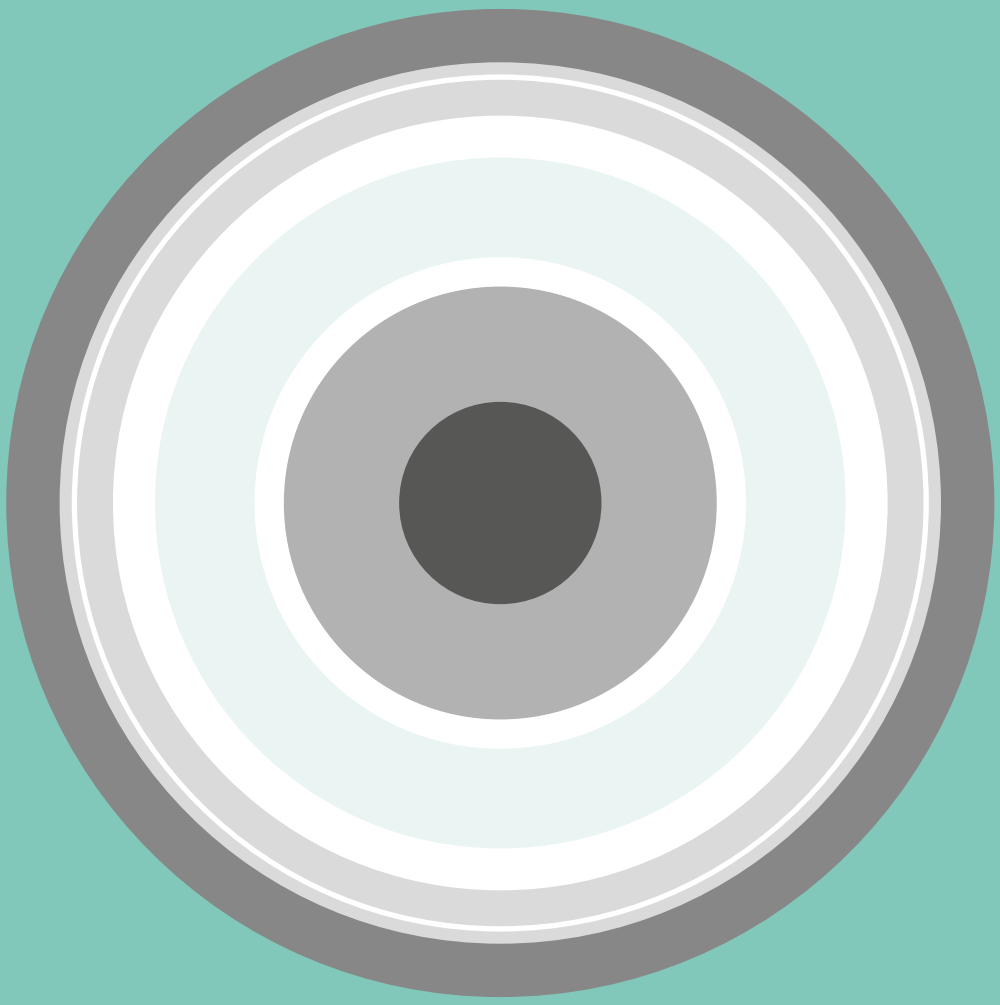
Total Cash & Investments



Net Result before Capital Items



COMPLIANCE



West Wimmera Health Service has an inherent responsibility to provide our consumers, government and stakeholders with information depicting the level at which compliance regulations are met. The following items disclosing general and background information are reporting requirements of *Standing Directions of the Minister for Finance* and *Financial Reporting Directions* (specifically *FRD 22D Standard Disclosures in the Report of Operations*), and any updates from time to time.

Financial Reporting Obligations

There were no significant changes in the Service's financial position during the year.

The primary budgetary objective of the Service was to record a full year operating surplus each and every year while ending each year with sufficient levels of cash and investments to ensure its short, medium and long term operational objectives remain achievable.

The Service bettered its budgeted operating surplus by $48,000 – a commendable result in a particularly challenging financial year.

Cash and Investments ended the financial year at $6.15m which, although $1.18m below budget, remains satisfactory in terms of the Service's expected short to medium term cash requirements.

Key Financial Results Compared to Budget

	Actual	Budget	Variance
Operating Surplus	$104,000	$56,000	$48,000
Cash & Investments (at 30 June 2013)	$6,151,536	$7,330,121	$-1,178,585

There were no major changes or factors which affected the achievement of the operational objectives for the year.

There were no events occurring subsequent to balance date that may have a significant effect on the operations of the Service in subsequent years.

Consultancies (not contractors) engaged during the year costing less than $10,000

In 2012/13, the Service engaged two consultancies where the total fees payable were less than $10,000, with a total cost of $5,775 (excl. GST).

Disclosure of Ex-Gratia Payments

There were no ex-gratia payments for this financial year.

National Competition Policy

The implementation and compliance with National Competition Policy, including the requirements of the Government policy statement, *Competitive Neutrality Policy Victoria*; and Subsequent reforms were not applicable for West Wimmera Health Service for 2012/13.

Victorian Industry Participation Policy

There was no relevant activity for this reporting period.

Consultancies (not contractors) engaged during the year costing in excess of $10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (ex GST) $'000s	Expenditure 2012/13 (ex GST) $'000s	Future expenditure (ex GST) $'000's
Clark Phillips Pty Ltd	Grant funding applications	1 July 2012	30 June 2013	39	39	0
Health Metrics Pty Ltd	Residential Aged Care funding	1 July 2012	30 June 2013	12	12	0
Noble Communications Pty Ltd	Public relations	1 July 2012	30 June 2013	37	37	0
Strategic Assurance Services	Strategic Planning	1 July 2012	30 June 2013	36	36	0

Occupational Health and Safety – Improving performance

Assiduous and constant vigilance to ensure a safe environment for patients, residents, employees, volunteers and the general public, persistent review of potential hazards and a stringent reporting regime has resulted in an affirmative outcome for health and safety in this Service.

Occupational Health and Safety is embedded into all systems and processes of the organisation and at all levels of the workforce.

Safety first is a key feature of how we conduct our Service.

Safe systems of work are underpinned by:

- *The Occupational Health and Safety Act 2004*
- *Occupational Health and Safety Regulations 2007*
- *Dangerous Goods (Storage and Handling) Regulations 2000*
- *Compliance codes*
- *Australian/New Zealand Standard, AS/NZS 4801:2001 Occupational Health and Safety Management Systems*

The safe systems in place are verified by internal and external audit process together with the Occupational Health and Safety Committee and the Riskman reporting system.

This extensive audit and control process ensures that where issues affect the health and safety of staff, they are rectified quickly, supported by Health and Safety Representatives, all of whom have completed statutory education in the field.

Management representatives have also completed a five day OHS course and several have completed post graduate qualifications in Health and Safety and Rehabilitation.

How we perform

With the specific intent of reducing Occupational Health and Safety incidents, their severity, the causes and actions which may prevent future occurrences and reveal trends are monitored monthly. Individual incidents are reviewed daily by the Manager, Quality, Safety and Education.

Significant reductions in the number of Occupational Health and Safety incidents have occurred over the past five years as the graph below illustrates.

The Return to Work Coordinators support employees who have been injured 'on and off the job' to ensure they return to work as safely and as quickly as possible.

This situation is improved by a multidisciplinary approach which brings together the Employee, Medical Practitioners and Allied Health Professionals.

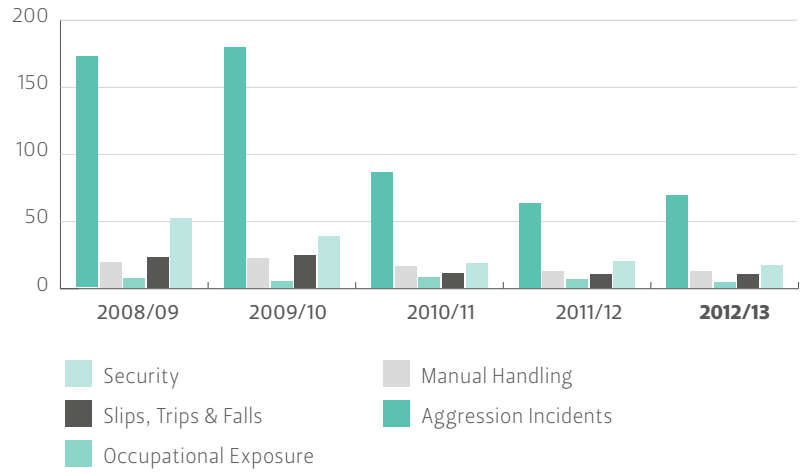
Two notifications to WorkSafe were made where staff required immediate hospitalisation as a result of injury sustained in the workplace. Both have recovered from their injuries and have returned to normal duties.

How will the Improvements Continue?

Improvements in Occupational Health and Safety for patients, residents, staff and visitors will forge ahead with the replacement of carpets in Aged Care facilities, new lifting equipment will be purchased for clinical areas and new electric trolleys and lifting equipment will reduce the possibility of manual handling injuries in the Procurement Department.

An Essential Safety Measures Report is completed annually confirming the safety of buildings with certificates verifying the compliance displayed in all buildings.

OH&S Incidents – Five Year Comparison



We comply with the Building and Maintenance Provisions of the *Building Act 1993*

In accordance with the Building Regulations 2006, made under the *Building Act 1993*, all buildings within the Service are classified according to their functions.

West Wimmera Health Service obtains building permits for new projects where required and Certificates of Occupancy for all completed projects.

Registered building practitioners are contracted for all building projects.

Projects completed in 2012/13 with Certificates of Occupancy:

> Mira Medical and Allied & Community Health Centre;
> Goroke Community Health Centre Redevelopment; and
> Snappy Seconds and Olivers 'Next Door' Redevelopment.

The Certificate of Occupancy is displayed in completed building.

A comprehensive preventative maintenance program ensures essential equipment such as fire systems, hot water systems, air conditioning, emergency generators and patient lifters are serviced regularly and maintained in accordance with manufacturer instructions.

Application of the *Freedom of Information Act (FOI)*

The Victorian *Freedom of Information Act 1982* provides individuals with the opportunity to access personal documents held by public hospitals and other government agencies.

The Chief Executive Officer is the designated FOI Officer.

All public entities in Victoria must submit an annual return to the Department of Justice regarding FOI activity.

Application fees and access charges applied in regard to FOI are done so in accordance with State Government regulations.

A Summary of FOI Activity 2012/13

Number of Personal Requests Received	2
Number of Non-Personal Requests Received	4
Total Number of FOI Requests Received	6
Access Granted in Full	6
Application Fees Collected	$125.50
Charges Collected	$73.00
Charges Waived	$25.10

In 2012/13 the application fee was $25.10 per application and six requests were received, all pertaining to access to medical records.

There were no complaints lodged with the Ombudsman by FOI applicants regarding administration of FOI matters by West Wimmera Health Service and no appeals were made to the Victorian Civil and Administrative Tribunal (VCAT) regarding access.

Additional Information Available on Request (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 West Wimmera Health Service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

Subject to the provisions of the FOI Act, information retained by Mr John N. Smith, Accountable Officer includes:

> a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
> details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
> details of publications produced by West Wimmera Health Service about the Service, and how these can be obtained;
> details of changes in prices, fees, charges, rates and levies charged by the entity;
> details of any major external reviews carried out on the entity;
> details of major research and development activities undertaken by the entity;
> details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
> details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
> details of assessments and measures undertaken to improve the occupational health and safety of employees;
> a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
> a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
> details of all consultancies and contractors including:
  – consultants/contractors engaged;
  – services provided; and
  – expenditure committed to for each engagement.

RESPONSIBLE OFFICERS FOR OUR SERVICE

Commonwealth

(1 July 2012 to 26 June 2013*)

The Hon Tanya Plibersek MP
Minister for Health

The Hon Mark Butler MP
Minister for Mental Health and Ageing Minister for Social Inclusion Minister Assisting the Prime Minister on Mental Health Reform. Also Minister for Housing and Homelessness from 04.02.13

The Hon Jenny Macklin MP
Minister for Families Community Services and Indigenous Affairs Minister for Disability Reform

Senator the Hon Jan McLucas
Parliamentary Secretary for Disabilities and Carers (to 25.03.13) Minister for Human Services (since 25.03.13)

The Hon Warren Snowdon MP
Minister for Veterans' Affairs Minister for Defence Science and Personnel Minister for Indigenous Health

The Hon John Forrest MP
Member for Mallee

**A leadership spill within the Australian Labor Party took place on 26 June 2013. The new Prime Minister Deputy and Treasurer were sworn in 27 June 2013 with remainder of ministry sworn in on 1 July 2013.*

State

(1 July 2012 to 30 June 2013)

The Hon David Davis MLC
Minister for Health Minister for Ageing

The Hon Mary Wooldridge MP
Minister for Mental Health Minister for Women's Affairs Minister for Community Services (to 13 March 2013)

The Hon Mary Wooldridge MP
Minister for Mental Health Minister for Community Services Minister for Disability Services and Reform (since 13 March 2013)

The Hon Robert Clark MP
Attorney-General Minister for Finance. Also Minister for Industrial Relations since 13 March 2013

The Hon Hugh Delahunty MP
Minister for Sport & Recreation Minister for Veterans' Affairs Member for Lowan

The Hon Ryan Smith MP
Minister for Environment and Climate Change Minister for Youth Affairs

The Hon Wendy Lovell MLC
Minister for Children and Early Childhood Development Minister for Housing

Mr David Koch MLC
Member for Western Victoria Region

Mr David O'Brien MLC
Member for Western Victoria Region

Ms Jaala Pulford MLC
Member for Western Victoria Region

Mr Simon Ramsay MLC
Member for Western Victoria Region

Ms Gayle Tierney MLC
Member for Western Victoria Region

Department of Health

(as at 30th June 2013)

Dr Pradeep Philip
Secretary

Mr Lance Wallace PSM
Executive Director Finance and Corporate Services

Professor Chris Brook PSM
Executive Director Wellbeing Integrated Care and Ageing

Mr Paul Smith
Acting Executive Director Mental Health Drugs and Regions

Mr Peter Fitzgerald
Executive Director Strategy and Policy

Ms Frances Diver
Executive Director Hospital and Health Service Performance

Ms Maree Guyatt
Director Integrated Care

Mr Tom Niederle
Director Health and Aged Care Grampians Region

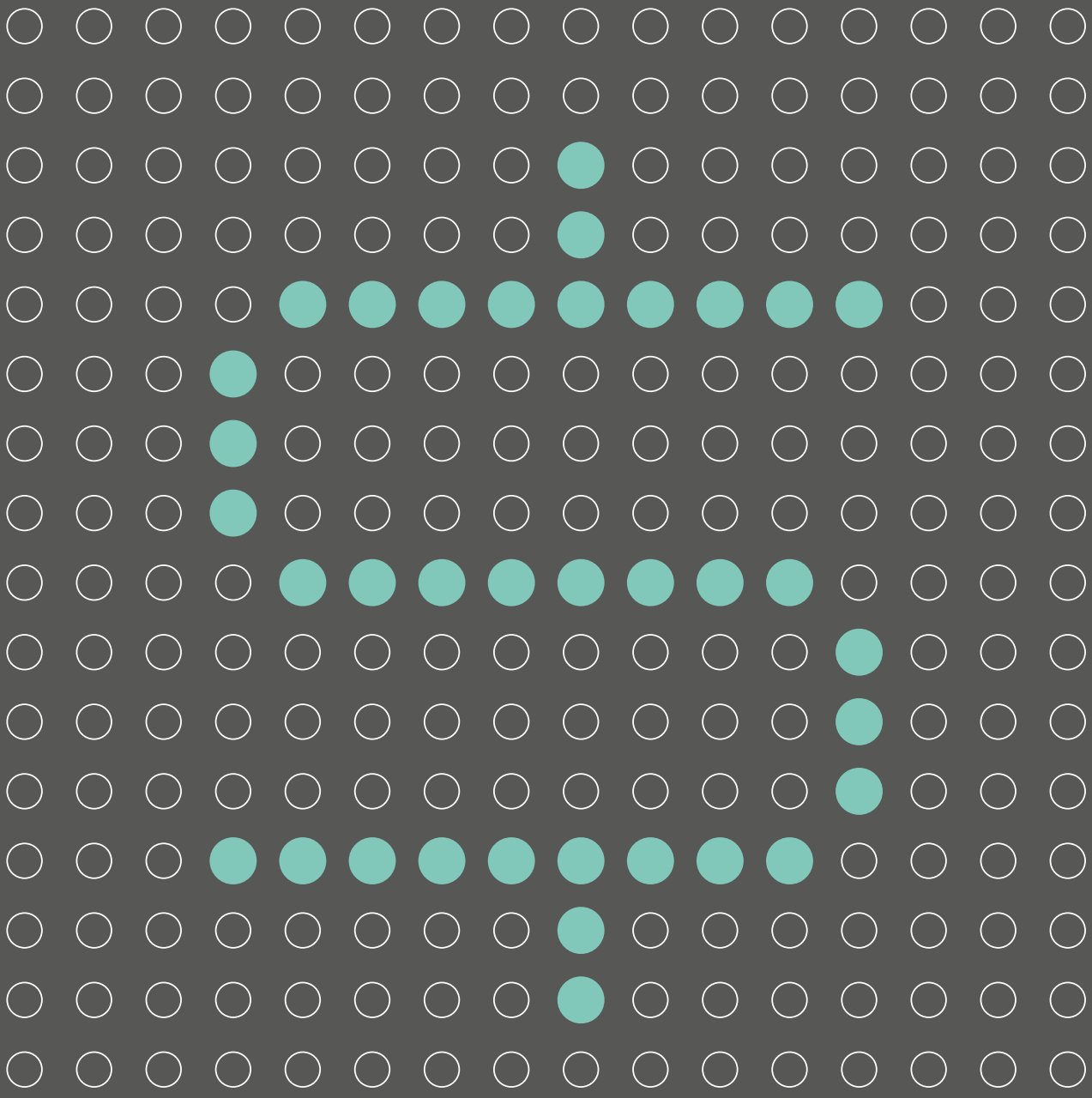
Department Of Human Services

Ms Gill Callister
Secretary

Ms Anne Congleton
Executive Director West Division

Ms Mandi Stewart
Wimmera Manager

FINANCIALS 2012/13



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Victorian Auditor-General's Office

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INDEPENDENT AUDITOR'S REPORT

To the Board Members, West Wimmera Health Service

The Financial Report

The accompanying financial report for the year ended 30 June 2013 of West Wimmera Health Service 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 the 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 West Wimmera Health Service are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, 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 West Wimmera Health Service 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 West Wimmera Health Service for the year ended 30 June 2013 included both in West Wimmera Health Service's annual report and on the website. The Board Members of West Wimmera Health Service are responsible for the integrity of West Wimmera Health Service's website. I have not been engaged to report on the integrity of West Wimmera Health Service'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
6 September 2013

for John Doyle
Auditor-General

West Wimmera Health Service

Board member's, accountable officer's and chief finance & accounting officer's declaration

The attached financial statements for West Wimmera Health Service have been prepared in accordance with Standing Directions 4.2 of the *Financial Management Act 1994,* applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2013 and the financial position of West Wimmera Health Service 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.

L G Clarke	**J N Smith**	**R R Dodds**
Board President	**Accountable Officer**	**Chief Finance & Accounting Officer**
Nhill	Nhill	Nhill
5 September 2013	5 September 2013	5 September 2013

Comprehensive Operating Statement
For the Year Ended 30 June 2013

	Note	2013 $'000	2012 $'000
Revenue from operating activities	2	32,956	31,823
Revenue from non-operating activities	2	626	673
Employee expenses	3	(23,937)	(22,210)
Non salary labour costs	3	(1,553)	(1,713)
Supplies and consumables	3	(2,269)	(2,262)
Other expenses	3	(5,719)	(6,099)
Net result before capital and specific items		**104**	**212**
Capital purpose income	2	1,608	1,520
Depreciation	4	(3,713)	(3,716)
Finance costs	5	(15)	(15)
NET RESULT FOR THE YEAR		**(2,016)**	**(1,999)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	15a	4,291	-
Total other comprehensive income		**4,291**	**-**
Comprehensive result		**2,275**	**(1,999)**

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

Balance Sheet
As at 30 June 2013

	Note	2013 $'000	2012 $'000
Current assets			
Cash and cash equivalents	6	10,276	10,866
Receivables	7	910	631
Inventories	8	112	110
Other assets	9	110	29
Total current assets		**11,408**	**11,636**
Non-current assets			
Receivables	7	1,017	418
Property, plant & equipment	10	48,996	45,424
Total non-current assets		**50,013**	**45,842**
TOTAL ASSETS		**61,421**	**57,478**
Current liabilities			
Payables	11	1,717	1,174
Provisions	12	6,510	6,047
Other current liabilities	14	4,748	4,170
Total current liabilities		**12,975**	**11,391**
Non-current liabilities			
Provisions	12	981	897
Total non-current liabilities		**981**	**897**
TOTAL LIABILITIES		**13,956**	**12,288**
NET ASSETS		**47,465**	**45,190**
EQUITY			
Property revaluation surplus	15a	14,341	10,050
Restricted specific purpose surplus	15a	427	427
Contributed capital	15b	25,924	25,924
Accumulated surpluses/(deficits)	15c	6,773	8,789
TOTAL EQUITY	15	**47,465**	**45,190**
Commitments	18		
Contingent assets and contingent liabilities	19		

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

Statement of Changes in Equity
For the Year Ended 30 June 2013

	Note	Property Revaluation Surplus $'000	Restricted Specific Purpose Surplus $'000	Contribs. by Owners $'000	Accum'd. Surpluses/ (Deficits) $'000	Total $'000
Balance at 1 July 2011		**10,050**	**770**	**25,924**	**10,445**	**47,189**
Net result for the year		-	-	-	(1,999)	(1,999)
Transfer to accumulated surplus	15a,c	-	(343)	-	343	**-**
Balance at 30 June 2012		**10,050**	**427**	**25,924**	**8,789**	**45,190**
Net result for the year		-	-	-	(2,016)	(2,016)
Revaluation of Buildings	10	4,291	-	-	-	4,291
Balance at 30 June 2013		**14,341**	**427**	**25,924**	**6,773**	**47,465**

This statement should be read in conjunction with the accompanying notes

Cash Flow Statement
For the Year Ended 30 June 2013

	Note	2013 $'000	2012 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants from government		18,784	18,425
Patient and resident fees received		11,464	11,684
Donations and bequests received		29	23
GST received from/(paid to) ATO		30	(59)
Interest received		594	650
Other receipts		1,945	1,399
Total receipts		**32,846**	**32,122**
Employee expenses paid		(23,373)	(19,844)
Non salary labour costs		(1,553)	(1,713)
Payments for supplies & consumables		(7,687)	(8,781)
Finance costs		(15)	(15)
Total payments		**(32,628)**	**(30,353)**
Cash generated from operations		**217**	**1,769**
Capital grants from government		959	922
Capital donations and bequests received		167	121
Other capital receipts		502	467
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	16	**1,845**	**3,279**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(3,236)	(3,062)
Proceeds from sale of non-financial assets		189	585
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		**(3,047)**	**(2,477)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		345	192
Repayment of borrowings		(345)	(192)
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		**-**	**-**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		**(1,202)**	**802**
Cash and cash equivalents at beginning of financial year		**7,252**	**6,450**
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6	**6,050**	**7,252**

This statement should be read in conjunction with the accompanying notes

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30 June 2013
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Note 1: Summary of significant accounting policies

These annual financial statements represent the audited general purpose financial statements for West Wimmera Service for the period ending 30 June 2013. The purpose of the report is to provide users with information about the Service's stewardship of resources entrusted to it.

(a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable 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 Service is a not-for profit entity and therefore applies the additional Aus paragraphs applicable to "not-for-profit" entities under the AASs.

The annual financial statements were authorised for issue by the Board of West Wimmera Service on 5 September 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 reported.

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 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 re-assessed 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 values of the consideration given in exchange for assets.

In the application of AASs, management is required to make judgments, 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 include all the controlled activities of West Wimmera Health Service the principal address of which is 49 Nelson Street, Nhill, Victoria, 3418.

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

Objectives and funding

West Wimmera Health Service's overall objective is to deliver health, welfare and disability services which are compassionate, responsive, accessible and accountable to individual community needs, as well as to improve the quality of life for Victorians.

The Service is predominantly funded by accrual based grant funding for the provision of outputs.

(d) Principles of consolidation

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

Associates and joint ventures
Associates and joint ventures are accounted for in accordance with the policy outlined in Note 1(j) financial assets.

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

(e) Scope and presentation of financial statements

Fund Accounting

The Service operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. The Service's Capital and Specific Purpose Funds include

unspent capital donations and receipts from fund-raising activities conducted solely in respect of these funds.

Services Supported By Services Agreement and Services Supported By Hospital and Community Initiatives

Activities classified as *Services Supported by 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 and patients and residents, while *Services Supported by Hospital and Community Initiatives* (H&CI) are funded by the Service's own activities or local initiatives and/or the Commonwealth.

Residential Aged Care Service

The Service's Residential Aged Care Service operations are an integral part of the Service and share its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2b to the financial statements. The Residential Aged Care Service is substantially funded from Commonwealth bed-day subsidies.

Comprehensive operating statement

The comprehensive operating statement includes the subtotal entitled 'net result before capital & specific items' to enhance the understanding of the financial performance of the Service. This subtotal reports the result excluding items such as capital grants, capital type fee income, finance charges and depreciation. 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 Services. The 'net result before capital & specific items' is used by the management of the Service, the Department of Health and the Victorian Government to measure the ongoing operating performance of the Service.

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

- capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. 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.

- Depreciation, as described in Note 1 (g);

- Finance charges (interest).

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

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from 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*.

Rounding

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

Minor discrepancies in tables between totals and sum of components are due to rounding.

(f) Income from transactions

Income is recognised in accordance with AASB 118 *Revenue* and is recognised to the extent that it is probable that the economic benefits will flow to the Service 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 Service gains control of the underlying assets irrespective of whether conditions are imposed on the Service's use of the contributions.

Contributions are deferred as income in advance when the 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 and resident fees are recognised as revenue at the time invoices are raised.

Revenue from commercial activities

Revenue from commercial activities is recognised at the time invoices are raised.

Donations and Other Bequests

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

Interest Revenue

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

(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 contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit superannuation plans

The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by the Service to the superannuation plans in respect of the services of current Service staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

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

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

Depreciation

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

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	22 to 33 years	22 to 33 years
- Site Engineering Services	11 to 31 years	11 to 31 years
Central Plant		
- Fit Out	5 to 15 years	5 to 15 years
- Trunk Reticulated Building Systems	3 to 17 years	3 to 17 years
Plant & Equipment	3 to 10 years	3 to 10 years
Medical Equipment	3 to 10 years	3 to 10 years
Computers and Communication	3 to 5 years	3 to 5 years
Furniture and Fitting	5 to 20 years	5 to 20 years
Motor Vehicles	10 years	10 years

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

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred and relate to interest on residential aged care accommodation bonds payable.

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 services costs are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Bad and doubtful debts

Refer to Note 1 (j) *Impairment of financial assets.*

(h) Other comprehensive income

Other comprehensive income measures the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on non-financial assets

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

Revaluation gains/(losses) of non-financial physical assets
Refer to Note 1(j) *Revaluations of non-financial physical assets.*

(i) Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Service's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment. The 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, and which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Receivables

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services; and

- statutory receivables, which includes predominantly amounts owing from the Victorian Government and Goods and Services Tax ("GST") input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract. Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less any accumulated impairment.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

Investments and other financial assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs. All Service investments are classified as Cash and Cash Equivalents.

The Service assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit or loss are subject to annual review for impairment.

Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations but excludes depreciable assets.

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

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.

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 restrictions will no longer apply.

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

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 fair value because of the short lives of the assets concerned.

Revaluations of non-current physical assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 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 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, the Service's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised in the comprehensive operating statement.

Impairment of non-financial assets

Non-financial assets are assessed annually for indications of impairment, except for inventories;

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

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs 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, West Wimmera Service 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 West Wimmera Service 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

De-recognition 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 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 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 West Wimmera Service 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 or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as uncollectible are written off and allowances for doubtful receivables are expensed.

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*.

(k) Liabilities

Payables

Payables consist of contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the Service prior to the end of the financial year that are unpaid, and arise when the 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 Nett 30 days. Payables also includes statutory payables such as goods and services tax and fringe benefits tax payable.

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 Service has a present obligation, the future sacrifice of economic benefits to meet that obligation is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits

This provision arises for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

Wages and salaries, annual leave and accrued days off

Liabilities for wages and salaries, including non-monetary benefits, annual 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 employees' services up to the reporting date, and are classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are 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.

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 the Service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that the Service does not expect to settle within 12 months; and
- nominal value – component that the Service 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 workers compensation and superannuation are recognised together with provisions for employee benefits.

Superannuation liabilities

The Service does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

(l) Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.
Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases

The Service does not hold any finance lease arrangements with other parties.

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.

(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.

Property revaluation surplus

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

Specific restricted purpose surplus

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

(n) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to note 18) at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

(o) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

(p) Goods and Services Tax ("GST")

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

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

(q) Events after the reporting period

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

Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period.

Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

(r) AASs issued that are not yet effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2013 reporting period. DTF assesses the impact of all these new standards and advises the 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. West Wimmera Service has not and does not intend to adopt these standards early.

Standard/Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 9 *Financial instruments*	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement* (AASB 139 *Financial Instruments: Recognition and Measurement*).	1 Jan 2015	Subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairments and hedge accounting, details of any impact will be assessed.
AASB 10 *Consolidated Financial Statements*	This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 *Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities* that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application d*ate.* Subject to AASB's final deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, the Service will re-assess the nature of its relationships with other entities, including those that are currently not consolidated.

Standard/Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 11 *Joint Arrangements*	This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations and any modifications made to AASB 11 for not-for-profit entities, the Service will assess the nature of any arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 *Disclosure of Interests in Other Entities*	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 *Separate Financial Statements* and AASB 131 *Interests in Joint Ventures*. The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'strucutured entity' from a not-for-profit perspective.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 *Investments in Associates and Joint Ventures*.
AASB 13 *Fair Value Measurement*	This Standard outlines the requirements for measuring the fair value of assets and liabilities and replaces the existing fair value definition and guidance in other Australian accounting standards. AASB 13 includes a 'fair value hierarchy' which ranks the valuation technique inputs into three levels using unadjusted quoted prices in active markets for identical assets or liabilities; other observable inputs; and unobservable inputs.	1 Jan 2013	Disclosure for fair value measurements using unobservable inputs are relatively detailed compared to disclosure for fair value measurements using observable inputs. Consequently, the Standard may increase the disclosures required for assets measured using depreciated replacement cost.

Standard/Interpretation	*Summary*	*Applicable for annual reporting periods beginning on*	*Impact on public sector entity financial statements*
AASB 119 *Employee Benefits*	In this revised Standard for defined benefit superannuation plans, there is a change to the methodology in the calculation of superannuation expenses, in particular there is now a change in the split between superannuation interest expense (classified as transactions) and actuarial gains and losses (classified as 'Other economic flows – other movements in equity') reported on the comprehensive operating statement.	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. While the total superannuation expense is unchanged, the revised methodology is expected to have a negative impact on the net result from transactions a few Victorian public sector entities that report superannuation defined benefit plans.

(s) Reclassification in prior year's accounts

Comprehensive Income Statement

An amount of $254,919 for contracted radiography staff was recorded as Externally Contracted Services in the 2011-2012 accounts when it has since been determined that this cost would be more appropriately classified as Non Salary Labour Costs. This adjustment has no effect on the Service's net result before capital and specific items for the 2011-2012 financial year and also has no effect on the Balance Sheet for that year.

The original and revised comparative results shown in this financial report to reflect the effects of the above change are shown as follows:

		Amended 2012 $'000s	**Original 2012 $'000s**
Comprehensive Operating Statement	Other expenses	(6,098)	(6,353)
Comprehensive Operating Statement	Non salary labour costs	(1,713)	(1,458)

Note 2: Revenue

A review of the components making up Patient Fee revenue for the previous financial year revealed a misclassification of Retail Sales income (primarily relating to Olivers Diner and the Nhill Hospital Kiosk) as Patient Fee income. Accordingly, for 2012, Acute - Other Fees has been reduced by $155,000 and Other Revenue from Operating Activities has been increased by $155,000 to reflect the correct classification of this income.

Also, the Service's Dental and Meals on Wheels services are not considered to meet the departmental definition of Business Units and have therefore been reclassified as Services Supported by Health Services Agreement (HSA) – Other Revenue from Operating Activities. Previously these services were classified as Business Units – Services Supported by Hospital and Community Initiatives (H&CI).

Accordingly, the effects of the above reclassifications on Note 2 are shown below.

Note 2: Revenue		Amended 2012	Original 2012	Change
		$000's	$000's	$000's
Patient and Resident Fees	Patient Fees	2,137	2,292	-155
Business Units	Dental Services	0	153	-153
Business Units	Meals on Wheels	0	112	-112
Other Revenue	Operating Activities	980	560	420
Total HSA Revenue		32,492	32,227	265
Total HC&I Revenue		1,524	1,789	-265
Total Revenue		34,016	34,016	0
	Sum of changes			**0**

Note 2a: Analysis of revenue by source

The 2012 comparative figures for this note have been variously reclassified in accordance with the methodology for reporting revenue by program as used for 2012-2013 which differed to what was used in the prior year. It is considered that the new methodology provides a more accurate reflection of the type and classification of revenue received. The adjustments to this note had no effect on total revenue reported.

The items changed are shown as follows:

		Amended 2012	Original 2012	Change
		$000's	$000's	$000's
Government Grants	Admitted Patients	11,642	11,754	-112
Government Grants	Ambulatory	1,928	1,455	473
Government Grants	RAC incl Mental Health	9,755	9,685	70
Government Grants	Aged Care	450	0	450
Government Grants	Primary Health	1,446	2,806	-1,360
Government Grants	Other	737	258	479
Indirect Contributions by DOH	Admitted Patients	0	88	-88
Indirect Contributions by DOH	Ambulatory	0	14	-14
Indirect Contributions by DOH	RAC incl. Mental Health	0	78	-78
Indirect Contributions by DOH	Primary Health	0	7	-7
Indirect Contributions by DOH	Other	229	42	187
Patient & Resident Fees	Admitted Patients	1,436	1,425	11
Patient & Resident Fees	Ambulatory	190	225	-35
Patient & Resident Fees	Aged Care	50	19	31
Patient & Resident Fees	Primary Health	142	227	-85
Patient & Resident Fees	Other	299	376	-77
Other Revenue	Admitted Patients	223	0	223
Other Revenue	Ambulatory	5	0	5
Other Revenue	RAC incl. Mental Health	218	0	218
Other Revenue	Aged Care	11	0	11
Other Revenue	Primary Health	26	0	26
Other Revenue	Other	821	884	-63
Dental Services	Other	0	153	-153
Meals on Wheels	Other	0	112	-112
	Sum of changes			**0**

Note 2b: Patient and Resident Fees

Acute - Other Fees for 2012 has been reduced by $155,000 and Other Revenue from Operating Activities has been increased by $155,000 to reflect the reclassification of Retail Sales revenue which was originally classified as Patient Fees income. A comparison between the relevant section of the original note and the reclassified note is shown below:

		Amended	Original	Change
		$000's	$000's	$000's
Acute	Inpatients	1,425	1,425	0
	Outpatients	20	20	0
	Other	692	847	-155
	Sum of changes	**2,137**	**2,292**	**-155**

This reclassification also affected the Other Revenue From Operating Activities section of Note 2 (2012) as follows:

	Amended 2012	Original 2012	Change
	$000's	$000's	$000's
Retail Sales Reclassification	715	560	155
Reclassification of Dental Service from Business Units to Other program type	153	0	153
Reclassification of Meals on Wheels from Business Units to Other program type	112	0	112
Sum of changes	980	560	420

Note 3: Expenses

The 2012 comparative figures for this note have been variously reclassified in accordance with the methodology for reporting expenditure by program as used for 2012-2013 which differed to what was used in the prior year. It is considered that the new methodology provides a more accurate reflection of the type and classification of expenses incurred. Further, the reclassification of the Service's Dental and Meals on Wheels services from Business Units to Other Programs has necessitated various adjustments to the amounts previously reported for 2012. The adjustments to this note had no effect on total expenses reported and are shown below.

		Amended 2012	Original 2012	Change
		$000's	$000's	$000's
HSA	Salaries & Wages	19,529	19,260	269
HSA	WorkCover Premium	199	196	3
HSA	Long Service Leave	686	679	7
HSA	Superannuation	1,718	1,691	27
H&CI	Salaries & Wages	16	285	-269
H&CI	WorkCover Premium	0	3	-3
H&CI	Long Service Leave	0	7	-7
H&CI	Superannuation	1	28	-27
HSA	Fees for Visiting Medical Officers	971	793	178
HSA	Contractor Costs - Radiography	13	0	13
H&CI	Fees for Visiting Medical Officers	0	178	-178
H&CI	Contractor Costs - Radiography	242	0	242
HSA	Medical, Surgical Supplies & Prostheses	1,095	1,008	87
HSA	Food Supplies	1,009	858	151
H&CI	Medical, Surgical Supplies & Prostheses	7	94	-87
H&CI	Food Supplies	0	151	-151
HSA	Fuel, Light, Power & Water	630	625	5
HSA	Insurance Funded by DoH	170	156	14
HSA	Motor Vehicle Expenses	269	267	2
HSA	Repairs & Maintenance	1,324	1,305	19
HSA	Other Administrative Expenses	2,409	2,401	8
H&CI	Fuel, Light, Power & Water	4	9	-5
H&CI	Insurance Funded by DoH	0	14	-14
H&CI	Motor Vehicle Expenses	0	2	-2
H&CI	Repairs & Maintenance	0	19	-19
H&CI	Other Administrative Expenses	23	286	-263
	Sum of changes			**0**

Note 3a: Analysis of Expenses by Source

The changes to this note have been made to reflect the changes as described in Note 3: Expenses above.

			Amended 2012	Original 2012	Change
			$000's	$000's	$000's
Employee Expenses	Admitted Patients	HSA	7,167	6,807	360
Employee Expenses	Outpatients	HSA	16	20	-4
Employee Expenses	Ambulatory	HSA	1,245	1,757	-512
Employee Expenses	RAC incl. Mental Health	HSA	10,014	9,775	239
Employee Expenses	Aged Care	HSA	730	689	41
Employee Expenses	Primary Health	HSA	1,797	1,871	-74
Employee Expenses	Other	HSA	1,224	968	256
Non Salary Labour Costs	Admitted Patients	HSA	1,152	1,173	-21
Non Salary Labour Costs	Ambulatory	HSA	6	0	6
Non Salary Labour Costs	RAC incl Mental Health	HSA	134	107	27
Non Salary Labour Costs	Primary Health	HSA	1	0	1
Non Salary Labour Costs	Other	HSA	178	0	178
Supplies & Consumables	Admitted Patients	HSA	1,341	1,105	236
Supplies & Consumables	Outpatients	HSA	11	18	-7
Supplies & Consumables	Ambulatory	HSA	46	85	-39
Supplies & Consumables	RAC incl. Mental Health	HSA	338	515	-177
Supplies & Consumables	Aged Care	HSA	26	22	4
Supplies & Consumables	Primary Health	HSA	168	98	70
Supplies & Consumables	Other	HSA	325	175	150
Other Expenses	Admitted Patients	HSA	3,540	1,686	1,854
Other Expenses	Outpatients	HSA	10	15	-5
Other Expenses	Ambulatory	HSA	164	350	-186
Other Expenses	RAC incl Mental Health	HSA	1,077	1,675	-598
Other Expenses	Aged Care	HSA	317	195	122
Other Expenses	Primary Health	HSA	563	495	68
Other Expenses	Other	HSA	379	1,598	-1,219
Employee Expenses	Other	H&CI	17	323	-306
Non Salary Labour Costs	Other	H&CI	255	178	77
Supplies & Consumables	Other	H&CI	7	245	-238
Other Expenses	Other	H&CI	36	339	-303
	Sum of changes				**0**

Note 3b: Analysis of Expenses by Internally Managed and Restricted Specific Purpose Funds for Services Supported by Hospital and Community Initiatives

The changes in this note have made to reflect the reclassification of the Service's Dental and Meals on Wheels services from Business Units to Other Programs.

		Amended 2012	Original 2012	Change
		$000's	$000's	$000's
Commercial Activities (HC&I)	Diagnostic Imaging	302	315	-13
Commercial Activities (HC&I)	Dental Service	0	619	-619
Commercial Activities (HC&I)	Meals on Wheels	0	151	-151
Total HSA Expenses		35,713	34,930	783
	Sum of changes			**0**

Note 20: Operating Segments

This note has been changed to reflect the changes made in Notes 3, 3a and 3b as detailed above. Also, these changes reflect the realignment of the Service's reported segments with

its various service programs which resulted in the removal of Internally Managed Units and the addition of Ambulatory and Aged Care – Other and which it is considered provides a more direct relationship between this note and notes 2a and 3a.

		Amended 2012	Original 2012	Change
		$000's	$000's	$000's
External Segment Revenue	Acute Care	13,321	13,470	-149
External Segment Revenue	Ambulatory	2,123	0	2,123
External Segment Revenue	RACS	11,916	12,069	-153
External Segment Revenue	Aged Care Other	511	0	511
External Segment Revenue	Business Units	229	714	-485
External Segment Revenue	Primary Health	1,614	4,219	-2,605
External Segment Revenue	Other Programs	2,782	2,125	657
External Segment Revenue	Internally Managed Units	0	769	-769
Capital Purpose Income	Other Programs	870	0	870
External Segment Expenses	Acute Care	-13,237	-11,904	-1,333
External Segment Expenses	Ambulatory	-1,461	0	-1,461
External Segment Expenses	RACS	-11,563	-14,524	2,961
External Segment Expenses	Aged Care Other	-1,073	0	-1,073
External Segment Expenses	Business Units	-315	-1,014	699
External Segment Expenses	Primary Health	-2,529	-5,543	3,014
External Segment Expenses	Other Programs	-2,106	-2,016	-90
External Segment Expenses	Internally Managed Units	0	-999	999
Depreciation Expense	Acute Care	-1,538	0	-1,538
Depreciation Expense	Ambulatory	-170	0	-170
Depreciation Expense	RACS	-1,344	0	-1,344
Depreciation Expense	Aged Care Other	-125	0	-125
Depreciation Expense	Primary Health	-294	0	-294
Depreciation Expense	Other Programs	-245	0	-245
Segment Assets	Acute Care	23,561	21,997	1,564
Segment Assets	Ambulatory	3,755	0	3,755
Segment Assets	RACS	21,077	23,031	-1,954
Segment Assets	Aged Care Other	904	0	904
Segment Assets	Business Units	405	336	69
Segment Assets	Primary Health	2,855	7,792	-4,937
Segment Assets	Other Programs	4,921	2,047	2,874
Segment Assets	Internally Managed Units	0	2,275	-2,275
Segment Liabilities	Acute Care	-5,037	-2,427	-2,610
Segment Liabilities	Ambulatory	-803	0	-803
Segment Liabilities	RACS	-4,506	-7,431	2,925
Segment Liabilities	Aged Care Other	-193	0	-193
Segment Liabilities	Business Units	-87	-69	-18
Segment Liabilities	Primary Health	-610	-1,641	1,031
Segment Liabilities	Other Programs	-1,052	-582	-470
Segment Liabilities	Internally Managed Units	0	-136	136
Segment Equity	Acute Care	18,525	19,570	-1,045
Segment Equity	Ambulatory	2,952	0	2,952
Segment Equity	RACS	16,571	15,600	971
Segment Equity	Aged Care Other	711	0	711
Segment Equity	Business Units	318	267	51
Segment Equity	Primary Health	2,244	6,151	-3,907
Segment Equity	Other Programs	3,869	1,465	2,404
Segment Equity	Internally Managed Units	0	2,137	-2,137
	Rounding correction			2
	Sum of changes			**0**

(t) Category groups

The Service 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 hospitals specialising in dental services, hearing and ophthalmic aids.

Outpatient Services (Outpatients) comprises all recurrent health revenue/expenditure on public hospital type outpatient services, where services are delivered in public hospital outpatient clinics, or free standing day hospital facilities or outpatient clinics specialising in ophthalmic aids or palliative care.

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

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

Off Campus, Ambulatory Services (Ambulatory) comprises all recurrent health revenue/expenditure on public hospital type services including palliative care facilities and rehabilitation facilities, as well as services provided under the following agreements: Services that are provided or received by hospitals (or area Services) but are delivered/received outside a hospital campus, services which have moved from a hospital to a community setting since June 1998, services which fall within the agreed scope of inclusions under the new system, and which have not been delivered within hospitals i.e. in rural/remote areas.

Residential Aged Care including Mental Health (RAC incl. Mental Health) referred to in the past as psychogeriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from 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 Services including immunisation and screening services; 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 early parenting services, parenting assessment and skills development; and various support services. Health and Community Initiatives also falls in this category group.

Notes to and forming part of the financial statements

Note 2: Revenue

	HSA 2013 $'000	HSA 2012 $'000	H&CI 2013 $'000	H&CI 2012 $'000	Total 2013 $'000	Total 2012 $'000
Revenue from Operating Activities						
Government Grants						
- Department of Health	16,540	16,852	-	-	16,540	16,852
- Department of Human Services	286	258	-	-	286	258
- Dental Health Services Victoria	309	283	-	-	309	283
- State Government - Other						
Department of Education	183	172	-	-	183	172
- Commonwealth Government						
Residential Aged Care Subsidies	8,037	7,449	-	-	8,037	7,449
Other	1,131	944	-	-	1,131	944
Total Government Grants	**26,486**	**25,958**	**-**	**-**	**26,486**	**25,958**
Indirect Contributions by Department of Health						
- Insurance	4	42	-	-	4	42
- Long Service Leave	599	187	-	-	599	187
Total Indirect Contributions by Department of Health	**603**	**229**	**-**	**-**	**603**	**229**
Patient and Resident Fees						
- Patient Fees (refer note 2b)	1,874	2,137	-	-	1,874	2,137
- Residential Aged Care Resident Fees (refer note 2b)	2,005	1,943	-	-	2,005	1,943
Total Patient & Resident Fees	**3,879**	**4,080**	**-**	**-**	**3,879**	**4,080**
Business units						
- Diagnostic Imaging	-	-	383	230	383	230
Total Business Units			**383**	**230**	**383**	**230**
Donations & Bequests	-	-	29	23	29	23
Other revenue from operating activities	1,244	980	-	-	1,244	980
Other revenue from operating activities - GRHA	332	323	-	-	332	323
Total Revenue from Operating Activities	**32,544**	**31,570**	**412**	**253**	**32,956**	**31,823**
Revenue from Non-Operating Activities						
Interest - GRHA	-	-	2	3	2	3
Interest	-	-	592	647	592	647
Property Income	-	-	32	23	32	23
Total Revenue from Non-Operating Activities	**-**	**-**	**626**	**673**	**626**	**673**
Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	-	26	-	-	-	26
- Equipment and Infrastructure Maintenance	239	160	-	-	239	160
Commonwealth Government Capital Grants	720	736	-	-	720	736
Residential Accommodation Payments (refer note 2b)	-	-	502	467	502	467
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2c)	-	-	(20)	10	(20)	10
Donations & Bequests	-	-	167	121	167	121
Total Capital Purpose Income	**959**	**922**	**649**	**598**	**1,608**	**1,520**
Total Revenue (refer to note 2a)	**33,503**	**32,492**	**1,687**	**1,524**	**35,190**	**34,016**

Indirect contributions by Department of Health: The Department of Health makes certain payments on behalf of the 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 (based on the consolidated view of note 2)

	Admitted Patients 2013 $'000	Outpatients 2013 $'000	Ambulatory 2013 $'000	RAC incl. Mental Health 2013 $'000	Aged Care 2013 $'000	Primary Health 2013 $'000	Other 2013 $'000	Total 2013 $'000
Revenue from Services Supported by Health Services Agreement								
Government Grants	11,391	-	1,948	10,441	487	1,481	738	26,486
Indirect contributions by Department of Health	-	-	-	-	-	-	603	603
Patient & Resident Fees (refer note 2b)	1,176	19	148	2,005	49	120	362	3,879
Other Revenue from Operating Activities	288	-	14	168	5	31	1,070	1,576
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	959	959
Total Revenue from Services Supported by Health Services Agreement	**12,855**	**19**	**2,110**	**12,614**	**541**	**1,632**	**3,732**	**33,503**
Revenue from Services Supported by Hospital and Community Initiatives								
Donations & Bequests (non capital)	-	-	-	-	-	-	29	29
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	649	649
Diagnostic Imaging	-	-	-	-	-	-	383	383
Property Income	-	-	-	-	-	-	32	32
Interest	-	-	-	-	-	-	594	594
Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**1,687**	**1,687**
Total Revenue	**12,855**	**19**	**2,110**	**12,614**	**541**	**1,632**	**5,419**	**35,190**

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

Notes to and forming part of the financial statements

Note 2a: Analysis of revenue by source (continued) (based on the consolidated view of note 2)

	Admitted Patients 2012 $'000	Outpatients 2012 $'000	Ambulatory 2012 $'000	RAC incl. Mental Health 2012 $'000	Aged Care 2012 $'000	Primary Health 2012 $'000	Other 2012 $'000	Total 2012 $'000
Revenue from Services Supported by Health Services Agreement								
Government Grants	11,642	-	1,928	9,755	450	1,446	737	25,958
Indirect contributions by Department of Health	-	-	-	-	-	-	229	229
Patient & Resident Fees (refer note 2b)	1,436	20	190	1,943	50	142	299	4,080
Other Revenue from Operating Activities	223	-	5	218	11	26	821	1,304
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	922	922
Total Revenue from Services Supported by Health Services Agreement	**13,301**	**20**	**2,123**	**11,916**	**511**	**1,614**	**3,008**	**32,493**
Revenue from Services Supported by Hospital and Community Initiatives								
Donations & Bequests (non capital)	-	-	-	-	-	-	23	23
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	598	598
Diagnostic Imaging	-	-	-	-	-	-	229	229
Property Income	-	-	-	-	-	-	23	23
Interest	-	-	-	-	-	-	650	650
Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**1,523**	**1,523**
Total Revenue	**13,301**	**20**	**2,123**	**11,916**	**511**	**1,614**	**4,531**	**34,016**

Indirect contributions by Department of Health: The 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: Private and Resident Fees

	2013 $'000	2012 $'000
Patient and Resident Fees		
Acute (incl rehabilitation, GEM and other acute care types)		
– Inpatients	1,137	1,425
– Outpatients	19	20
– Other	718	692
Residential Aged Care		
– Generic	1,909	1,846
– Mental Health	96	97
Total Patient and Resident Fees	**3,879**	**4,080**
Capital Purpose Income:		
Residential Accommodation Payments	502	467
Total Capital Purpose Income	**502**	**467**

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

	2013 $'000	2012 $'000
Proceeds from Disposals of Non-Current Assets		
Plant and Equipment	-	51
Motor Vehicles	189	398
Buildings	-	136
Total Proceeds from Disposal of Non-Current Assets	**189**	**585**
Less: Written Down Value of Non-Current Assets Sold		
Motor Vehicles	209	444
Buildings	-	131
Total Written Down Value of Non-Current Assets Sold	**209**	**575**
Net gain/(loss) on Disposal of Non-Financial Assets	**(20)**	**10**

Notes to and forming part of the financial statements

Note 3: Expenses

	HSA 2013 $'000	HSA 2012 $'000	H&CI 2013 $'000	H&CI 2012 $'000	Total 2013 $'000	Total 2012 $'000
Employee Expenses						
Salaries & Wages	20,624	19,529	17	16	20,641	19,545
Salaries & Wages - GRHA	57	54	-	-	57	54
WorkCover Premium	353	199	-	-	353	199
WorkCover Premium - GRHA	1	1	-	-	1	1
Long Service Leave	1,035	686	-	-	1,035	686
Long Service Leave - GRHA	2	1	-	-	2	1
Superannuation	1,840	1,718	2	1	1,842	1,719
Superannuation - GRHA	6	5	-	-	6	5
Total Employee Expenses	**23,918**	**22,193**	**19**	**17**	**23,937**	**22,210**
Non Salary Labour Costs						
Fees for Visiting Medical Officers	1,000	971	-	-	1,000	971
Contractor Costs - Radiography	19	13	414	242	433	255
Agency Costs - Nursing	120	487	-	-	120	487
Total Non Salary Labour Costs	**1,139**	**1,471**	**414**	**242**	**1,553**	**1,713**
Supplies & Consumables						
Drug Supplies	147	152	-	-	147	152
Medical, Surgical Supplies and Prostheses	1,154	1,095	8	6	1,162	1,101
Food Supplies	960	1,009	-	-	960	1,009
Total Supplies & Consumables	**2,261**	**2,256**	**8**	**6**	**2,269**	**2,262**
Other Expenses						
Domestic Services & Supplies	640	584	-	-	640	584
Fuel, Light, Power and Water	698	630	4	4	702	634
Insurance costs funded by the Department of Health	4	170	-	-	4	170
Motor Vehicle Expenses	276	269	-	-	276	269
Motor Vehicle Expenses - GRHA	2	-	-	-	2	-
Repairs & Maintenance	557	1,324	-	-	557	1,324
Maintenance Contracts	170	73	98	9	268	82
Patient Transport	154	303	-	-	154	303
Bad & Doubtful Debts	7	5	-	-	7	5
Lease Expenses	23	23	-	-	23	23
Other Administrative Expenses	2,755	2,409	18	24	2,773	2,433
Other Administrative Expenses - GRHA	264	237	-	-	264	237
Audit Fees						
- VAGO - Audit of Financial Statements	26	24	-	-	26	24
- Other	23	11	-	-	23	11
Total Other Expenses	**5,599**	**6,062**	**120**	**37**	**5,719**	**6,099**
Depreciation (refer to note 4)	3,713	3,716	-	-	3,713	3,716
Finance Costs (refer note 5)	15	15	-	-	15	15
Total Impairment of Assets	**3,728**	**3,731**	**-**	**-**	**3,728**	**3,731**
Total Expenses	**36,645**	**35,713**	**561**	**302**	**37,206**	**36,015**

Note 3a: Analysis of Expenses by Source (based on the consolidated view of Note 3)

	Admitted Patients 2013 $'000	Outpatients 2013 $'000	Ambulatory 2013 $'000	RAC incl. Mental Health 2013 $'000	Aged Care 2013 $'000	Primary Health 2013 $'000	Other 2013 $'000	Total 2013 $'000
Services Supported by Health Services Agreement								
Employee Expenses	7,876	-	1,224	10,929	688	1,958	1,243	23,918
Non Salary Labour Costs	1,009	-	5	75	-	-	50	1,139
Supplies & Consumables	1,295	3	41	376	31	100	415	2,261
Other Expenses from Continuing Operations	2,435	15	156	1,371	427	659	536	5,599
Total Expenses from Services Supported by Health Services Agreement	**12,615**	**18**	**1,426**	**12,751**	**1,146**	**2,717**	**2,244**	**32,917**
Services Supported by Hospital and Community Initiatives								
Employee Expenses	-	-	-	-	-	-	19	19
Non Salary Labour Costs	-	-	-	-	-	-	414	414
Supplies & Consumables	-	-	-	-	-	-	8	8
Other Expenses from Continuing Operations	-	-	-	-	-	-	120	120
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**561**	**561**
Depreciation (refer note 4)	1,424	2	161	1,438	129	306	253	3,713
Finance Costs (refer note 5)	-	-	-	-	-	-	15	15
Total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	**1,424**	**2**	**161**	**1,438**	**129**	**306**	**268**	**3,728**
Total Expenses	**14,039**	**20**	**1,587**	**14,189**	**1,275**	**3,023**	**3,073**	**37,206**

Notes to and forming part of the financial statements

Note 3a: Analysis of expenses by source (continued) (based on the consolidated view of Note 3)

Prior Year	Admitted Patients 2012 $'000	Outpatients 2012 $'000	Ambulatory 2012 $'000	RAC incl. Mental Health 2012 $'000	Aged Care 2012 $'000	Primary Health 2012 $'000	Other 2012 $'000	Total 2012 $'000
Services Supported by Health Services Agreement								
Employee Expenses	7,167	16	1,245	10,014	730	1,797	1,224	22,193
Non Salary Labour Costs	1,152	-	6	134	-	1	178	1,471
Supplies & Consumables	1,341	11	46	338	26	168	325	2,255
Other Expenses from Continuing Operations	3,540	10	164	1,077	317	563	392	6,063
Total Expenses from Services Supported by Health Services Agreement	**13,200**	**37**	**1,461**	**11,563**	**1,073**	**2,529**	**2,119**	**31,982**
Services Supported by Hospital and Community Initiatives								
Employee Expenses	-	-	-	-	-	-	17	17
Non Salary Labour Costs	-	-	-	-	-	-	242	242
Supplies & Consumables	-	-	-	-	-	-	7	7
Other Expenses from Continuing Operations	-	-	-	-	-	-	36	36
Total Expense from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**302**	**302**
Depreciation (refer note 4)	1,534	4	170	1,344	125	294	245	3,716
Finance Costs (refer note 5)	-	-	-	-	-	-	15	15
Total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	**1,534**	**4**	**170**	**1,344**	**125**	**294**	**260**	**3,731**
Total Expenses	**14,734**	**41**	**1,631**	**12,907**	**1,198**	**2,823**	**2,681**	**36,015**

Note 3b: Analysis of Expenses by Internally Managed and Restricted Specific Purpose Funds for Services Supported by Hospital and Community Initiatives

	2013 $'000	2012 $'000
Commercial Activities		
Diagnostic Imaging	561	302
TOTAL	**561**	**302**

Note 4: Depreciation

	2013 $'000	2012 $'000
Depreciation		
Buildings - at fair value	2,996	3,109
Buildings - at cost value	11	5
Plant & Equipment	133	127
Medical Equipment	254	222
Computers & Communication	51	13
Furniture & Fittings	70	60
Motor Vehicles	198	180
Total Depreciation	**3,713**	**3,716**

Note 5: Finance Costs

	2013 $'000	2012 $'000
Interest on Residential Aged Care Accommodation Bonds Payable	15	15
Total Finance Costs	**15**	**15**

Note 6: Cash and Cash Equivalents

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

	2013 $'000	2012 $'000
Cash on hand	4	4
Cash at bank	871	609
Cash - GRHA Joint venture	102	49
Deposits at call	9,299	10,204
Total Cash and Cash Equivalents	**10,276**	**10,866**
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	6,050	7,252
Cash - GRHA Joint Venture	102	49
Cash for Monies Held in Trust		
- Deposits at Call	4,124	3,565
Total Cash and Cash Equivalents	**10,276**	**10,866**

Note 7: Receivables

	2013 $'000	2012 $'000
CURRENT		
Contractual		
Trade Debtors	203	136
Sundry Debtors - GRHA	72	54
Patient Fees	341	260
Bond Monies Held by Third Parties	3	3
Accrued Revenue	220	76
Less Allowance for Doubtful Debts		
- Trade Debtors	(5)	(5)
Total Contractual	**834**	**524**
Statutory		
GST Receivable	76	107
Total Statutory	**76**	**107**
TOTAL CURRENT RECEIVABLES	**910**	**631**
NON CURRENT		
Statutory		
Long Service Leave - Department of Health	1,017	418
TOTAL NON-CURRENT RECEIVABLES	**1,017**	**418**
TOTAL RECEIVABLES	**1,927**	**1,049**

(a) Movement in the Allowance for doubtful debts

	2013 $'000	2012 $'000
Balance at beginning of year	5	5
Amounts written off during the year	(8)	(5)
Increase/(decrease) in allowance recognised in net result	8	5
Balance at end of year	**5**	**5**

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

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

Note 8: Inventories

	2013 $'000	2012 $'000
Pharmaceutical Supplies at Cost	27	29
Catering Supplies at Cost	8	11
Housekeeping Supplies at Cost	7	8
Medical & Surgical Supplies at Cost	65	56
Administration Stores at Cost	5	6
TOTAL INVENTORIES	**112**	**110**

Note 9: Other Assets

	2013 $'000	2012 $'000
CURRENT		
Prepayments	107	28
Prepayments - GRHA	3	1
TOTAL CURRENT OTHER ASSETS	**110**	**29**

Note 10: Property, plant & equipment

	2013 $'000	2012 $'000
Land		
Land at Fair Value	698	698
Total Land	**698**	**698**
Buildings		
Buildings Under Construction at cost	2,409	1,262
Buildings at cost	722	176
Less Acc'd Depreciation	(6)	(5)
Buildings at Fair Value	41,465	49,185
Less Acc'd Depreciation	-	(9,310)
Total Buildings	**44,590**	**41,308**
Plant and Equipment		
Plant and Equipment at Fair Value	1,770	2,174
Less Acc'd Depreciation	(950)	(1,322)
Plant and Equipment at Fair Value - GRHA	78	113
Less Acc'd Depreciation - GRHA	(71)	(63)
Total Plant and Equipment	**827**	**902**
Medical Equipment		
Medical Equipment at Fair Value	3,758	4,156
Less Acc'd Depreciation	(2,335)	(2,882)
Total Medical Equipment	**1,423**	**1,274**
Computers & Communication		
Computers & Communication at fair value	534	1,006
Less Acc'd Depreciation	(120)	(861)
Total Computers & Communication	**414**	**145**

Note 10: Property, plant & equipment (continued)

	2013 $'000	2012 $'000
Furniture & Fittings		
Furniture & Fittings at fair value	1,346	1,722
Less Acc'd Depreciation	(940)	(1,354)
Total Furniture & Fittings	**406**	**368**
Motor Vehicles		
Motor Vehicles at fair value	1,310	1,273
Less Acc'd Depreciation	(674)	(547)
Motor Vehicles at fair value - GRHA	3	4
Less Acc'd Depreciation - GRHA	(1)	(1)
Total Motor Vehicle	**638**	**729**
TOTAL	**48,996**	**45,424**

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

	Land $'000	Buildings $'000	Plant & Equipment $'000	Medical Equipment $'000	Assets Under Construction $'000	Computers & Comms. $'000	Motor Vehicles $'000	Total $'000
Balance at 1 July 2011	**703**	**43,109**	**1,153**	**862**	**-**	**92**	**735**	**46,654**
Additions	-	176	273	634	1,262	66	619	3,030
Additions - GRHA	-	-	32	-	-	-	-	32
Disposals	(5)	(126)	(1)	-	-	-	(445)	(577)
Depreciation (note 4)	-	(3,113)	(187)	(222)	-	(13)	(180)	(3,715)
Balance at 1 July 2012	**698**	**40,046**	**1,270**	**1,274**	**1,262**	**145**	**729**	**45,424**
Additions	-	129	198	403	1,869	320	316	3,235
Transfer fom Assets Under Construction	-	722	-	-	(722)	-	-	-
Disposals	-	-	-	-	-	-	(209)	(209)
Disposals - GRHA	-	-	(33)	-	-	-	-	(33)
Revaluation Increment	-	4,291	-	-	-	-	-	4,291
Depreciation (note 4)	-	(3,007)	(202)	(254)	-	(51)	(198)	(3,712)
Balance at 30 June 2013	**698**	**42,181**	**1,233**	**1,423**	**2,409**	**414**	**638**	**48,996**

Land and buildings carried at valuation

An independent valuation of the Service's land and buildings was performed by the Valuer-General Victoria to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of this valuation is 30 June 2009.

A managerial revaluation of all Service buildings was conducted with effect from 30 June 2013. This revaluation was required as the relevant valuation indices issued annually by the Valuer General had increased by more than 10% on a cumulative basis since the last independent valuation. The effect of this revaluation was to increase the carrying amount of Buildings at Fair Value by $4,291,000.

The carrying amount for Buildings at Fair Value at 30 June 2013 would have been $37,174,000 had the managerial revaluation not been conducted.

Note 11: Payables

	2013 $'000	2012 $'000
CURRENT		
Contractual		
Trade Creditors [(i)]	1,311	900
Trade Creditors - GRHA	116	14
Accrued Expenses	278	249
Other	12	11
TOTAL PAYABLES	**1,717**	**1,174**

(i) The average credit period is 30 days. No interest is charged on payables.

(a) Maturity analysis of payables
Please refer to Note 17c for the ageing analysis of contractual payables

(b) Nature and extent of risk arising from payables
Please refer to note 17c for the nature and extent of risks arising from contractual payables

Note 12: Provisions

	2013 $'000	2012 $'000
Current Provisions		
Employee Benefits		
- Unconditional and expected to be settled within 12 months	3,163	3,390
- Unconditional and expected to be settled after 12 months	3,347	2,657
Total Current Provisions	**6,510**	**6,047**
Non-Current Provisions		
Employee Benefits	981	897
Total Non-Current Provisions	**981**	**897**
Total Provisions	**7,491**	**6,944**
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and related on-costs		
Unconditional LSL Entitlement	3,347	2,657
Annual Leave Entitlements	2,484	2,439
Accrued Wages and Salaries	510	728
Accrued Days Off	169	223
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements	981	897
Total Employee Benefits	**7,491**	**6,944**

Notes to and forming part of the financial statements

Note 12: Provisions (continued)

(b) Movements in provisions	2013 $'000	2012 $'000
Movement in Long Service Leave:		
Balance at start of year	**3,553**	**3,149**
Provision made during the year		
- Expense recognising Employee Service	1,036	687
Settlement made during the year	(261)	(283)
Balance at end of year	**4,328**	**3,553**

Note 13: Superannuation

	Paid Contributions for the Year		Contributions Outstanding at Year End	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Defined benefit plans[(i)]:				
First State Superannuation Fund	40	38	3	3
Defined contribution plans:				
First State Superannuation Fund	1,640	1,446	130	123
Other	164	151	10	12
Total	1,844	1,635	143	138

(i) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

Note 14: Other Liabilities

	2013 $'000	2012 $'000
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust*	-	1
- Accommodation Bonds*	4,731	4,169
Income in advance		
- DVA Grant	17	-
Total Current	**4,748**	**4,170**
*** Total Monies Held in Trust**		
Represented by the following assets:		
Cash Assets (refer to Note 6)	4,731	4,170
TOTAL	**4,731**	**4,170**

Note 15: Equity

	2013 $'000	2012 $'000
(a) Surpluses		
Property Revaluation Surplus		
Balance at the beginning of the reporting period	10,050	10,050
Revaluation of Buildings	4,291	-
Balance at the end of the reporting period*	**14,341**	**10,050**
* Represented by:		
- Land	237	237
- Buildings	14,104	9,813
	14,341	**10,050**
Restricted Specific Purpose Surplus		
Balance at the beginning of the reporting period	427	770
Transfer Accumulated Surpluses	-	(343)
Balance at the end of the reporting period	**427**	**427**
Total Surpluses	**14,768**	**10,477**
(b) Contributed Capital		
Balance at the beginning of the reporting period	25,924	25,924
Balance at the end of the reporting period	**25,924**	**25,924**
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	8,646	10,301
Balance at the beginning of the reporting period - GRHA	143	144
Net Result for the Year	(2,010)	(1,998)
Net Result for the Year GRHA	(6)	(1)
Transfer from Restricted Purpose Reserve	-	343
Balance at the end of the reporting period	**6,773**	**8,789**
Total Equity at end of financial year	**47,465**	**45,190**

Note 15: Equity (continued)
Other economic flows included in net result

	2013 $'000	2012 $'000
(d) Net gain/(loss) on non-financial assets		
Net gain on disposal of property plant and equipment	(20)	10
Total net gain/(loss) on non-financial assets	(20)	10
e) Other gains/(losses) from other economic flows		
(iii) Net gain/(loss) arising from revaluation of long service leave liability	12	(76)
Total net gain/(loss) from other economic flows	12	(76)
Total other gains/(losses) from other economic flows	(8)	(66)

Note 16: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	2013 $'000	2012 $'000
Net result for the period	(2,016)	(1,999)
Depreciation and amortisation	3,712	3,716
Net (Gain)/Loss from Disposal of Non-Financial Physical Assets	20	(10)
Change in operating assets and liabilities		
(Increase)/Decrease in Receivables	(878)	(5)
(Increase)/Decrease in Other Assets	(81)	(6)
Increase/(Decrease) in Payables	543	225
Increase/(Decrease) in Provisions	547	991
Increase/(Decrease) in Other Liabilities	-	316
Change in Inventories	(2)	51
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	**1,845**	**3,279**

Note 17: Financial Instruments

(a) Financial risk management objectives and policies

West Wimmera Health Service's principal financial instruments comprise of:
- *cash assets*
- *term deposits*
- *receivables (excluding statutory receivables)*
- *payables (excluding statutory payables)*
- *residential aged care 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 Service's main financial risks include credit risk, liquidity risk and interest rate risk. The Service manages these financial risks in accordance with its financial risk management policy. The 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 Service's Audit and Governance Committee.

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

Categorisation of financial instruments

	Carrying Amount 2013 $'000	Carrying Amount 2012 $'000
Financial Assets		
Cash and cash equivalents	10,276	10,866
Loans and Receivables	611	445
Total Financial Assets	**10,887**	**11,311**
Financial Liabilities		
Payables	1,717	1,174
Accommodation Bonds	4,731	4,169
Other	-	1
Total Financial Liabilities	**6,448**	**5,344**

(b) Credit risk

Credit risk arises from the contractual financial assets of the Service, which comprise cash and deposits and non-statutory receivables. The 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 Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the 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 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 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 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 the Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Note 17: Financial Instruments (continued)
(b) Credit Risk (continued)

Credit quality of contractual financial assets that are neither past due nor impaired

2013	Financial institutions (AA credit rating) $'000	Other (min BBB credit rating) $'000	Total $'000
Financial Assets			
Cash and Cash Equivalents	10,276	-	10,276
Receivables			
- Trade Debtors	-	275	275
- Other Receivables	-	336	336
Total Financial Assets	**10,276**	**611**	**10,887**
2012			
Financial Assets			
Cash and Cash Equivalents	10,886	-	10,866
Receivables			
- Trade Debtors	-	190	190
- Other Receivables	-	255	255
Total Financial Assets	**10,886**	**445**	**11,311**

The Service's exposure to credit risk and effective weighted average interest rate by ageing periods is set out in the following table. For interest rates applicable to each class of asset refer to individual notes to the financial statements.

Ageing analysis of Financial Assets as at 30 June

2013	Consol'd Carrying Amount $'000	Not past due and not impaired $'000	Past due but less than 1 month $'000	Not impaired 1-3 months $'000
Financial Assets				
Cash and Cash Equivalents	10,276	10,276	-	-
Receivables				
- Trade Debtors	275	140	8	127
- Other Receivables	336	240	50	46
Total Financial Assets	**10,887**	**10,656**	**58**	**173**
2012				
Financial Assets				
Cash and Cash Equivalents	10,866	10,866	-	-
Receivables				
- Trade Debtors	190	94	12	84
- Other Receivables	255	233	19	3
Total Financial Assets	**11,311**	**11,193**	**31**	**87**

There are no material financial assets which are individually determined to be impaired. Currently the Service does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

(c) Liquidity risk

Liquidity risk is the risk that the Service would be unable to meet its financial obligations as and when they fall due. The Service operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Service’s maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Service manages its liquidity risk by regularly assessing cash requirements to pay liabilities in the ensuing twelve month period to ensure that sufficient liquid assets are available to meet expected liability payments. In relation to its holdings of aged care accommodation bonds and its capacity to fully repay such bonds as and when they become due and payable, the Service follows its Liquidity Management Strategy. The Liquidity Management Strategy takes into account the total amount of bonds outstanding, the total amount of bonds refunded in the previous year and the average bond amount to determine the minimum amount of liquidity that must be held at all times.

The following table discloses the contractual maturity analysis for the Serivce's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

Maturity analysis of Financial Liabilities as at 30 June

2013	Carrying Amount $'000	Contractual Cash Flows $'000	Maturity Dates 1-3 Months $'000	3 months - 1 Year $'000
Financial Liabilities				
Payables	1,717	1,717	1,717	-
Other Financial Liabilities				
- Accommodation Bonds	4,731	4,731	-	4,731
- Other	-	-	-	-
Total Financial Liabilities	**6,448**	**6,448**	**1,717**	**4,731**
2012				
Financial Liabilities				
Payables	1,174	1,174	1,174	-
Other Financial Liabilities				
- Accommodation Bonds	4,169	4,169	-	4,169
- Other	1	1	-	1
Total Financial Liabilities	**5,344**	**5,344**	**1,174**	**4,170**

Notes to and forming part of the financial statements

Note 17: Financial Instruments (continued)

(d) Market risk

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

Currency risk

The Service is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest rate risk

Exposure to interest rate risk might arise primarily through the Service's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the Service mainly undertakes financial liabilities with relatively even maturity profiles. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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 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 monitors movement in interest rates on a daily basis.

Other price risk

The Service is not materially exposed to other price risk.

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

	Weighted Average Effective Interest	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate	Variable Interest Rate	Non-Interest Bearing
2013	**Rate (%)**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Assets					
Cash and Cash Equivalents	4.99	10,276	9,298	978	-
Receivables					
- Trade Debtors		275	-	-	275
- Other Receivables		336	-	-	336
		10,887	**9,298**	**978**	**611**
Financial Liabilities					
Payables		1,717	-	-	1,717
Other Financial Liabilities					
- Accommodation Bonds		4,731	-	-	4,731
- Other		-	-	-	-
		6,448	**-**	**-**	**6,448**
2012					
Financial Assets					
Cash and Cash Equivalents	5.58	10,866	9,872	994	-
Receivables					
- Trade Debtors		190	-	-	190
- Other Receivables		255	-	-	255
		11,311	**9,872**	**994**	**445**
Financial Liabilities					
Payables		1,174	-	-	1,174
Other Financial Liabilities					
- Accommodation Bonds		4,169	-	-	4,169
- Other		1	-	-	1
		5,344	**-**	**-**	**5,344**

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Service believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Reserve Bank of Australia)

- A shift of +1% and -1% in market interest rates (AUD) from year-end rates of 4%;
- 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 financial instrument held by the Service at year end as presented to key management personnel, if changes in the relevant risk occur.

	Carrying Amount	Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
2013		**$'000**	**$'000**	**$'000**	**$'000**
Financial Assets					
Cash and Cash Equivalents	10,276	(103)	(103)	103	103
Receivables					
- Trade Debtors	275	-	-	-	-
- Other Receivables	336	-	-	-	-
Financial Liabilities					
Payables	1,717	-	-	-	-
Other Financial Liabilities					
- Accommodation Bonds	4,731	-	-	-	-
		(103)	**(103)**	**103**	**103**
2012					
Financial Assets					
Cash and Cash Equivalents	10,866	(109)	(109)	109	109
Receivables					
- Trade Debtors	190	-	-	-	-
- Other Receivables	255	-	-	-	-
Financial Liabilities					
Payables	1,174	-	-	-	-
Other Financial Liabilities					
- Accommodation Bonds	4,169	-	-	-	-
- Other	1	-	-	-	-
		(109)	**(109)**	**109**	**109**

Note 17: Financial Instruments (continued)

(e) Fair value

The Service considers the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values because of the short-term nature of the financial instruments and the expectation that they will be paid in full. The following table shows that the fair values of all of the contractual financial assets and liabilities are the same as the carrying amounts.

Comparison between carrying amount and fair value

	Consol'd Carrying Amount 2013 $'000	Fair value 2013 $'000	Consol'd Carrying Amount 2012 $'000	Fair value 2012 $'000
Financial Assets				
Cash and Cash Equivalents	10,276	10,276	10,866	10,866
Receivables				
- Trade Debtors	275	275	190	190
- Other Receivables	336	336	255	255
Total Financial Assets	**10,887**	**10,887**	**11,311**	**11,311**
Financial Liabilities				
Payables	1,717	1,717	1,174	1,174
Other Financial Liabilities				
- Accommodation Bonds	4,731	4,731	4,169	4,169
- Other	-	-	1	1
Total Financial Liabilities	**6,448**	**6,448**	**5,344**	**5,344**

Note 18: Commitments

a) Commitments other than public private partnerships

	2013 $'000	2012 $'000
Capital expenditure commitments		
Payable:		
Land and buildings	-	816
Total capital expenditure commitments	**-**	**816**
Land and Buildings		
Not later than one year	**-**	**816**
Total	**-**	**816**
Lease commitments		
Commitments for leases contracted for at reporting date:		
Operating leases		
Photocopier Agreement	153	292
Motor Vehicles	50	74
Total lease commitments	**203**	**366**
Operating leases		
Payable as follows:		
Cancellable		
Not later than one year	82	79
Later than 1 year and not later than 5 years	121	287
Sub Total	**203**	**366**
Total lease commitments (inclusive of GST)	**203**	**366**
less GST recoverable from the Australian Tax Office	(18)	(33)
Total Commitments (exclusive of GST)	**185**	**333**

Lease and Renewal Terms Included in Lease Agreements

Photocopier Agreement: This lease commenced in April 2011 and is for a period of 60 months with a minimum monthly cost of $4,777. The Service is under no obligation to renew the lease upon expiry.

Motor Vehicles: This lease is for three vehicles primarily for use by the "Lowan" Rural Health Service Program and commenced in April 2011 for a period of 36 months and at a monthly cost of $1,878. The Service is under no obligation to renew the lease upon expiry.

Note 19: Contingent Assets and Contingent Liabilities

Details of estimates of maximum amounts of Contingent Assets and Contingent Liabilities are as follows:

	2013 $'000	2012 $'000
Contingent Liabilities		
Quantifiable		
Caveat over property - Kaniva Cottages	200	200
Total Quantifiable Contingent Liabilities	**200**	**200**

The West Wimmera Shire Council holds a caveat of $200,000 over the title of the Kaniva Hostel Cottages. Should the Cottages be sold for any other purpose than to provide Aged Care accommodation at any future time, or be wound up, the Council retains the right to recoup $200,000 from the Service.

Notes to and forming part of the financial statements

Note 20: Operating Segments

	Acute Care		Ambulatory		RACS		Aged Care Other	
	2013 $'000	**2012 $'000**	**2013 $'000**	**2012 $'000**	**2013 $'000**	**2012 $'000**	**2013 $'000**	**2012 $'000**
REVENUE								
External Segment Revenue	12,874	13,321	2,110	2,123	12,614	11,916	541	511
Total Revenue	**12,874**	**13,321**	**2,110**	**2,123**	**12,614**	**11,916**	**541**	**511**
EXPENSES								
External Segment Expenses	(12,633)	(13,237)	(1,426)	(1,461)	(12,751)	(11,563)	(1,146)	(1,073)
Total Expenses	**(12,633)**	**(13,237)**	**(1,426)**	**(1,461)**	**(12,751)**	**(11,563)**	**(1,146)**	**(1,073)**
Net result before capital and specific items	**241**	**84**	**684**	**662**	**(137)**	**353**	**(605)**	**(562)**
Interest Income	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Capital Purpose Income	-	-	-	-	-	-	-	-
Depreciation	(1,426)	(1,538)	(161)	(170)	(1,438)	(1,344)	(129)	(125)
Net Result for Year	**(1,185)**	**(1,454)**	**523**	**492**	**(1,575)**	**(991)**	**(734)**	**(687)**
OTHER INFORMATION								
Segment Assets	23,546	23,562	3,859	3,755	23,071	21,077	989	904
Total Assets	**23,546**	**23,562**	**3,859**	**3,755**	**23,071**	**21,077**	**989**	**904**
Segment Liabilities	(5,350)	(5,037)	(877)	(803)	(5,242)	(4,506)	(225)	(193)
Total Liabilities	**(5,350)**	**(5,037)**	**(877)**	**(803)**	**(5,242)**	**(4,506)**	**(225)**	**(193)**
Segment Equity	18,196	18,525	2,982	2,952	17,829	16,571	765	711
Total Equity	**18,196**	**18,525**	**2,982**	**2,952**	**17,829**	**16,571**	**765**	**711**
Acquisition of Property and Plant & Equipment	484	686	25	-	40	48	-	-

	Business Units		Primary Health		Other Programs		Totals	
	2013 $'000	**2012 $'000**	**2013 $'000**	**2012 $'000**	**2013 $'000**	**2012 $'000**	**2013 $'000**	**2012 $'000**
REVENUE								
External Segment Revenue	383	229	1,632	1,614	3,428	2,782	33,582	32,496
Total Revenue	**383**	**229**	**1,632**	**1,614**	**3,428**	**2,782**	**33,582**	**32,496**
EXPENSES								
External Segment Expenses	(561)	(302)	(2,717)	(2,529)	(2,244)	(2,119)	(33,478)	(32,284)
Total Expenses	**(561)**	**(302)**	**(2,717)**	**(2,529)**	**(2,244)**	**(2,119)**	**(33,478)**	**(32,284)**
Net Result from ordinary activities	**(178)**	**(73)**	**(1,085)**	**(915)**	**1,184**	**663**	**104**	**212**
Interest Income	-	-	-	-	594	650	594	650
Interest Expense	-	-	-	-	(15)	(15)	(15)	(15)
Capital Purpose Income	-	-	-	-	1,014	870	1,014	870
Depreciation	-	-	(306)	(294)	(253)	(245)	(3,713)	(3,716)
Net Result for Year	**(178)**	**(73)**	**(1,391)**	**(1,209)**	**2,524**	**1,923**	**(2,016)**	**(1,999)**
OTHER INFORMATION								
Segment Assets	700	405	2,985	2,855	6,270	4,921	61,421	57,478
Total Assets	**700**	**405**	**2,985**	**2,855**	**6,270**	**4,921**	**61,421**	**57,478**
Segment Liabilities	(159)	(87)	(678)	(610)	(1,425)	(1,052)	(13,956)	(12,288)
Total Liabilities	**(159)**	**(87)**	**(678)**	**(610)**	**(1,425)**	**(1,052)**	**(13,956)**	**(12,288)**
Segment Equity	541	318	2,307	2,244	4,845	3,869	47,465	45,190
Total Equity	**541**	**318**	**2,307**	**2,244**	**4,845**	**3,869**	**47,465**	**45,190**
Acquisition of Property and Plant & Equipment	23	-	785	12	731	1,024	2,088	1,770

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

Business Segments	**Services**
Acute Care	Acute Inpatient Care and Outpatients
Ambulatory Care	Community Nursing & Maternal & Child Health
Residential Aged Care Services (RACS)	Provision of Residential Aged Care Beds
Aged Care Other	Community Aged Care Packages, Carers' Respite & Day Centre
Business Units	Radiography
Primary Health	Allied & Community Health
Other Programs	Disability Services, Dental Service and Meals on Wheels

Geographical Segment

The Service operates predominantly in the West Wimmera region. More than 90% of revenue, net suprlus from ordinary activities and segment assets relate to operations in this area.

Notes to and forming part of the financial statements

Note 21: Jointly Controlled Operations and Assets

Name of Entity	Principal Activity	Ownership Interest 2013 %	Ownership Interest 2012 %
Grampians Regional Health Alliance	Information Systems	7.4	7.6

The Service's interest in the above jointly controlled operations and assets is detailed below. The amounts are included in each relevant category of the financial statements and notes thereto.

	2013 $'000	2012 $'000
Current Assets		
Cash and Cash Equivalents	102	49
Receivables	72	53
Other current assets	5	1
Total Current Assets	**178**	**103**
Non Current Assets		
Property, Plant and Equipment	73	53
Total Non Current Assets	**73**	**53**
Total Assets	**251**	**156**
Current Liabilities		
Payables	116	13
Total Liabilities	**116**	**13**
Equity		
Accumulated Surpluses/(Deficits)	135	143
	135	**143**
Revenues		
Revenue from operating activities	335	337
Revenue from non-operating activities	-	3
Total Revenue	**335**	**340**
Expenses		
Information Technology and Administrative Expenses	264	264
Employee Expenses	66	62
Depreciation	10	14
Total Expenses	**340**	**340**
Net result	**(5)**	**-**

Note 22a: Responsible Persons Disclosures

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

	Period
Responsible Ministers:	
The Honourable David Davis, MLC, Minister for Health and Ageing	1/7/2012 - 30/6/2013
The Honourable Mary Woodridge, MLA, Minister for Mental Health	1/7/2012 - 30/6/2013
Governing Board Members:	
D Buckley	1/7/2012 - 30/6/2013
H Champness	1/7/2012 - 30/6/2013
L Clarke	1/7/2012 - 30/6/2013
R Ismay	1/7/2012 - 30/6/2013
L Mayberv	1/7/2012 - 30/6/2013
R Rosewall	1/7/2012 - 30/6/2013
R Stanford	1/7/2012 - 30/6/2013
J Sudholz	1/7/2012 - 30/6/2013
D Walter	1/7/2012 - 30/6/2013
N Zanker	1/7/2012 - 30/6/2013
Accountable Officer:	
J Smith - Chief Executive Officer	1/7/2012 - 30/6/2013

Remuneration of Responsible Persons

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

Income Band	2013 No.	2012 No.
$0 - $9,999	10	10
$220,000 - $229,999	-	1
$230,000 - $239,999	1	-
Total Numbers	**11**	**11**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$230,848**	**$225,218**

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

	$'000	$'000
Other Transactions of Responsible Persons and their Related Parties.		
T Ismay & Co. of which Mr R Ismay is a director provided hardware supplies and services to the Service on normal terms and conditions.	1	7
Mrs L M Graham is the daughter of the Chief Executive Officer and was employed to provide administrative services to the Service on normal award terms and conditions.	50	46
Mrs A J Alexander is the daughter of the Chief Executive Officer and was employed to provide catering services to the Service on normal award terms and conditions.	29	24

Note 22b: Executive Officer Disclosures Notes to and forming part of the financial statements

Executive Officers' Remuneration
The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

	Total Remuneration		Base Remuneration	
	2013 No.	2012 No.	2013 No.	2012 No.
$130,000 - $139,999	-	-	-	2
$140,000 - $149,999	1	2	1	1
$150,000 - $159,999	1	1	2	-
$170,000 - $179,999	1	-	-	-
Total	3	3	3	3
Total annualised employee equivalents (AEE)	3.0	3.0	3.0	3.0
Total Remuneration	**$ 474,833**	**$ 454,196**	**$ 453,942**	**$ 425,224**

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

Note 23: Remuneration of auditors

	2013 $'000s	2012 $'000s
Victorian Auditor-General's Office		
Audit Fees	26	24

Note 24: Events Occurring after the Balance Sheet Date

There were no significant events that occurred after the balance date (30 June 2013).

Note 25: Economic Dependence

The Service is wholly dependent on the continued financial support of the State Government and in particular the Department of Health.

COMPLIANCE DISCLOSURE INDEX

The annual report of West Wimmera Health Service is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

Legislation	Requirement	Page Reference
Ministerial Directions		
Report of Operations		
Charter and purpose		
FRD 22D	Manner of establishment and the relevant Ministers	16, F38
FRD 22D	Objectives, functions, powers and duties	IFC, 8-12, 14
FRD 22D	Nature and range of services provided	18, 19
Management and structure		
FRD 22D	Organisational structure	15
Financial and other information		
FRD 10	Compliance Disclosure index	39-40
FRD 11	Disclosure of ex gratia payments	35
FRD 15B	Executive officer disclosures	F39
FRD 21B	Responsible person and executive officer disclosures	F38-39
FRD 22D	Application and operation of *Freedom of Information Act 1982*	37
FRD 22D	Application and operation of *Protected Disclosure Act 2012*	N/A
FRD 22D	Compliance with building and maintenance provisions of Building Act 1993	37
FRD 22D	Details of consultancies over $10,000	35
FRD 22D	Details of consultancies under $10,000	35
FRD 22D	Major changes or factors affecting performance	35
FRD 22D	Occupational health and safety	36
FRD 22D	Operational and budgetary objectives and performance against objectives	35
FRD 22D	Significant changes in financial position during the year	35
FRD 22D	Statement of availability of other information	37
FRD 22D	Statement on *National Competition Policy*	35
FRD 22D	Subsequent events	35
FRD 22D	Summary of the financial results for the year	35
FRD 22D	Workforce Data Disclosures including a statement on the application of employment and conduct principles	29
FRD 25A	*Victorian Industry Participation Policy disclosures*	35
SD 4.2(j)	Responsible Bodies Declaration	IFC
SD 3.4.13	Attestation on data integrity	40
SD 4.5.5.1	Attestation on data insurance	40
SD 4.5.5	Attestation on Compliance with *Australian/New Zealand Risk Management Standard*	40

Legislation	Requirement	Page Reference
Financial Statements		
Financial statements required under Part 7 of the FMA		
SD 4.2(a)	Statement of changes in equity	F3
SD 4.2(b)	Comprehensive operating statement	F2
SD 4.2(b)	Balance sheet	F2
SD 4.2(b)	Cash flow statement	F3
Other requirements under Standing Directions 4.2		
SD 4.2(a)	Compliance with Australian accounting standards and other authoritative pronouncements	F5
SD 4.2(c)	Accountable officer's declaration	F1
SD 4.2(c)	Compliance with Ministerial Directions	F1
SD 4.2(d)	Rounding of amounts	F8
Legislation		
Freedom of Information Act 1982		37
Protected Disclosure Act 2012	Not required for Public Hospitals	N/A
Victorian Industry Participation Policy Act 2003		35
Building Act 1993		37
Financial Management Act 1994		IFC, F1

ATTESTATIONS – A Reporting Obligation

Attestation on Data Integrity

I, John Norman Smith certify that West Wimmera Health Service has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. West Wimmera Health Service has critically reviewed these controls and processes during the year.

Mr John N. Smith PSM
Chief Executive Officer

Attestation for compliance with the Ministerial Standing Direction 4.5.5.1 – Insurance

I, John Norman Smith, Chief Executive Officer certify that West Wimmera Health Service has complied with Ministerial Direction 4.5.5.1 - Insurance.

Mr John N. Smith PSM
Chief Executive Officer

Attestation for Compliance with the *Australian/New Zealand Risk Management Standard*

I, John Norman Smith certify that West Wimmera Health Service has risk management processes in place consistent with the AS/NZS ISO 31000:2009 and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Board of Governance verifies this assurance and that the risk profile of West Wimmera Health Service has been critically reviewed within the last 12 months.

Mr John N. Smith PSM
Chief Executive Officer

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GLOSSARY

ACAS
Aged Care Assessment System

ACFI
Aged Care Funding Instrument

ACHS
Australian Council on Healthcare Standards

Australian Standards
National Standards developed by the Standards Association of Australia/ New Zealand

Best Practice
Measuring results against the best performance of other groups

CACS&AA
Commonwealth Aged Care Standards and Accreditation Agency

CACPs
Community Aged Care Packages provide services in the home and community

Carers
Carers of patient/clients who are not part of the Service Care Team

Catchment
Geographical area for which West Wimmera Health Service is responsible to provide services

CDC
Consumer Directed Care Package – the consumer tailors and manages their own package to maximise independent living at home

CEO
Chief Executive Officer

CT Scanner
Computed Tomography Scanner

DH
The Department of Health Victoria

DHS
The Department of Human Services Victoria

EAP
Employee Assistance Program

e-health
The transfer of health resources and healthcare by electronic means

EQuIP Accreditation
Evaluation Quality Improvement Program

FOI
Freedom of Information

GCHC
Goroke Community Health Centre

GICS
Grampians Integrated Cancer Service

GP
General Practitioner

HACC
Home and Community Care – funding for services and programs which are provided in the home or the community

I&CT
Information and Communications Technology

iCare
software program designed for use in aged care

Inpatient
A person who is admitted to an acute bed

ISBAR
Clinical handover process

LAHA
Living at Home Assessment

LED
light emitting diode

M&CH
Maternal and Child Health

Medicare Local
health services for local communities in line with local needs, a National Health Reform initiative

NRCP
National Respite for Carers – funding provided 'time out' for carers of people with dementia

OHS
Occupational Health & Safety

Outcome
The result of a service provided

Outpatient
A patient/client who is not admitted to a bed

PCP
Primary Care Partnership

PDSA
Plan, Do, Study, Act

RFDS
Royal Flying Doctor Service

Riskman
Software system providing solution for managing incidents, risks and compliance

RPHS
Rural Primary Health Service

SimVan
Mobile integrated learning environment

Telehealth
Use of telecommunication and information technology to provide clinical healthcare at a distance

The Board
The Board of Governance WWHS

The Department
The Department of Health Victoria

The Service
West Wimmera Health Service

Values
The principles and beliefs that guide West Wimmera Health Service

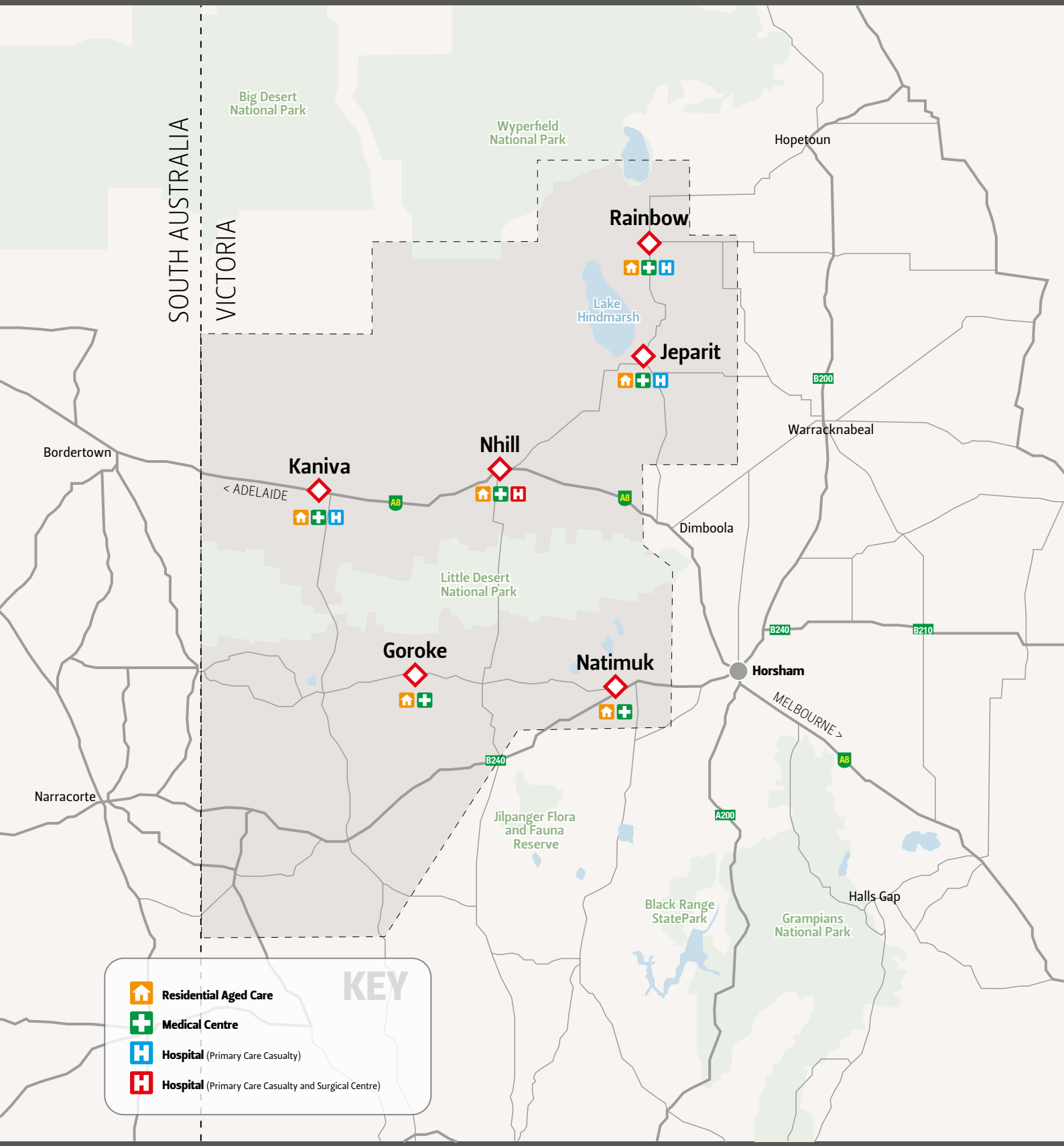
VHIA
Victorian Hospitals Industrial Association

VMO
Visiting Medical Officer

W&SMHA
Wimmera & Southern Mallee Health Alliance

WHY Project
West Wimmera, Hindmarsh & Yarriambiack Shires - collaboration of HACC services

WWHS
West Wimmera Health Service



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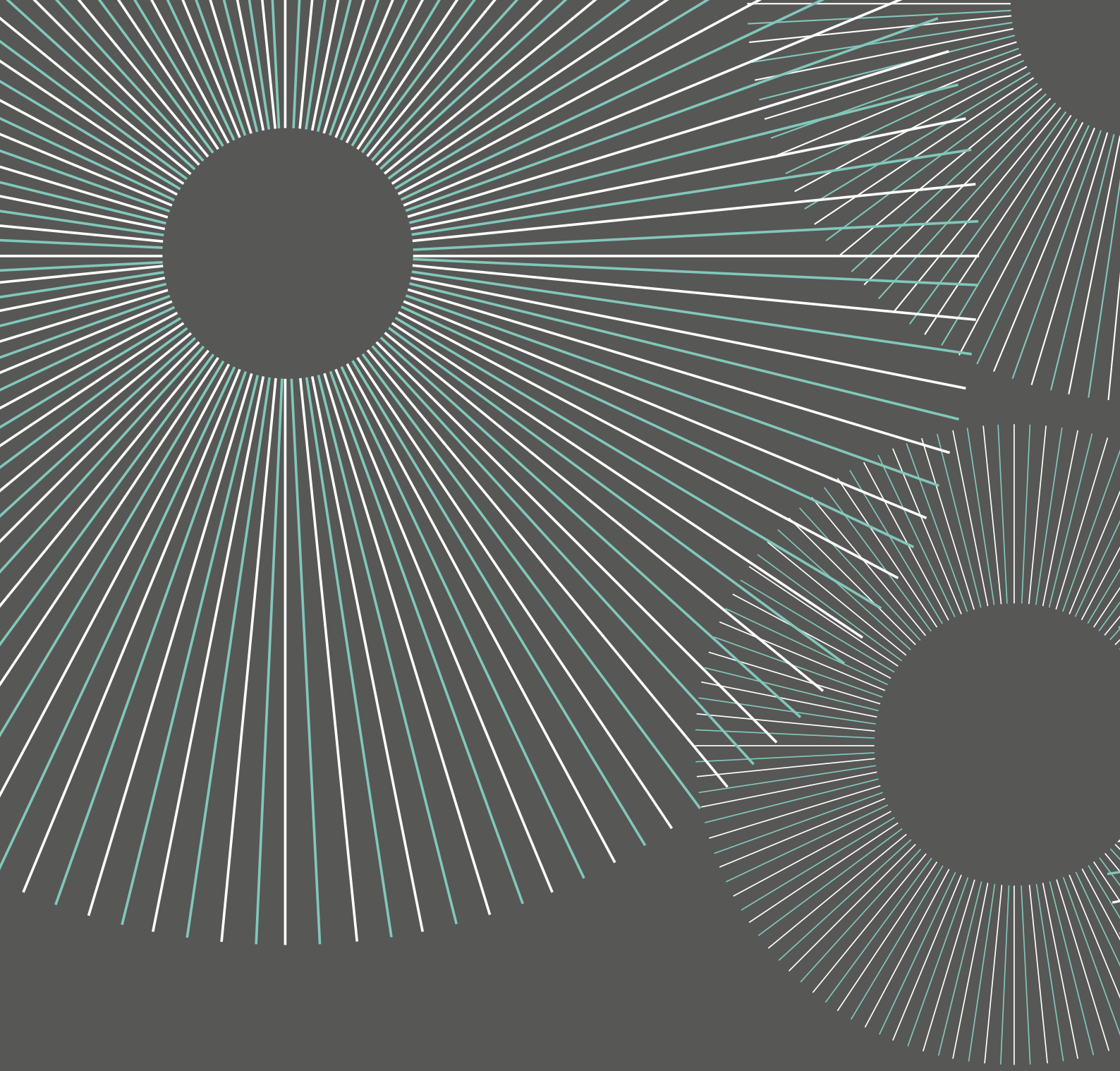

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