WESTERN DISTRICT HEALTH SERVICE
ANNUAL REPORT 2011

INNOVATION AND LEADERSHIP FOR COORDINATED CARE

Our Mission

To meet the health and wellbeing needs of our community by delivering a comprehensive range of high quality, innovative and valued, health services.

Vision

Excellence in health care, putting people first.

Values

Our community

We recognise their rights, encourage their participation and are committed to their health and wellbeing.

Improving performance

We are committed to a culture of continuous quality improvement and innovation.

Our staff

We are committed to their wellbeing and ongoing education, growth and development.

Strong leadership

We are committed to governance and management that sets sound directions promoting innovation and research.

Safe Practice

We are committed to a safe and healthy environment.

Back cover:

→ Top: WDHS Midwife, Jenny Sutherland with new mum, Kira Ryan and baby Ava Rose, cared for under the Hamilton Model of Midwifery Care at HBH

→ Bottom: Grange Unit Manager, Pam Vince with resident, Ruth Hartwick and RN Anna Richards, celebrating the Royal Wedding in April in Aged Care style

→ WDHS HMOs, Dr Roya Arabi and Dr Khin Hiet Hiet Thu discussing patient data at HBH

→ HBH patient, Mr James Johnson enjoying one of WDHS CEO, Jim Fletcher's regular ward visits

WESTERN DISTRICT HEALTH SERVICE ANNUAL REPORT 2011

The Theme of this year's report is Innovation and Leadership for Coordinated Care, which is reflective of the Health Service's vision of excellence in health care, putting people first; through the coordination and integration of health services to improve the consumer journey

» Victorian Premier's Regional Health Service Finalist 2010

» Victorian Premier's Regional Health Service Finalist 2009

» Victorian Premier's Primary Health Service 2008

» Victorian Premier's Regional Health Service 2007

» **This report**

» Covers the period 1 July 2010 to 30 June 2011

» Is the thirteenth annual report for Western District Health Service (WDHS)

» Is prepared for the Minister for Health, the Parliament of Victoria and the community

» Is a public document freely available on our website and from WDHS on request

» Is prepared in accordance with government and legislative requirements and FRD 30 guidelines

» Provides an accurate record of our activities and achievements against key performance measures

» Acknowledges the support of our community

» Is printed on Evolve Laser - 100% Recycled (TCF)

Western District Health Service (WDHS) follows the Victorian State Government Department of Treasury and Finance FRD30 guidelines for its Annual Report, as a public entity under Section 3 of the Financial Management Act 1994 (FMA).

Alternative Format

This Annual Report is also available on the Western District Health Service website at www.wdhs.net

Inside front cover:

→ 2011 WDHS Enrolled Nurse graduates, Casey Burow, Catherine Argent-Rose, Maureen Irving and Jacqueline McCabe, make up the first intake group to commence studies in February 2011, with a second intake scheduled for September

→ Cutting edge technology – HMOs, Dr Sandy Kyaw and Dr Roya Arabi, Dr Carmel Crock from the Royal Eye and Ear Hospital Melbourne, Dr Synn Lynn Chin and Dr Eliza Lanyon with the slit lamp technology now available at Hamilton Base Hospital

→ WDHS Director, Primary & Preventative Health, Rosie Rowe, headspace Coordinator, Amy Rivett and youth4youth Coordinator, Briana Picken launching the new local youth services program youth4youth

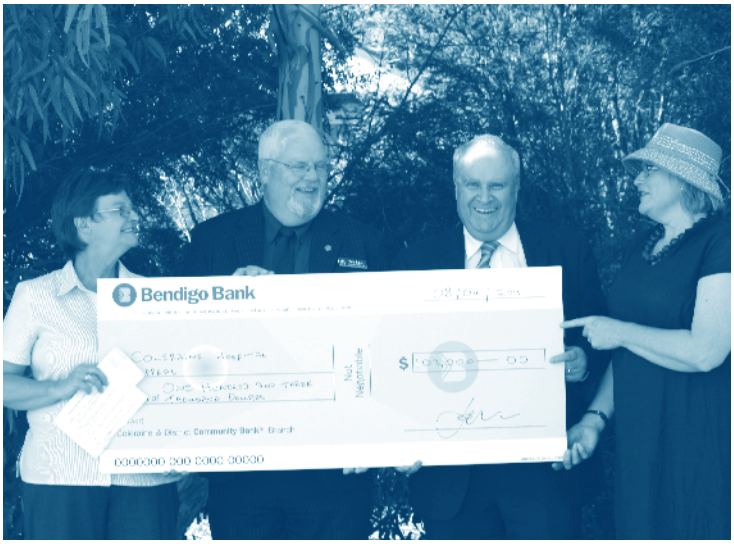
Contents

Year in Brief

→ Male residents of WDHS Aged Care facilities enjoying the benefits of the award winning Men's Out and About program, which offers a variety of activities and social outings to improve emotional and physical health

Highlights

- Public Healthcare Gold Award for Men's Out and About program
- Premier's Regional Health Service of the Year Award runner up
- 3rd Top of the Town Charity Ball raises $219,448
- Establishment of GEM, Transition Care and Rehab in the Home programs
- Approval received for five additional aged care beds for the Grange
- $337K grant received for the South West Community Transport program
- $590K grant to National Centre for Farmer Health Sustainable Farm Families project for Flood Relief programs
- New youth4youth program launched
- Aged Care Virtual Visiting Resource Kit launched nationally
- Pilot Men's Health Clinic established with Hamilton Medical Group
- Excellent results for cleaning, Hand Hygiene and Patient Satisfaction Surveys (VPSM, Palliative Care, Primary & Preventative Health)
- Accreditation for all medical training posts (PMCV, Surgical Registrars, Public Health Physician)
- Gold Medal rating for VMIA Risk Management and Waste Management
- Gold Medal for Annual Report
- Inaugural National Farmer Health Conference held
- 12th Handbury Lecture with Professor Helena Teede
- 23 students from five states commenced the Agricultural Health and Medicine Unit through National Centre for Farmer Health
- $610K digital Theatre upgrade to establish Hamilton Base Hospital as a centre for excellence for endoscopy and laparoscopy surgery
- $3.5m received through COAG to upgrade rehabilitation and GEM services at Hamilton Base Hospital
- Construction and commissioning of the new Merino Health Centre
- Tenders let for Coleraine and Grange redevelopments
- Outstanding fundraising result
- Operating surplus of $275,000 and entity budget surplus of $5.116m achieved



→ Coleraine and District Community Bank Branch Manager, Jeanette McDonnell, WDHS Board Member, Ron Jones, WDHS CEO, Jim Fletcher and Community Bank Chair, Coralie Coulson, with a $103,000 donation from the bank to launch the Coleraine Hospital Redevelopment fundraising campaign

→ Director, National Centre for Farmer Health, Associate Professor, Sue Brumby is presenting on "Reverse Gender – Men learning about women's health" at Penshurst and District Health Service

Performance at a glance	2011	2010	2009	2008	2007
Financial ($000's)					
Total revenue	61,503	55,429	54,284	50,950	46,941
Total expenditure	61,228	55,317	53,948	50,611	46,585
Surplus (before capital and specific items)	275	112	336	339	356
Total assets	77,356	72,663	71,534	70,525	68,944
Total liabilities	18,137	18,577	18,029	16,214	15,130
Equity	59,219	54,086	53,505	54,311	53,814
Fundraising ($000's)					
Income	1,528	1,162	612	767	672
Expenditure	45	12	13	17	14
Surplus	1,483	1,150	599	750	658
Staff					
Number of staff employed	760	736	708	676	672
Equivalent full time	553.12	549.47	541.37	532.99	526.06
Performance Indicators (Acute)					
Inpatients treated (separations)	7,695	6,829	7,415	7,181	6,890
Complexity adjusted inpatients (WIES17)*	5,314	4,976	5,267	5,195	5,240
Average stay (days)	3.10	3.20	3.23	3.37	3.48
Inpatient bed days	24,172	21,861	23,967	24,417	23,968
Total occassions of non-admitted patient service	54,822	60,025	60,342	58,254	56,812
*** WIES - Weighted Inlier Equivalent Separations**					

Overview

Reporting against our objectives

Each year Western District Health Service develops an Organisational Plan to provide strategic direction in seven key strategic areas. We have detailed the key objectives and strategies established for 2010/11 with a summary of outcomes and a profile of our future directions. Further details are outlined throughout this report. Please refer to the glossary on the inside back cover for abbreviations.

	OBJECTIVES	STRATEGIES	OUTCOMES	FUTURE
Leadership and Management	To be a leader in the provision of Rural Health Services developing innovative service models to meet the population health needs of our community	Lead the planning and development of innovative health services and support systems in partnership with other service providers	→ 2010 Premier's Regional Health Service of the Year Award runner up (p. 3,5,10)	
			→ The Hamilton Charter for Farmer Health developed at the inaugural conference (p. 29,55) → NCFH Agri-Safe clinic established (p. 8,18,28,29) → 2nd Agricultural Health and Medicine post graduate training (p. 5,8,10, 28, 29, 55)	→ Continue development of National Centre for Farmer Health (NCFH) as a centre for excellence
			→ Aged Care Virtual Visiting Resource Kit launched nationally (p. 5,10,11,43)	→ Innovative use of virtual services
			→ Development of Sub Regional Stroke Framework (p. 11,23) → Development of Care Coordination model (p. 3,11,12,18,20,22,23,24,25,27,37,55)	→ Continued development of innovative service models
			→ Development of Strategic & Service Plans for 2011-2016 (p. 12,22)	→ Implementation of Strategic and Service Plans
Quality Improvement and Risk Management	To improve performance through a culture of continuous quality improvement and innovation	Maintain accreditation with ACHS, Aged Care Standards, Baby Friendly and Medical Training	→ Successful ACHS Periodic Review Survey (p. 12,21,30) → Accreditation for all medical training posts (PMCV, Surgical Registrar, Public Health Physician) (p. 5,10,20,22) → Successful accreditation support visits for all aged care facilities (p. 20,56)	→ Aged Care and ACHS accreditation
		Increase participation and leadership in research and best practice	→ HON code certificate for www.farmerhealth.org.au (p. 29) → Research projects for National Centre for Farmer Health and Primary & Preventative Oral Health and Chronic Disease programs (p. 11, 20, 25,26, 28, 55) → Completion of external evaluation for Sustainable Farm Families program (p. 11,20,28,55) → Victorian Auditor General Performance Audit of Sustainable Farm Families program completed (p. 29) → Men's Out and About Program Public Healthcare Gold Award. (p. 5,10,11,22,24) → Four published academic papers on farmer health (p. 26)	→ Continued participation and leadership in research and best practice
		Participate in state wide and national Consumer Satisfaction Surveys	→ High peer group ranking for Victorian Patient Satisfaction Monitor and Palliative Care (p. 5,20,47)	→ Ongoing participation in patient, resident and client surveys
	To effectively manage risk and provide a safe environment for the wellbeing and protection of consumers, staff and health service assets	Implement safe practice and risk management programs to ensure the wellbeing and safety of consumers, staff and assets	→ Gold medal for VMIA Risk Management and Waste Management (p. 5,20,44,46) → Excellent results for cleaning, hand hygiene and food safety (p. 21,56)	→ Ongoing implementation of safe environment and risk management strategies

	OBJECTIVES	STRATEGIES	OUTCOMES	FUTURE
Service Planning and Development	Continue to develop a contemporary health care system, which focuses on person centred care and improves the health and wellbeing of our community	To enhance our role as a Sub Regional Referral Centre and provide an integrated range of specialist services to our community	→ Establishment of GEM, Transition Care and Rehab in the Home programs (p. 5,10,22,23,26,55) → General Surgery capacity restored (p. 22,23) → Additional surgical registrar position (p. 22) → Commence Deakin Medical school placements (p. 23)	→ Continue to enhance community access to specialist services
		Provide programs supporting healthy ageing and extend the capacity of services for our ageing population	→ Approval received for five additional beds for the Grange (p. 5,22,24) → Implementation of Well for Life projects (p. 27) → Implementation of COAG LSOP program (p. 5,11,23)	→ Commissioning of five beds for the Grange → Implementation of the Birches Dementia Friendly project → Ongoing implementation of COAG LSOP program
		Provide leadership for the implementation of health, wellbeing and safety programs through NCFH	→ Continue roll out of Sustainable Farm Families program (p. 10,28,29,55) → Pilot Agri-safe program commenced (p. 28)	→ Secure recurrent funding for National Centre for Farmer Health and Sustainable Farm Families for research and development of farmer health, wellbeing and safety
		Develop innovative service models to improve person centred care and prevention and management of chronic disease	→ Pilot Men's Health Clinic established with Hamilton Medical Group (p. 5,10,24,25) → New youth4youth program launched (p. 5,10,16,25,26,27,55) → Outreach program established with WindaMara (p. 25,26,55) → Dental pilot project established to enhance sustainability (p. 27) → Implementation of Cancer Link Nurse service (p. 24,27,55) → Extension to South West Community Transport (p. 5,10,27) → Farming Fit project undertaken with Beyond Blue (p. 11,20,28,29,55) → Development of Total Education Program for workplace health (p. 17,26)	→ Continued development of virtual super clinic model with Hamilton Medical Group → Continued implementation of innovative person centred care models for health and wellbeing
Human Resources	Attract and retain high performing staff committed to the Vision, Mission and Values of the Health Service	Develop and implement workforce plans and recruitment strategies to support our service plan	→ Recruitment to senior and specialist positions (p. 12,22,23,37,54) → Graduate programs for Nursing, Medical and Management (p. 28,29,38,40,41) → Undergraduate clinical placements for Nursing, Medical and Allied Health (p. 23,41) → Secondary school careers program (p. 30,31) → Work experience and traineeship placements (p. 30,31,38,40) → Diabetes Workforce model (p. 25,26)	→ Ongoing implementation of workforce strategies
	Provide an environment for motivating and encouraging staff to develop and use their skills to enhance the health, well being and safety of our community	Promote Employer of Choice through work environment, values and culture	→ Organisational and staff awards including Employee of the Month (p. 11,49,38) → Mentoring program (p. 24) → Organisational Effectiveness Survey completed (p. 37,38) → Implementation of O H & S programs (p. 42,44) → Staff WorkHealth and vaccination programs (p. 17,26,21,42)	→ Continued implementation of recognition, support and healthy environment programs
		Support and encourage education and training of staff directed at optimising skills and enhancing quality of care	→ Completion of Agriculture Health and Medicine Unit by Western District Health Service staff (p. 5,10,29) → VHA grant for student and management training (p. 41) → Participate in Executive Link Program (p. 35) → Representation on Statewide committees (p. 9,20,27) → Implementation of e-learning strategy (p. 40) → Implementation of high calibre and innovative education programs (p. 40,41,43,55)	→ Commencement of a Graduate Certificate of Agricultural Health and Medicine → Ongoing implementation of education and training plans
		Evaluate the HR Strategic Plan and develop the next five year cycle	→ Evaluation completed and draft plan developed for next five year cycle (p. 37,44)	→ Implementation of next five year HR Strategic Plan

	OBJECTIVES	STRATEGIES	OUTCOMES	FUTURE
Facilities & Equipment	To modernise and maintain facilities, equipment and infrastructure to improve the health and wellbeing of our community	Implement capital master plans to complete the modernisation of facilities across Western District Health Service	→ Completion of construction and commissioning of the new Community Health Centre for Merino (p. 5,10,11,13,27,43,44,45) → Commence construction of Coleraine Campus and Grange redevelopments (p. 10,11,13,44,46) → Completion of feasibility study for $3.5m upgrade of rehabilitation and GEM services at HBH (p. 5,11,13,23) → Completion of laundry and cool room upgrade and relocation for Penshurst campus (p. 13,43,45)	→ Completion of Grange and Coleraine redevelopments → Commencement of HBH GEM/ Rehabilitation upgrade → Review of the HBH and Penshurst campus master plans → Redevelopment of Hamilton Medical Group → Consulting suites for Cancer services
		Continue to modernise and upgrade infrastructure	→ Carpet replacement program completed at HBH, Hamilton Medical Group and Frances Hewett Community Centre (p. 13,44,46) → Upgrade of old Ambulance Station to facilitate relocation of Maintenance Services (p. 13,43,46)	→ Upgrade of emergency generator
		Modernisation of major clinical equipment	→ $610K digital Theatre upgrade at HBH for endoscopy and laparoscopic surgery (p. 10,11,14,22,24,43,45,48,56) → $142K for beds and lifting equipment (p. 46)	→ Continue modernisation of major clinical equipment
Community Engagement	To enhance community participation and involvement in the development and growth of our Health Service	Foster and encourage consumer participation	→ Increased membership of Community Advisory Committee (p.34) → Consumer involvement in development of service models (p. 20,21,45) → Presentation at National and State Conferences by Community Advisory members (p. 20,21) → Implementation of Diversity Action plan (p. 21) → Ministerial awards for volunteer programs (p. 38,51)	→ Increase participation of consumers and volunteers
		Continue fundraising and donor initiatives and ensure recognition of community support	→ Excellent fundraising result of $1,527,974 (p. 5,11,48) → 3rd Top of the Town Charity Ball outstanding success raising $219,448 (p. 5,10,11,12,48) → Grange fundraising appeal reaches $2,070m (p. 11,48) → Coleraine Community Bank fundraising launch appeal for Coleraine campus (p. 6,11) → $870,315 raised from bequests (p. 11,13,14,48) → Hospital appeal raises $50,517. (p. 11,48,50)	→ Ongoing implementation of major fundraising and donor initiatives
		Provide regional forums for the community, focusing on education, health and wellbeing	→ 12th Handbury Lecture (p. 5) → Men's Health Symposium (p. 26,27) → National Conference for Farmer Health 165 delegates (p. 5,10,28,29,55)	→ Provision of regional and educational forums
		Communicate and engage with our community via media, internet, newsletters, brochures and annual reports	→ ARA Gold Medal award for Annual Report (p. 5) → Annual and Quality Care Reports, publications, newsletters, National and State presentations (p. 21,48) → www.farmerhealth.org.au started with over 100,000 hits (p. 28,29)	→ Inform and involve the community via media, internet, newsletters and publications
Business Sustainability and Innovation	To develop and implement innovative practices to strengthen our governance, business and financial capacity to deliver efficient and effective high quality healthcare to our community	Support innovation to improve quality and efficiency of clinical, ICT, work practices and business systems	→ Implementation of financial Information management system (FIMS) (p. 12,45) → Re-design care project funding and implementation (p. 22,37,44,45) → Contract signed for upgrade of PCMS (p. 45) → Nursing Division restructure (p. 24)	→ Completion of redesigning care project and upgrade of PCMS → Implementation of Sub Regional linen service → Implementation of FIMS supply and catalogue systems
		Continue to maintain financial and Health Service viability and accountability	→ Operating and entity budget surplus achieved (p. 5,12,13,14) → Appointment of Internal Auditors for next three year cycle (p. 34,44,46)	→ Update three year budget strategy → Implementation of internal audit program

President and CEO's Report

→ WDHS Board President, Mary-Ann Brown and Chief Executive Officer, Jim Fletcher, focusing on Innovation, Leadership for Coordinated Care

Innovation and Leadership for Coordinated Care

On behalf of the Board of Directors, Management and Staff, we are pleased to present the 13th Annual Report for Western District Health Service (WDHS)

WDHS strives to fulfil its vision of Excellence in Health Care, Putting People First by taking an innovative leadership approach to coordination of care to improve the health care journey of patients, residents, clients and carers.

The achievements of the Health Service's involvement in research, best practice and innovative programs have been recognised over the past four years, with Health Service of the Year awards in 2007 and 2008, and being a finalist in 2009 and 2010. The Health Service has also received a number of Public Healthcare Gold Awards over this time including a 2010 award for the Men's Out and About program.

Other major highlights include:

» The outstanding success of the third Top of the Town Charity Ball, attended by over 500 guests, raising $219,448

» The inaugural National Centre for Farmer Health Conference held in Hamilton and attended by over 160 delegates from overseas and all parts of Australia

» Commencement of the second phase of the Agricultural Health and Medicine Unit, attracting 23 students from across five states

» Continued roll out of the leading contemporary Sustainable Farm Families Health Wellbeing and Safety program across Victoria, Queensland, and more recently to ood affected areas of Victoria as part of the State Government's ood response

» The development of a new model of coordinated care reducing duplication, improving linkages across care providers and thereby improving clients' healthcare journey and experience

» Establishment of new services Geriatric Evaluation Management (GEM), Transition Care and Rehabilitation In The Home enhancing the continuum of care and person centred care service model

» The national launch of the WDHS Aged Care Virtual Visiting resource kit

» The launch of youth4youth and Men's Health Clinic pilot in partnership with Hamilton Medical Group

» Extension of the South West Community Transport Network through a $337K State Government Grant

» Establishment of Hamilton Base Hospital as a centre of excellence for endoscopy and laparoscopic surgery with the introduction of digital technology into the operating Theatre

» Construction and commissioning of the new Community Health Centre for Merino

» Letting of tenders for the $26m redevelopment of Coleraine and $2.841m upgrade and extension of the Grange

» National, State and local awards including the Minister for Health Volunteer Award

Quality Performance, Innovation and Research

Our focus on continuous improvement was rewarded with the completion of a successful ACHS periodic review, high ratings for the Victorian Patient Satisfaction survey and re-accreditation of all our medical training posts including accreditation of a new Public Health Physician post established for the National Centre for Farmer Health.

As a learning organisation, participation in research is a key objective.The completion of farming fit, chronic disease management and Sustainable Farm Families research and evaluation projects, all with outstanding results, will assist in improving future healthcare outcomes. The Australian Research Council project, addressing alcohol misuse, and the indigenous care project regarding the oral healthcare of indigenous children aged five to 12 years are also nearing completion.

The development of the Care Coordination Model of Care in partnership with the Southern Grampians Shire, consumers and carers has attracted great interest from other health agencies and improved the provision of services to clients by reducing duplication, increasing multidisciplinary care and reducing the time to access services.

In terms of other innovations, plans are in progress to adopt the South West Sub Regional Stroke Framework in other regions and the WDHS Virtual Visiting resource kit was launched nationally by the Commonwealth Department of Health and Ageing.

The Men's Out and About Program initiated by our Penshurst campus and rolled out to all WDHS Aged Care facilities received a Public Healthcare Gold Medal Award for innovation in reducing isolation and improving the range of leisure and lifestyle activities for men in residential care.

Our People

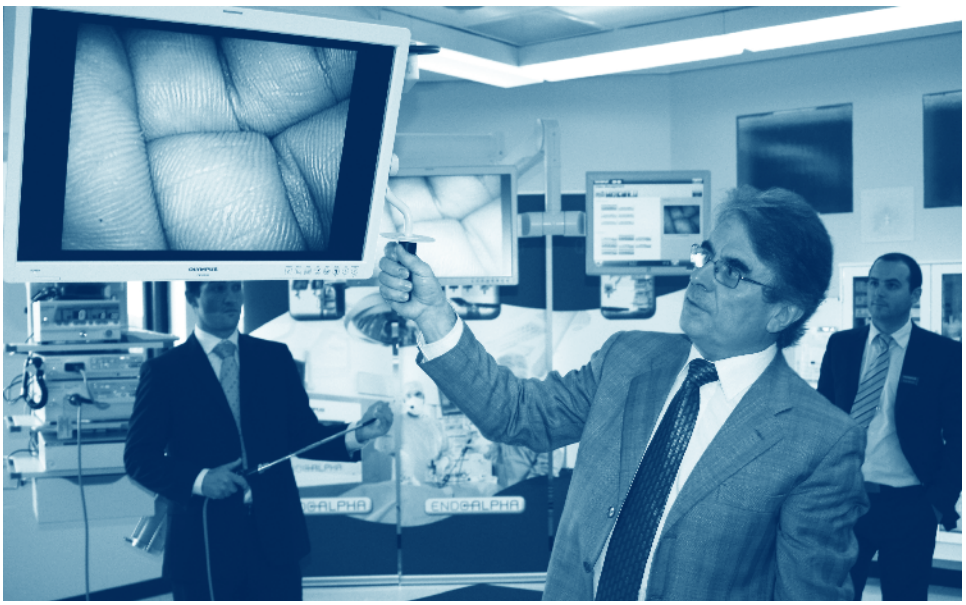
We are extremely proud of the recognition accorded to our staff and volunteers for their leadership, innovation and commitment to high quality care. These included awards to:

- Dr. Brian Coulson for his outstanding contribution to Rural Communities
- Ms. Marlene Lee for Best Practice Leisure Activities
- Minister for Health Volunteers Award for the Birches Volunteer Team
- Ms. Pauline Kearns - finalist in Deakin Leadership in Nursing and Midwifery Award

At an internal level, 12 of our unsung heroes received Employee of the Month Awards sponsored by Darriwill Farm and the Stroke Care Management and Occupational Therapy teams received the prestigious Clinical and Non Clinical Awards.

Our Community

The Health Service is indeed privileged and honoured to receive outstanding support from our community, which greatly benefits our patients, residents, clients and staff.



→ WDHS Surgeon, Mr Stephen Clifforth with the new digital Theatre equipment at HBH Theatre, making it a centre of excellence for endoscopy and laparoscopy surgery

Our major fundraising campaign for upgrade and extensions at the Grange has now reached $2.070m, which has enabled the commencement of the $2.841m project. The overall fundraising target of $2.2m is now well within reach.

The third Top of the Town Charity Ball was a huge success not only for the hospital but also for the Southern Grampians Shire raising $219,448. As a direct result of this success we have been able to install state of the art digital technology in the HBH operating Theatres, establishing them as a centre of excellence for endoscopy and laparoscopic surgery.

Other outstanding fundraising activities and community events included the Grange Fun Run and Golf Day, the Annual Hospital Door Knock Appeal and the Christmas Appeal.

The Coleraine redevelopment fundraising appeal was launched by the Coleraine Community Bank which donated $103,000 to get the appeal off to a great start.

Major bequests were received from the Estates of Thomas Hodgetts $715,898 and Trevor O'Malley $12,408 for Coleraine, Phillis Mibus $78,376 for Penshurst and Mary Fraser $19,618 for Hamilton.

Thanks to these major bequests, the success of fundraising activities and those of our regular supporters including the Aged Care Trust, Hamilton and North Hamilton Ladies' Auxiliaries, Hospital Opportunity Shop, Murray to Moyne, regular benefactors Dr. Geoff Handbury AO, Mr. Bob Henderson AM, Collier Charitable Fund and many other businesses and hundreds of individuals, our fundraising result for the year was an outstanding $1,527,974.

Facilities and Equipment

There were many highlights for our capital program with the construction and commissioning of a new Community Health Centre for Merino and commencement of construction of the $2.841m upgrade and extension of the Grange to provide a new seven bed wing, new kitchen, upgrade of Home 3 wing to cater for residents with high care needs and increased activities areas. The expected completion date for the Grange project is the end of April 2012.

The tender was also let for the $26m plus Coleraine campus redevelopment, which will create a one stop health precinct for the Coleraine community. This project is expected to be completed in early 2014.

We were pleased to receive a $3.5m COAG grant to rebuild and redevelop our rehabilitation and assessment areas of the HBH Medical Unit. These works will include upgrade of bedrooms, ensuites, and provision of a new assisted daily living skills kitchen, gym and outdoor areas. Tenders are expected to be let towards the end of this year with construction to start in early 2012, for completion at the end of 2012.

Smaller projects in line with master plans have been completed at Penshurst and the 1st stage redevelopment of the Hamilton Medical Group building is planned for completion in early 2012. This hive of activity together with the $610,000 digital Theatre upgrade has made for exciting and hectic times which will continue over the next two years.

→ The Top of the Town Ball treated 520 guests to a five star evening and raised $219,448 towards the installation of digital equipment for the HBH Theatre Unit

Leadership and Management
WDHS' reputation as an innovative leader in healthcare has been strengthened with the development of the Care Coordination Model of Care, continued development of the National Centre for Farmer Health, introduction of the state of the art technology into operating Theatres, continued development of midwifery, stroke, chronic disease programs and use of virtual services.

The Health Service has also led the way with the roll out of supply and catalogue functions of the State wide Financial Information Management System.

Our staff and members of our Community Advisory Committee have presented at a range of international, national, state and local conferences. These opportunities, as well as enhancing our leadership role, provide opportunities for our staff to learn from the experience of other organisations. Both of these are important to keep WDHS at the forefront of regional and rural health service delivery.

Our financial performance for the year resulted in an operating surplus of $275,000 and an entity surplus of $5.116m, which is an outstanding achievement in challenging circumstances.

On the activity side, the recruitment of a third surgeon has enabled us to not only achieve but also exceed our hospital activity target for the year.

Life Governorship
Life Governorship is awarded to Mr Stephen Clifforth for his outstanding contribution to surgery and trauma over 25 years.

Acknowledgements:
The support we receive from many individuals, businesses, service clubs, support groups, auxiliaries, Aged Care Trust and volunteers is outstanding. Their support is greatly valued and appreciated as it is critical to our ongoing success and development as a Health Service.

We also recognise the outstanding contribution of our Board Members, Staff, Visiting Medical Officers, Development Council, local Parliamentarians, the Victorian Government, Regional and Central Department of Health Staff, Local and Commonwealth Governments and local radio and print media outlets.

Future Outlook
During 2011 we developed new strategic and service plans to take us forward for the next five to ten years.

We will also be developing new master plans for the Hamilton and Penshurst campuses as part of our next five to ten year capital redevelopment strategy to ensure that WDHS is able to provide services in facilities aligned to modern day care requirements.

It is with great confidence and enthusiasm that we enter a rapid growth period for WDHS with major capital programs in progress and more planned for the future. These developments, together with further planned innovations for service delivery and greater involvement in research through the National Centre for Farmer Health make for another exciting and busy era ahead for WDHS.

Mary-Ann Brown
President

Jim Fletcher
Chief Executive Officer

Responsible Bodies Declaration
In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for the WDHS for the year ending 30 June 2011.

Mary-Ann Brown
President
12 August 2011

Financial Overview

Western District Health Service aims to increase service provision in a financially sustainable way and uses several key result areas to monitor performance, which include:

- Operating performance – achieving activity targets and a surplus from operations
- Liquidity – maintenance of sufficient assets to meet commitments as they fall due – a ratio in excess of 0.8
- Asset Management – ensuring that sufficient levels of investment are undertaken to maintain the asset base

Financial Overview

The financial statements have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards and Australian Accounting Interpretations and other mandatory professional reporting requirements for the year ended 30 June 2011.

Western District Health Service achieved a comprehensive entity surplus of $5.1m for the 2010/11 financial year, improved overall liquidity and maintained the asset base with an investment in fixed assets of $4.2 million and achieved all activity targets with acute throughput 1.95% above target. The comprehensive entity surplus is attributable to Capital Grants of $5.08m associated with the Coleraine Redevelopment and the Hamilton Base Hospital Sub-Acute Redevelopment. Excluding these Capital Grants, the health service would have achieved a modest entity surplus of $36,000.

While the operating performance and liquidity targets continue to be achieved, the continued deterioration of building facilities and lack of significant investment in building assets has been a cause for concern in previous years. The 2010/11 financial year marked the commencement of a three year building program to upgrade facilities at Coleraine, Merino, Grange Residential, Penshurst and Hamilton Base Hospital Sub-Acute sites, with a total investment in excess of $33.9m. This substantial investment program will see the replacement of the most compromised facilities and deliver a substantial improvement in building assets.

Operating Performance

With the exception of residential aged care, funding provided in funding formulae excludes any contribution towards the cost of depreciation. Funds are traditionally allocated by government capital grants to fund significant asset replacement and the health service continues to rely on community fundraising for equipment replacement.

In reviewing operating performance, capital income comprising capital grants ($5,513,000), Residential Aged Care capital contributions ($1,387,000) and specific purpose donations and bequests ($1,528,000) is excluded. These funds are for specific capital purposes and are not available to support operations. Depreciation and the loss on disposal of non-current assets ($416,000) are also excluded, being predominantly funded from capital income sources. In addition, recognition of assets received free of charge of $459,000 as a consequence of the transfer of title and recognition of the value of the old Ambulance Station is also excluded.

The accepted indicator of performance is the result from continuing operations prior to Depreciation and Capital Purpose Income. In the current year, this result was a surplus of $275,000 ($112,000 in 2010) which represents 0.45% of operating revenue.

In the 2010/11 financial year, depreciation of $3,618,000 was recorded, reflecting the cost associated with the use of buildings and equipment in delivering services. In order to maintain the Health Service asset base, operating surpluses and capital purpose income must exceed depreciation charges and periodic non-current asset valuation changes. In the current year,capital income was $4,394,000 more than the depreciation and valuation charges. Financial asset fair value gains of $17,000 and impairment losses of $12,000, and the value of land and buildings acquired at no cost from Ambulance Victoria of $459,000, were recognized in calculating the comprehensive result for the year. Including all items, the Health Service net assets increased by $5,133,000 for the year, which represents an increase of 9.5% (increase of $581,000 – 1.1% in 2010).

Liquidity Position

During 2010/11, the Health Service generated negative cash flows from operations of $442,000 and received $8,887,000 in capital purpose income. $4,236,000 of this was used to purchase property, plant and equipment during the year. The entity generated a positive cash flow of $4,209,000 for the year after capital items and elimination of cash flows of $95,000 from the redemption of investments.

At the end of the year, the ratio of current assets to current liabilities (excluding Patient Trust funds) was 1.83:1, a significant increase on the ratio of 1 35:1 at the start of the year. The receipt of a capital grant of $3.5m to fund the Hamilton Base Hospital Sub Acute Redevelopment to be completed in 2011/12 has substantially improved this ratio at the end of the year. Excluding this in advance contribution the ratio would have been 1.52:1 at year end.

The current asset ratio of 1.52:1 is considerably in excess of the 0.8 target ratio, but this will decline significantly in the next year as funds are expended on major capital works associated with the Coleraine, Hamilton Base Hospital Sub-Acute and Grange Residential redevelopment projects.

Asset Management

$3.9million was invested during the year in equipment upgrades ($1.2m) and building works ($2.7m) in accordance with the capital works budget adopted in August by the Board of Directors. This investment in equipment was $20,000 greater than the depreciation on equipment items. Investment in buildings was for the first time in many years $300,000 greater than the depreciation expense for the year.

The $2.7m expended on building works represents the first stage of a three year $33.9m upgrade program. Major components in the current year include completion of the Merino Community Centre $754,000, Penshurst Laundry Upgrade $205,000 and payment for preconstruction works associated with the Coleraine Redevelopment $1.2m and Grange Redevelopment $179,000. Expenditure under the upgrade program in the coming year is expected to exceed $10m.

In addition to the major capital works program, completion of the HBH and Frances Hewett Centre carpet replacement

$139,000 , the relocation of the maintenance department $70,000 and the completion of the medical equipment upgrade – digital Theatre and patient monitoring $426,000 and the upgrade of the television systems to digital $63,000 were significant investments during the year.

The Future

The continued support of the community, as indicated by the outstanding $1.53m received from donations and bequests in 2010/11, allows WHDS to continue to invest in buildings, medical equipment and technology that would not otherwise be possible. It is important to maintain the level of investment to provide a strong base for the health service to improve service delivery and efficiency and comply with increasingly rigorous service standards.

The substantial $33.9m building program commenced in 2010/11 will see a significant upgrade to health service building infrastructure and enhance service provision in the Southern Grampians Shire for the next 50 years. While there will be a decline in liquidity levels arising from the redevelopments, continuation of strong community support and the delivery of operating surpluses will ensure there is no impact on the health service financial position.

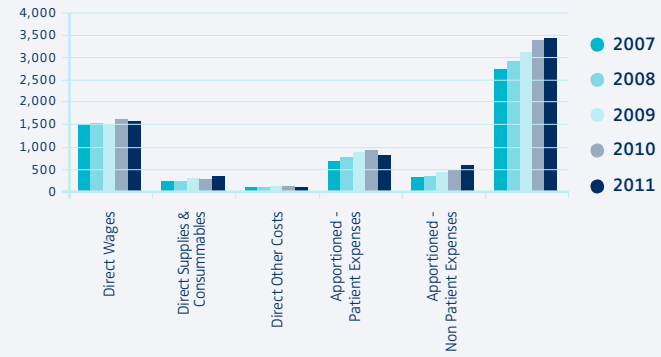
The health service will continue to face challenges brought about by substantial changes in the economic environment, increased productivity demands, restructure of funding with the introduction of the "National Fair Price" under the National Health Reform, the continued implementation of new clinical information systems and medical technology and constantly increasing demand for high quality services, as it strives to continually improve service provision in a financially sustainable way.

Financial analysis of operating revenues and expenses

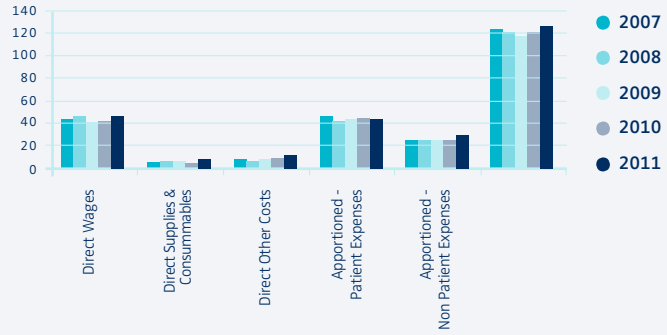
Revenue	**2011 $000s**	**2010 $000s**	**2009 $000s**	**2008 $000s**	**2007 $000s**
Services Supported by Health Service Agreement					
Government grants	46,923	43,645	42,891	39,884	37,123
Indirect contributions by Department of Human Services	1,494	1,137	740	963	1,262
Patient fees	5,414	4,828	4,772	4,395	3,997
Other revenue	957	683	707	927	687
	54,788	**50,293**	**49,110**	**46,169**	**43,069**
Services supported by Hospital/Community Initiatives					
Business Units	1,235	1,193	1,189	1,129	1,235
Property income	672	642	623	575	584
Other revenue	4,808	3,301	3,643	3,077	2,053
	6,715	**5,136**	**5,455**	**4,781**	**3,872**
Total revenue	**61,503**	**55,429**	**54,565**	**50,950**	**46,941**
Expenditure					
Services Supported by Health Service Agreement					
Employee entitlements	39,618	36,752	35,373	33,728	31,168
Fee for service medical officers	3,311	2,981	3,046	2,869	2,605
Supplies and consumables	6,008	5,192	5,588	4,911	4,434
Other expenses	10,362	8,341	8,002	7,169	6,531
	59,299	**53,266**	**52,009**	**48,677**	**44,738**
Services supported by Hospital/Community Initiatives					
Employee entitlements	1,400	1,487	1,419	1,377	1,374
Supplies and consumables	155	163	145	148	149
Other expenses	374	401	375	529	465
	1,929	**2,051**	**1,939**	**2,054**	**1,988**
Total Expenditure	**61,228**	**55,317**	**53,948**	**50,731**	**46,726**
Surplus for the year before capital purpose income, Depreciation and Specific Items.	275	112	617	219	215
Capital Purpose Income	5,513	1,318	736	831	747
Donations and bequests	1,528	1,162	612	767	642
Residential Aged Care - Capital Purpose Income	1,387	1,124	1,046	1,062	871
Surplus/(Loss) on disposal of fixed assets	(416)	(59)	(149)	29	61
Impairment of Financial Assets	(12)	(54)	(142)		
Assets Provided Free of Charge	459				
Revaluation Decrement on Non Current Assets			(1,425)		
Depreciation	(3,618)	(3,575)	(2,354)	(2,287)	(2,184)
Operating surplus for the year	5,116	28	(1,059)	621	352

* See page 11 for Financial Overview

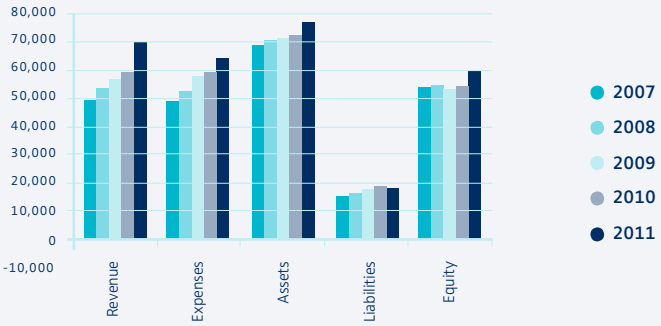
Average Cost of Acute Inpatient



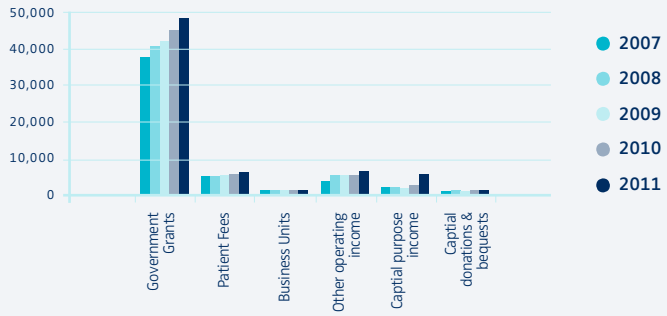
Average Cost Non-admitted Occasion of Service



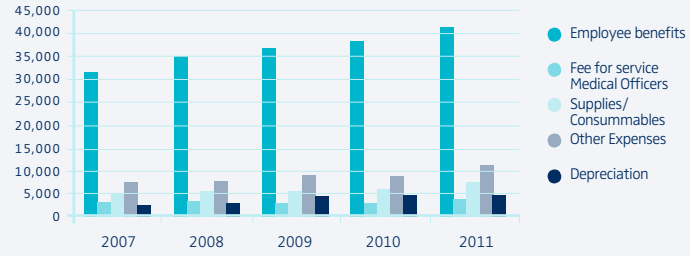
Analysis of Financial Position 30 June 2011 ($000s)



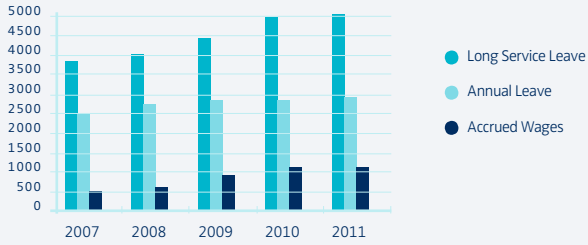
Income by category ($000s)



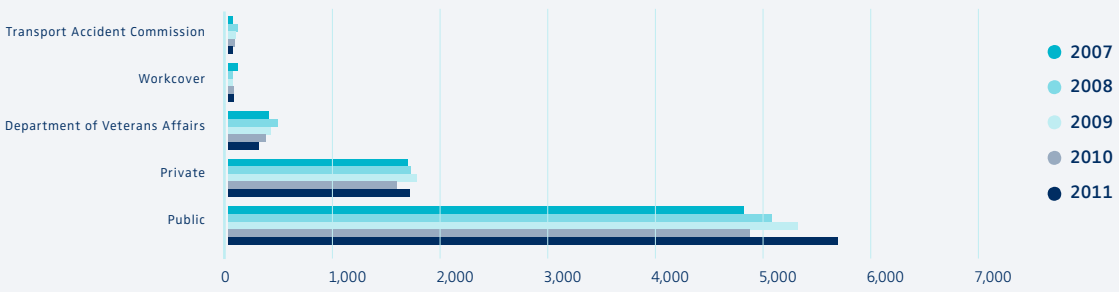
Expenditure by category ($000s)



Employee Benefits as at 30 June 2011 ($000s)



Inpatients treated by patient classification ($000s)



About Our Organisation

Western District Health Service (WDHS) has played a central role in its community for the past 149 years since the Hamilton Base Hospital and Benevolent Asylum was first established in 1862 to provide care for people suffering from illness and accidents and for victims of personal tragedy and social distress.

Almost 150 years later, WDHS reflects the community it now serves - a major centre in a prosperous rural environment, looking forward to a positive future.

WDHS is based in Hamilton with campuses at Coleraine and Penshurst in the Southern Grampians Shire (SGS) and Merino in Glenelg Shire (GS). WDHS incorporates the Frances Hewett Community Centre (FHCC), Grange Residential Care Service, Hamilton Base Hospital (HBH), Coleraine District Health Service (CDHS), Penshurst and District Health Service (PDHS), Merino Community Health Centre, the National Centre for Farmer Health (NCFH) and youth4youth.

The Health Service provides 91acute beds, 170 high and low level extended care and residential aged care beds, 35 Independent living units, community and allied health services, and youth services.

WDHS is a member of the Southern Grampians Glenelg Sub Region of the Department of Health's Barwon South West Region. Other member health services are Casterton Memorial Hospital, Heywood Rural Health, Portland District Health, Balmoral and Dartmoor Bush Nursing Centres.

Southern Grampians Shire is located in the centre of Victoria's Western District. It is home to 17,000 people, with approximately 10,000 residents living in Hamilton. The remainder are serviced by smaller townships and farming communities.

Our Past, Present & Future

WDHS was established in 1998, with the amalgamation of Hamilton Base Hospital, Southern Grampians Community Health Services and Penshurst and District War Memorial Hospital, now PDHS. In 2005 CDHS amalgamated with WDHS.

The HBH site is also the location for the Birches Extended Care facility, which provides 45 beds for mainly high-care use and caters for people with special needs.

The Penshurst Hospital was built in 1957and provides acute care, residential aged accommodation and community services and manages Independent Living Units at Penshurst and Dunkeld.

The Coleraine District Health Service commenced in 1935. It provides acute care, residential aged accommodation and community services, manages Independent living units in Coleraine and has a Community Health Centre at Merino.

Frances Hewett Community Centre joined WDHS in 1998, and provides a broad range of community based services.

The Grange was built as a private hospital in 1927 and became an aged care hostel in1956. A redevelopment occurred in 2002, and it now provides 45 beds of modern, high and low-level aged care accommodation and 30 Community Aged Care packages (CACPs). A further $2.841 million redevelopment of one wing and the construction of a new wing and kitchen commenced on 27 June, 2011. This project will be completed in April 2012 and increase the bed capacity to 50.

Youth services (YouthBiz) were established in 1997 by Southern Grampians Community Health Services Inc, which amalgamated with HBH in1998. The YouthBiz program was based at a drop in centre model until 2011, when it was redeveloped as an outreach service and renamed youth4youth. The youth4youth program provides a wide range of health and recreational services to the young people of our community from a variety of locations.

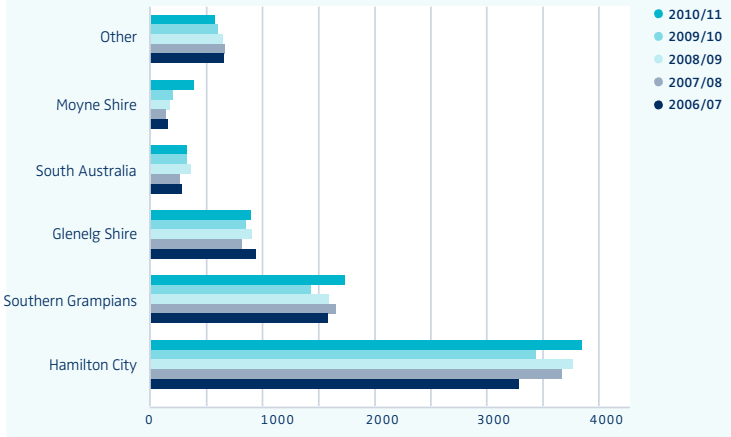
WDHS took over management of Dental Services in July 2008 and a new public dental clinic building on the Frances Hewitt Community Centre site was completed in June 2009. It has three dentists' chairs, with potential for future expansion.

National Centre for Farmer Health

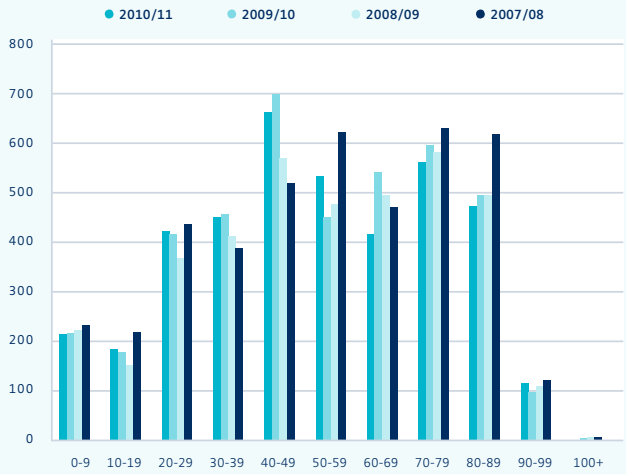
The National Centre for Farmer Health is a partnership between WDHS and Deakin University, which commenced operations in October 2008 with funding from the Victorian Government and the Handbury Trust.

Launched by the Premier of Victoria, it was established to provide national leadership to improve the health, wellbeing and safety of farmers, farm workers and their families across Australia through research, service delivery and education.

Patient Demographics – total number of admissions



Patient Demographics – number of patients by age group



→ WDHS Men's Health Educator, Stuart Willder demonstrates to local business employees, Renae Ferguson and Adam Taylor of Taylor Motors, the benefits of Victorian State Government funded Workhealth Checks offered by the Health Service

Our Services

Hamilton Base Hospital (all services)
Penshurst and Coleraine & District Health Services (general medical only)

Acute Care Services

- Anaesthetics
- Chemotherapy
- Coronary Care
- Day Procedure
- Discharge Planning
- Ear, Nose and Throat
- Emergency
- Endoscopy
- General Medicine
- General Surgery
- Geriatric Evaluation Management (GEM)
- Gynaecology
- Haemodialysis
- High Dependency Care
- Hospital in the Home
- Infection Control
- Intensive Care
- Long Stay Older Patients
- Maxillofacial Surgery
- Obstetrics
- Operating Suite
- Ophthalmology
- Oral Surgery
- Orthopaedics
- Paediatrics
- Pre-admission Service
- Pharmacy
- Psychiatry
- Rehabilitation
- Specialist Medicine
- Specialist Nursing
- Transition Care
- Urology
- Private Services - Pathology, Radiology and Sleep Clinic

Extended Care

(The Grange, The Birches, Kolor Lodge, Penshurst Nursing Home, Valley View Nursing Home, Wannon and Mackie Hostels)

- Community Aged Care Packages
- Dementia Specific Residential Aged Care
- Lifestyle and Leisure
- Palliative Care
- Psycho Geriatric Care
- Residential Aged Care
- Residential Extended Care
- Respite

→ WDHS Health Information Manager, Carolyn Gellert and Clinical Coder/Diploma of Management Student, Natalie Rhook with the new Admissions presentation for HBH patients in its various formats

National Centre for Farmer Health

- Agri-Safe
- Applied Research and Development
- Sustainable Farm Families
- Professional Training and Education
- Information and Knowledge Hub

Primary & Preventative Health Services

(Hamilton House and Coleraine Allied Health Centres, Frances Hewett Community Centre, Sheppard Centre and Merino Community Health Centre)

- Active Script
- Adult Day Activity and Support Service
- Audiology
- Blood Services
- Breast Cancer Support Group
- Cancer Link Nurse
- Cancer Support Group
- Cancer Support Services
- Cardiac Rehabilitation
- Cardiac Support Group
- Carer's Support Group
- Chronic Disease Management
- Coordinated Care
- Community Rehabilitation Centre (CRC)
- Continence Service
- Counselling
- Day Centre
- Dermatology
- Dental Services
- Diabetes Education
- District Nursing Service
- Domiciliary Midwifery
- Family Planning
- Hamilton Community Transport
- HARP (Hospital Admission Risk Program)
- headspace Youth Service
- Hospital in the Home
- Maternity Enhancement
- Meals on Wheels
- Men's Health
- Nutrition and Dietetics
- Occupational Therapy
- Palliative Care
- Physical Activity Programs
- Physiotherapy
- Podiatry
- Post Acute Care
- Pulmonary Rehabilitation
- Quit Fresh Start
- Rehabilitation in the Home
- Respiratory Education
- Respiratory Support Group
- Sexual and Reproductive Health
- Social Work
- South West Community Transport Service
- Speech Pathology
- Stomal Therapy
- Women's Health
- Work Health
- youth4youth

Administrative

- Auxiliaries
- Business Support and Innovation
- Community Liaison
- Facility Management
- Finance
- Health Information
- Hotel Services
- Human Resources
- Learning and Education
- Library
- Linen Services
- Occupational Health and Safety
- Quality Improvement
- Reception
- Security
- Volunteer Program

Service Performance at a glance

	2011	2010	2009	2008	2,007
Inpatient Statistics (Acute Program)					
Inpatients Treated	**7,695**	**6,829**	7,415	7,181	6,890
Average Complexity (DRG Weight)	**0.68**	**0.73**	0.71	0.74	0.76
Complexity adjusted inpatients (WIES 16)*	**5,049**	**4,976**	5,267	5,195	5,240
Inpatient Bed Days	**24,172**	**21,861**	23,967	24,417	23,968
Average Length of Stay (days)	**3.10**	**3.20**	3.23	3.37	3.48
HITH bed days	**758**	**678**	578	664	690
Nursing Home Type Bed Days	**2,544**	**2,385**	2,659	3,669	3,221
Operations	**3,014**	**3,029**	3,088	3,006	2,993
Births	**235**	**223**	237	221	219
Available Bed Days	**27,191**	**27,191**	30,172	30,907	30,833
Occupancy Rate	**88.9%**	**80.4%**	79.4%	79.0%	79.8%
Average Cost per inpatient	**$3,420**	**$3,366**	$3,099	$2,915	$2,669
Aged Care Statistics - (Aged Program)					
High Care					
Residents Accommodated	**178**	**158**	166	167	165
Resident Bed Days	**49,268**	**40,547**	40,756	43,448	43,593
Low Care					
Residents Accommodated	**26**	**80**	88	93	74
Resident Bed Days	**10,070**	**18,071**	18,907	16,504	16,520
Respite					
Residents Accommodated	**151**	**133**	145	102	119
Resident Bed Days	**1,629**	**1,755**	1,676	1,532	1,469
Occupancy Rate	**98.25%**	**97.30%**	98.95%	99.19%	99.35%
Community Aged Care Package (CAPs) clients	**39**	**39**	38	44	34
CAPS occassions of service	**10,857**	**10,908**	10,854	10,672	8,006
Accident/Emergency Occasions of Service	**6,693**	**5,949**	5,792	6,154	5,739
Outpatient (non-admitted) Occasions of Service					
Physiotherapy	**8,552**	**7,567**	8,094	8,033	8,927
Rehabilitation & Day Centre	**4,566**	**4,605**	5,095	5,256	4,785
Speech Pathology	**873**	**851**	1,030	887	829
Podiatry	**2,884**	**2,810**	2,012	2,150	2,195
Social Welfare	**520**	**2,946**	4,025	3,829	3,384
Occupational Therapy	**4,417**	**4,053**	4,266	4,749	4,809
Palliative Care	**2,065**	**1,893**	1,056	776	830
District Nursing Service	**30,945**	**35,300**	34,764	32,574	31,053
Total non-admitted occasions of service	**54,822**	**60,025**	60,342	58,254	56,812
Cost per non-admitted occasion of service	**$132**	**$122**	$117	$121	$123
Meals on Wheels	**35,309**	**37,770**	39,613	34,005	31,243
Quality Assurance					
Full Accreditation Status	**YES**	**YES**	YES	YES	YES

* WIES - (Weighted Inlier Equivalent Separations) are based on the Australian Refined - Diagnostic Groups (AR-DRG) further refined in Victoria by the addition of a few additional DRGs by the Vic-DRG version 52.

* Our Target WIES for 2010/11 (excluding those funded under the Small Rural Health Services Program) was 4,983. We exceeded this target by 97.19 WIES (1.95%).

Improving Performance

Strategy: To pursue best practice through a culture of continuous quality improvement and increased consumer participation in health care and evaluation.

Achievements

- Accreditation of all medical training positions
- Successful Australian Council on Healthcare Standards Periodic Review and Aged Care Accreditation support visits
- VMIA Gold Medal for Risk Management
- Victorian Patient Satisfaction Survey results overall care index level rated higher than peer group and state averages
- Palliative Care Patient and Carer results rated higher than regional and state average
- Completion of research projects
- Implementation of infection control strategies
- Implementation of Victorian Health Incident Management System
- Presentation at National Conference by Community Advisory Committee members
- Quality of Care Report finalist in public Healthcare Awards

The Future

- The re-accreditation of Aged Care facilities
- Review of the organisational Quality Framework
- Completion of research projects
- Completion of VMIA Risk Management quality review
- Implementation of Infection Control strategies

Accreditation

The Post Graduate Medical Training Council of Victoria conducted its onsite survey of our medical training positions in October 2010 and we were re-accredited for a further three years.

We were also awarded accreditation for a new surgical training post by the Australian College of Surgeons and accreditation was also received for a Public Health Physician post recently established for the National Centre for Farmer Health.

The Australian Council of Healthcare Standards conducted a two day onsite survey for our midterm accreditation (periodic) review during June 2011. The feedback from the surveyors was very positive overall recognising that a significant number of clinical and corporate activities were leading edge and recommending the Health Service for ongoing accreditation. The recommendations and suggestions for further improvement will be implemented over the next two years in readiness for a full re-accreditation survey.

During the year, all our aged care facilities were visited by the Aged Care Standards and Accreditation Agency. All visits were successful with ongoing compliance with accreditation standards.

Risk Management

The Board, Executive and staff are aware that the identification, assessment, and prioritization of risks are critical to the safety of patients, residents, clients, visitors and staff at WDHS. The team works towards monitoring, minimising and controlling the probability and impact of unfortunate events. The Risk Register is monitored closely by the Executive team and regularly reviews the controls in place to minimize risks and maximize opportunities. A risk management framework is under development to embed the principles of the risk management standard AS/NZS 31000:2009.

A site risk assessment completed by our insurer VMIA resulted in a gold medal award with no outstanding risks.

Consumer Participation, Feedback and Satisfaction

Feedback from the community we serve has been received by internal and external processes including the active involvement of the Community Advisory Committee.

A Consumer Forum was conducted by the Primary and Preventative Health Division to engage community members in the development of the new model of Coordinated Care.

We have a strong internal feedback system using patient feedback forms and conducting consumer satisfaction surveys.

The Victorian Patient Satisfaction Monitor results for July - December 2010 gave us a rating score of 84.2, which was top of our Peer Group range and above state average of 78.9. For six of the eight indicators we were rated at the top of range for our peer group.

The Victorian Palliative Care Satisfaction Survey results for overall satisfaction with our service were higher than both the region and the state wide scores.

Research Projects

The establishment of the National Centre for Farmer Health has increased our participation in research projects across Western District Health Service.

The National Centre for Farmer Health has completed the Beyond Blue project, focusing on the link between physical activity and stress with a Farming Fit DVD developed. Another research project conducted in partnership with Deakin University School of Psychology, focusing on alcohol misuse within the farming community, has led to the development of a training module for health professionals to address this issue.

An evaluation of the Sustainable Farm Families program (SSF) seven years on has found that the program improved the knowledge of 97% of farmers who participated in the program in relation to relevant health and safety indicators.

Our Primary and Preventative Health team has undertaken two research projects, one focusing on diabetes and the consumer experience on the management of chronic disease, and the other relating to indigenous oral health for children aged five to twelve

years. The consumer experience was rated overall at nine out of ten and the oral health project is due for completion in August 2011.

Infection Control

Our Infection Control program promotes awareness of correct behaviour and practice, and monitors outcomes through auditing and analysis of any related incidents.

WDHS rated highly in food safety audits; our external cleaning audit result was 98.4%. Our Hand Hygiene audit result was 80.1%, the State benchmark is 65% and the State average is 71%. The vaccination program has been taken up by 55% of staff.

Victorian Health Incident Management System

Victorian Health Incident Management System, known as Riskman, was implemented across WDHS in February. It is a system developed to report, manage and review incidents occurring across the health care environment. Our Risk Register and feedback management is also maintained on the Victorian Health Incident Management System. It is anticipated that all future Quality Improvement activities will be managed on this system.

Community Advisory Committee

It is acknowledged that actively encouraging and involving consumers in health care improves safety and quality of services, improves health outcomes, encourages an active role for consumers in managing their own health and provides more equitable, effective and accessible health services.

The Consumer Advisory Committee promotes consumer involvement in healthcare planning, delivery and evaluation throughout WDHS. It provides input into service needs, feedback on performance indicators relating to service quality and represents the community by making consumer perspectives known to staff, management and the Board of Directors.

This year, the Consumer Advisory Committee participated in the development of service and strategic plans, accreditation activities, the Diversity and Participation Action Plan, and members have presented at national and state conferences.

→ WDHS Infection Control Consultant, Mark Stevenson has provided vaccinations to 55% of staff this year

Quality of Care Report

WDHS is required to publish a Quality of Care Report as a means of providing the extended community with information on the systems, processes and outcomes in our endeavour to ensure delivery of the highest possible quality of care and service.

The report includes information on consumer feedback, external reviews and clinical practice. It includes data on the outcomes of our quality improvement activities.

The Quality of Care Report is reviewed by the Department of Health each year and feedback is provided to WDHS on opportunities for improvement. The 2010 report was a finalist for a Public Health Care Award.

Further information about improving our performance is available in our Quality of Care Report. This is available in either printed or audio formats available at all campuses, and at **www.wdhs.net**

Clinical Services

→ WDHS Nurse Educator, Mavis Wilkinson, RN, Smitha Thomas and Dr Sandy Kyaw, HMO with patient Richard Biggin in Emergency

Challenge

To enhance our Sub Regional role providing an integrated range of high quality services to our community and meet the needs of an ageing population.

Achievements

- Recruitment of a new Surgeon and accreditation of Junior Surgical Registrar and Public Health Physician training positions
- Implementation of National Access Emergency Department targets
- Introduction of new sub acute services
  - Geriatric Evaluation Management (GEM)
  - Transition Care
- Introduction of Virtual Visits for maternity services
- Implementation of digital technology to HBH Operating Theatres
- Gold Medal Award for Men's Out and About program
- Approval of five additional beds for the Grange

The Future

- Implementation of redesigning care project
- Redevelopment of GEM/rehabilitation areas
- Recruitment of physicians
- Implementation of Care Coordination Model for sub acute services
- Opening of five additional aged care beds at the Grange
- Expansion of cancer services through BSWRICS

At WDHS, staff are committed to the care of the people who make up our community. Our staff are mindful of the apprehension faced by some patients during hospital stays and treat each with respect and care. There were 7,695 inpatients treated during the past 12 months, and 54,822 occasions of service provided.

The Operating Theatres at WDHS, served by leading medical and surgical proceduralists and nursing staff, assisted by state of the art equipment operated on 3,014 patients this past year. In the Midwifery Unit we shared the joy of welcoming 235 babies in 2010/11, while staff provided support and care for 6,693 patients who attended the HBH Emergency Department and the Primary Care treatment service provided at CDHS and PDHS for minor injuries and illnesses.

We are proud of the facilities which allow us to extend this care across the geographic region we serve. The 75 acute beds at Hamilton Base Hospital provide Emergency, Medical, Surgical, Sub Acute, Midwifery, Paediatrics and Intensive Care services, together with a broad range of Allied Health services. Penshurst Campus' six acute beds and Coleraine Campus' 10 acute beds both provide general medical care.

Our sub acute services GEM, rehabilitation. Palliative and Transition care provided care to 144 inpatients.

WDHS' six aged care facilities, The Birches and The Grange in Hamilton; Penshurst Nursing Home and Kolor Lodge in Penshurst; Valley View Nursing Home and Wannon Court and Mackie Hostels in Coleraine cater for residential needs of the elderly. Thirty Community Aged Care Packages (CACPS) are administered from the Grange. Staff who support residents and carers in these facilities are predominantly Registered and Enrolled Nurses supported by Personal Care Workers.

We accommodated 178 high care residents, 26 low care residents, 151 respite residents, and the occupancy rate in our aged care facilities was 98.25%. We serviced 39 CACPs clients.

Medical and Surgical Services

Medical Staffing

After nearly 12 months of extensive recruitment activity, our General Surgeon vacancy was filled by Mr. UK Naidoo. Mr. Naidoo brings a wealth of skill and experience and is a welcome addition to our surgical team.

As a result of this appointment, our acute hospital activity has returned to previous levels. It has also enabled WDHS VMO's to provide surgical services to Portland in addition to the provision of anaesthetic services.

The Health Service has recruited a full time Director of Medical Services, Dr. Alastair Wilson who joined us from New Zealand to take over from Dr. John Christie who for nearly three years travelled from Swan Hill to provide a part time service. We are extremely grateful to Dr. Christie for his support during this period.

Two new training positions were accredited; one for Surgery and the other a Public Health Physician for the National Centre for Farmer Health. Medical student placements commenced from the Deakin University Medical School for the first time with plans to increase the number of placements over the coming years.

Manse Medical employed a Physician Registrar to assist to cover senior physician vacancies. Two new physicians recruited from overseas have accepted positions and it is anticipated that they will arrive late 2011 and early 2012. This will return our physician establishment back to a full complement.

Sub Acute Services

Our sub acute services were boosted with new funding provided by the State Government for two Geriatric Evaluation Management beds for the assessment and management of elderly patients and three bed and two home places for Transition Care. These new services will complement existing rehabilitation and long stay older patients programs to enhance the continuum of coordinated care for sub acute patients.

COAG has provided $3.5m for capital works to redevelop our rehabilitation/GEM inpatient area of the Hamilton Base Hospital Medical Unit. This project will include upgrades to bedrooms and ensuites, the provision of an assisted daily living skills kitchen, gym and outdoor area. This work is scheduled to commence in early 2012.

Stroke Framework

The Sub Regional Stroke Framework document was launched in 2010 and has been disseminated to Ambulance Victoria, the region's health services, and medical clinics. The impact of this collaboration and framework development is currently being evaluated in terms of delivery destination and access to acute stroke care services. The document was developed in collaboration with several key stakeholders with a major input from WDHS Deputy Director of Nursing, Bronwyn Roberts.

Early in 2011, Lisa Livingston, Unit Manager Medical Unit, presented at the Regional Stroke Road Show on improvements made at WDHS. In 2010, two key staff attended the Smart Stroke Conference and a poster on the Regional Stroke Framework will be presented at the 2011 Conference. There have been 21 Stroke presentations for the year and we have administered thrombolysis to one patient.

The WDHS Stroke Management Team received our Clinical Excellence Award in recognition of their development of best practice.

Emergency Care

TIA Management

In March 2010, the WDHS Emergency Department (ED) in partnership with the Emergency Care Improvement and Innovation Clinical Network (ECIICN), in collaboration with the Victorian Stroke Clinical Network (VSCN), embarked on a knowledge transfer/ quality improvement project which focused on assessment and management of patients with a clinical diagnosis of TIA.

The Emergency Department reported clinically significant results in two of the endpoints evaluated:

- Proportion of risk stratification increased by 67% (from 0% to 67%)
- Proportion discharged on anti-platelet agents increased by 20% (from 60% to 80%)

Since completion of the original project, it has been reviewed again and we have modified the risk stratification tool to further increase compliance. We have also positioned a TIA Liaison Nurse in the Emergency Department who is continually working on increasing knowledge of staff and the community in relation to Stroke and TIA. During 2011, eleven TIA cases were discharged from ED and the Medical Unit with 100% compliance in being discharged and returning home on the anti-platelet agent, a further increase of 20%.

National Access Target

A key feature of the COAG National Health reform will be the introduction of a new four hour national access target. The target requires 95% of patients presenting to a Victorian Public Hospital Emergency Department to be admitted to hospital, referred for treatment or discharged within four hours where clinically appropriate. This will be implemented in stages with category 1 patients (resuscitation) commencing in January 2011 and category 2 and 3 in approximately two years time.

As a result, WDHS reviewed its compliance with 100% of category 1 patients admitted, discharged or transferred within four hours (target 95%). The rate for all our categories 1 to 5 is 80% which is the national target.

In line with our continuous quality improvement plan, four recommendations arising from the review regarding improvements to patient flow, turnaround times for Pathology and Radiology, increasing cardiac monitoring capacity and reducing delays in admission to ward areas will be implemented.

To further enhance our sub regional role for emergency and critical care services, Unit Manager, Ms. Lisa Livingston has been elected to the Barwon South Western Region Advisory Committee for the next three years.

Maternity Services

The Hamilton Midwifery Model of Care (HMMC) continues to attract interest from other health agencies with Midwifery Coordinator, Ms. Pauline Kearns providing advice and assistance about the operation of the Hamilton Model.

HMMC presented at the Birth Bump and Beyond Maternity Conference held in Brisbane to share learnings from the HMMC.

WDHS has taken a lead role in the South West Area Maternity Initiative (SWAMI) with WDHS Chief Executive Officer, Mr Jim Fletcher chairing the group and HMMC Coordinator Ms. Pauline Kearns on the membership of the group.

The focus of the SWAMI network is to support the ongoing sustainability and viability of maternity services across South West Victoria. The group has developed a sub regional service capability framework in line with the Victorian Maternity and New Born Service capability framework, a sub regional education program and an emergency response tool to be trialled by WDHS.

→ WDHS EN, Jeanne Powlton reaping the benefits of the Team Nursing initiative with Rehab Team Leader, Jeffrey Slater and patient, Keith Saunders

A new HMMC initiative implemented this year is the introduction of virtual visiting for women in remote areas using "Skype" along with provision for families to virtually visit their families from their hospital room following birth. It is anticipated that this initiative will continue to gather momentum in the coming years.

Team Nursing

Changes in the nursing workforce profile and the introduction of increased scope of practice for enrolled nurses has led to the introduction of the team nursing model initiative to enhance mentoring, education and coordination of patient care.

Team nursing enables nurses to work in small teams with a senior nurse providing leadership, mentoring and education to ensure care is coordinated and focuses on achieving the best outcomes for patients.

State of the Art Technology for Operating Theatres

In what is the first of its model type to be introduced in Australia, the Endoalpha digital operating system was installed in the Hamilton Base Hospital operating Theatre. The new system provides state of the art high definition digital imaging and equipment for gynaecology, urology, ear, nose and throat and general surgery, establishing Hamilton Base Hospital operating Theatres as a centre for excellence for keyhole and endoscopy surgery. Fundraising by the Top of the Town Charity Ball and the Hospital Opportunity Shop greatly assisted with the funding for the new system.

Cancer Services

WDHS continues to participate in the Barwon South Western Regional Integrated Cancer Service (BSWRICS) strategy. The major initiatives introduced as a result of this participation have been the establishment of the Cancer Link Nurse service and CHARM, an oncology medication system used by the Andrew Love Cancer Centre, WDHS and South West Healthcare.

The CHARM medication system enables the three services to share protocols, pathways and relevant patient information enabling patients to be transferred between the three agencies for their chemotherapy treatment.

The number of patients attending HBH for chemotherapy treatment averaged around nine per week with up to 15 attending per week on occasion.

In a new development, WDHS is developing a Memorandum of Understanding with the Andrew Love Cancer Centre to establish a visiting Oncology service.

Gold Medal for Men's Out and About

The Men's Out and About Program, initiated by the Penshurst Campus and rolled out across all six WDHS aged care residential facilities, received a Public Healthcare Gold Medal for responding to the needs of our ageing population.

This program aims to reduce isolation for men in residential care by providing a range of social and recreational activities nominated by men living in residential care facilities. The range of activities involved in this pilot program included Men's Shed, wood turning, museum tours, farm tours, shearing, vintage cars, fishing, garden tours, barbeques and counter meals to name a few.

Evaluation of the program revealed a marked improvement in general wellbeing, esteem and emotional health. The program is now provided as an integrated part of WDHS' leisure and lifestyle program.

Aged Care Residential Care to Expand

Receipt of approval from the Commonwealth Department of Health and Ageing for the transfer of five aged care beds from the Ballarat Health Service facilitated through the Victorian Department of Health, together with the success of the Grange fundraising appeal, enabled WDHS to commence the construction of the Grange redevelopment project.

This project will include a new wing, upgrade to another wing, a new kitchen, increased activity space and increased bed capacity by five beds to 50 beds. It is expected that the additional beds will come on stream at the completion of the building project in April 2012.

Primary and Preventative Health

→ The co-located WDHS and Southern Grampians Shire Discharge Planning team L-R: **Shire - Carolyn Byrne, WDHS - Lyn Linke, Care Coordinator, Shire - Wendy Gallagher, WDHS - Sue Langley, Discharge Planner, WDHS - Suzie Stevenson, Discharge Planner**

Achievements

- New model established for coordinated care
- Integration of Discharge Planning Unit and co-location of Southern Grampians Shire Home and Community Care staff
- Pilot Men's Health clinic
- Improved linkages with Winda Mara Corporation
- youth4youth service launched
- New subacute services
- Research – Chronic Disease Consumer Outcomes and Indigenous Oral Health
- Dental workforce project
- New Community Health Centre for Merino
- Awards – 10MMM finalist VicHealth Awards; Finalist VHA Population Health Award for 'Go For Your Life'; Finalist Iluka Resources Southern Grampians Shire Inclusive Business Awards, WDHS Excellence and Innovation Award for Occupational Therapy Department

A new Divisional title, 'Primary and Preventative Health', has been implemented to reflect our evolution and function as an integrated primary health service. Evaluation of the integration between community services and allied health, which commenced in mid 2009, indicates high staff satisfaction, reduced clinical risk and consumer benefits.

New services and models of care

A new model of **Coordinated Care** has been established to reduce duplication, enhance the coordination of care and improve linkages across care providers. This has been designed using the State Government's Health Independence Program Guidelines, the Active Service Model and information from a WDHS Scholarship tour to Canada in 2010. Consumers and carers have been integral to the planning and design, thereby ensuring the model meets their needs.

Changes during the first 12 months include:

- Establishment of a Care Coordination team - including integration of the Discharge Planning Unit from acute and collocation of Southern Grampians Shire Home and Community Care (HACC) assessment staff
- New intake service – to assist in early identification of client needs
- New diabetes workforce model – a Chronic Care nurse role has been established to support client recall, clinical care of low risk clients and linkages with Hamilton Medical Group

Outcomes:

- Enhanced communication and reduced duplication with Southern Grampians Shire and Hamilton Medical Group
- Early identification of needs with 30% of clients now being identified as needing other services and 86% of these referred for complex care coordination
- 51% increase in referrals to the rehab care coordinator and 40% increase in client service events
- Increased multi-disciplinary care, including weekly multi-disciplinary team meetings with an average of eight services attending and 92% of rehab clients reviewed
- 80% reduction in time taken to receive services in some disciplines

Men's Health Clinic

A pilot Men's Health Clinic was established in partnership with Hamilton Medical Group in February 2011. The clinic supports health care provision, screening and referral to General Practitioners (GP), enabling

→ Diabetes workforce model - Maureen Wood, new Chronic Care Coordinator and John Kearney, Diabetes Educator providing Jean Hollard with clinical care.

prevention and early identification of health issues. Twenty patients were assessed in the first four months with 90% requiring referral to a GP. Many were able to be assessed under the 45-49 and 75 year old health check funded by Medicare.

This clinic complemented the successful diabetes clinics established with Hamilton Medical Group and Casterton/Coleraine Medical, funded under the Medicare Benefit Scheme (MBS). Nearly 200 patients received services under these MBS funded diabetes services during the last 12 months.

Indigenous Services

WDHS has worked with the Winda Mara Aboriginal Corporation to provide podiatry and dietetic services funded under the Rural Workforce Agency of Victoria. This funding supports the development of service linkages with Winda Mara and has resulted in other initiatives such as a monthly staff morning tea and cultural tours of Lake Condah for WDHS staff. These linkages will be further supported over the next 12 months via funding from the Department of Health for an Aboriginal Employment Plan.

youth4youth

An independent review conducted in 2010 led to the revamp and relocation of WDHS youth services, with a Youth Coordinator now based at Frances Hewett Community Centre. The new youth4youth service has seen a shift away from a 'drop-in'style service to a diverse range of activities offered at locations across the Shire. Initiatives have included:

» Weekly Zumba sessions in collaboration with Hamilton Gymnasium –with an average attendance of 20 young people

» Holiday programs –with 180 participants involved in paintballing, tenpin bowling and visits to Geelong's Adventure Park, Circus Activities and the Melbourne Aquarium and local Day Spas

» FreeZa - five music and arts, drug and alcohol-free events

SubAcute Services - Transition Care and Rehab in the Home

During the last six months, WDHS commenced two new services to support patients' transition from hospital to home, supported by funding from the Department of Health. The 'Transition Care Program' is now provided to some older patients requiring additional Allied Health services to support their transition home from hospital. Under 'Rehabilitation in the Home', WDHS has provided rehabilitation services to people of any age to help them regain their independence at home. Commenced in Feb 2011 as a pilot coordinated through the OT department, both these programs have enabled WDHS to extend the Physiotherapy and Occupational Therapy services on offer.

Workplace Prevention Program

The 'Health Education Program' was established to provide practical health education and assessments for workplaces. The program was developed in partnership with Wannon Water and is being delivered over 12 months to Wannon Water staff across South West Victoria. The program will be offered on a fee for service basis to other workplaces as a practical and effective way of promoting workplace health.

Research

Consumer experience

A 12 month research project was funded by the Windermere Foundation to identify the consumer experience with the Medicare funded diabetes clinic established with the Hamilton Medical Group. The clinic provides consumers with access to bulk billed services under a GP Management Plan, including a diabetes educator and dietitian provided on-site and podiatry off-site. The research concluded that:

» 76% of participants rated their care under the model as perfect

» 81% reported functioning well as a result of their care

» Consumers reported an overall service quality rating of 9 out of 10

Indigenous Oral Health

'Indigie Grins' is a research project funded by Dental Health Services Victoria in collaboration with the University of Melbourne and Winda Mara Aboriginal Corporation. The 12 month project commenced in August 2010 and aims to research the outcomes of an educational intervention on the oral health status of a sample of Indigenous children aged five to 12 years.

WDHS' Dental Therapist, Joanne Nelson, and Men's Health Coordinator, Stu Wilder are conducting the research with Winda Mara staff. Clinical assessments of local children are being compared with a control sample, with pre and post assessments identifying whether educational interventions will enhance oral health status. The research will be completed in August 2011 and has resulted in increased access to WDHS' oral health services by Indigenous families.

Workplace Mental Health

A comprehensive literature review was completed over six months during a Psychology student placement, funded by the Go For Your Life initiative. It collated international evidence about the effective interventions for enhancing employee mental health. This will inform preventative health actions for the coming 12 months.

Preventative Health

WorkHealth

WDHS nurses have conducted 1,030 health checks over the past 12 months under the Victorian Government's initiative under WorkSafe, delivering free health checks to workplaces. This is the third year of WDHS'

involvement with providing health checks in the Barwon South West and neighbouring regions.

Health checks were conducted at individual workplaces and at community events, such as the Wimmera Field Days, and Sheepvention in Hamilton.

Keeping Well for Life

A 'Well for Life' funding grant from the Department of Health has supported 20 staff training in 'Easy Moves for Older Adults'. This resulted in enhancing staff support for clients' physical activity across WDHS services for elderly people, including in the Day Centre, Adult Day Activity and Support Service (ADASS) and in aged care facilities including the Birches, the Grange and at Coleraine.

Women's Health

Funding from the Polo Ralph Lauren Pink Pony campaign enabled Sue Watt, WDHS' Women's Health Nurse, to conduct five outreach pap smear clinics in Penshurst and Balmoral. Additional access was provided via an after-hours pap smear clinic at Frances Hewett Community Centre. This is an additional service to the weekly Well Women's Clinic and was established to meet the needs of women who have limited access during business hours as a result of transport issues, work or childcare commitments. 391 women received services from the Well Women's and pap smear clinics.

New Community Health Centre for Merino

The new Community Health Centre for Merino was commissioned in June 2011. The flow on benefit of the securement of the new centre is the reintroduction of a Medical Clinic one half day per week from the Coleraine Casterton Medical Group and the commencement of visiting Podiatry, Dietitian and Diabetes Education services one day per month through the Glenelg Outreach Program.

The new centre and new services have been a great boost for the small community of Merino.

Other Highlights

Service Reviews have been completed on:

» **Day Centre** programs provided to frail older people. Changes made to the staffing structure, client activities and linkages with our Occupational Therapy have had positive outcomes for clients

→ youth4youth clients enjoying school holiday activities - horse riding at Warrnambool

» **Physiotherapy and Social Work Departments.** Both were completed by external clinicians to identify the appropriate workforce structure and service model for our local needs. Recommendations will be implemented over the next 12 months

Dental Workforce project WDHS trialled two approaches under a visiting workforce model. The first approach was the employment of an experienced dentist from Melbourne for three days a week and included some limited private work. In parallel, a second approach was the contracting of services from Barwon Health, with visiting dentists on rotation to Hamilton either two or three days a week. The project was successful and has lead to an ongoing arrangement with a visiting Melbourne dentist and discussions toward a sub-regional workforce model.

A Paediatric service trial was conducted by the Occupational Therapy team to identify the viability of a service for children with disabilities, offered on a fee for service basis to local agencies. A limited ongoing service will be offered.

A Food Security audit was conducted by Dietetics with 263 people to identify issues with accessing affordable fresh food in the Southern Grampians Shire. Results indicate that 37% of people experienced some level of poor food access during the last 12 months and 61% did not know where to access emergency food. Actions will now be developed in collaboration with the Primary Care Partnership to help address issues raised.

Cancer Link Nurse, Jane Sharp assisted 88 patients in the first year of the Cancer Link Nurse role funded by the Barwon South West Integrated Cancer Service (BSWRICs). This role has proven to be an effective support for cancer patients, offering information and education about services and support available. It has enhanced linkages between specialists, including Andrew Love Centre in Geelong, and local medical staff. Jane has also worked closely with the Breast Cancer and the Prostate and Bowel Cancer support nurses at WDHS.

A Headspace service was established in collaboration with Brophy Family and Youth Services. Since commencing in January 2011, our staff member, Amy Rivett has assisted 36 young people, aged 12-25 years, to access mental health, drug and alcohol and GP services. Hamilton is a unique outreach model for the Federal Government's headspace model. This is proving effective in engaging rurally isolated young people who would be unable to travel to access headspace services in larger centres.

Transport Connections has received State Government funding for another three years to address transport barriers across South West Victoria for social, economic and health outcomes.

Staff presentations at national, state and regional conferences have again been a feature of the year, and have included presentations on the Care Coordination Model, GP clinics under the Medicare Benefit Scheme, chronic disease programs, Men's Health, Allied Health Assistant workforce development, workplace mental health, transport, and wellness programs. In addition, our services receive regular contact from other health services to learn from our models of care.

National Centre for Farmer Health

→ Participants of the Sustainable Farm Families program held in Leongatha

The National Centre for Farmer Health (NCFH) is a Hamilton-based partnership between WDHS and Deakin University encompassing university research, service delivery and education and providing national leadership to improve the health, well-being and safety of farm men and women, farm workers and their families.

The Centre is funded by the Victorian Government Future Farming Strategy and the Helen and Geoff Handbury Trust.

The major achievements of the centre over the past year include continued delivery and expansion of the Sustainable Farm Families program around the country, finalisation of research projects, our inaugural Graduate Certificate Agricultural Health and Medicine and the inaugural Farmer Health conference.

Achievements

Applied Research and Development (ARD) attracted three major research grants.

'Farming Fit' funded by beyondblue, investigates the link between physical activity and stress. A highlight of this project is the production of the Farming Fit DVD to encourage farm men and women to exercise within their farming activities. This DVD is available on the farmer health website - **www.farmerhealth.org.au**

An Australian Research Council (ARC) linkage grant with Deakin University School of Psychology has resourced the development of a training module for SFF health professionals to address alcohol misuse within the local farming communities.

In 2010, the Collaborative Partnership for Farming and Fishing Health and Safety managed by the Rural Industries Research and Development Corporation (RIRDC) funded a series of follow-up workshops for the original Broad Acre and Cotton and Cane participants who had attended previous workshops to see what changes had been made.

As part of an independent evaluation, Roberts Evaluation was contracted to conduct an evaluation of the impact of the original program and follow-up workshops on farming participants. Roberts found that the SFF program had increased (97%) farmers' knowledge of relevant health issues.

» "The farm relies a lot on my health. If my mental or physical health is not good, it can re ect rapidly on the health of the farm." Male broad acre farmer, 55 – 64 years of age

» "[The SFF workshops] let you realise that it's ok to put health and happiness first - if they are not right nothing else will be." Female cotton farmer, 35-44 years of age

This new research has already generated four published papers and research findings have been presented in a range of forums, including conferences and other publications.

AgriSafe

An AgriSafe clinic has been in operation at the NCFH since February 2011. Major achievements of this clinic include the establishment of an AgriSafe Advisory Group, employment of two qualified AgriSafe clinicians, development of clinic protocols and procedures, and the AgriSafe Australia Operations manual. Both AgriSafe clinicians have completed the Agriculture Health and Medicine Unit.

Activities have included completion of a pilot program of health assessments on 12 farm men and women and a presentation of AgriSafe at the Agricultural Health and Medicine unit.

Future activities include full time operation of the Hamilton clinic and an official launch and roll out of AgriSafe clinics nationally. Research opportunities will also be investigated.

→ AgriSafe Clinician, Rachel Verschuren demonstrates testing the fit of a respiratory mask with NCFH Administration Assistant, Belinda Carroll

→ HMF701 Agricultural Health and Medicine 2011 Students at the NCFH

I.T. Hub

The Farmer Health website continues to build on its reputation as a trusted and reliable source of information relating to farmer health, well-being and safety. The number of visits to the website from July 1, 2010 to June 22, 2011 was 19,102, which include 77,638 different page views.

The IT hub includes 74 topic pages on farmer focussed health, well-being and safety. The website has also been used to promote:

- 2010 NCFH conference 'Opening the Gates on Farmer Health'
- 2012 NCFH conference 'Sowing the Seeds of Farmer Health'
- The Agricultural Health and Medicine Unit and
- 'Farming fit' video for online viewing and ordering

Other highlights include migration of the Sustainable Farm Families™ website to www.farmerhealth.org.au and accreditation from the international Geneva based Health on the Net (HON) a non-profit, non-governmental organisation providing best practice guidelines to ensure websites deliver quality health information online.

Professional training and education

The NCFH continues to deliver the postgraduate unit, Agricultural Health and Medicine, and attracted an interdisciplinary group of 23 students from broad industry sectors across Australia.

More recently, a four unit Graduate Certificate of Agricultural Health and Medicine (GCAHM) has been approved and will be offered for the first time in 2011. The GCAHM includes two core units, Agricultural Health and Medicine, which has a clinical focus on the health, safety and well-being of Australia's agricultural workforce and Healthy and Sustainable Agricultural Communities, a second new unit which provides a social, environmental and health promotion focus. Students undertake two existing Deakin elective units.

Sustainable Farm Families™ (SFF)

The most important aspect of a healthy Australian farm is? A healthy farming family.

SFF, a leading contemporary health program, continues to expand with on-going programs in Queensland and Victoria. SFF has now been delivered to over 2,300 participants in 130 locations.

During 2010/11 the Victorian Auditor General delivered a very positive report on the program and the program continues to be extensively evaluated with '93% of farmers reporting that they have increased confidence to manage their own health and well-being as a result of SFF'.

- 'It was very valuable. The follow up was terrific'
- 'Just to have it was a good reminder about health. You can become lackadaisical, and it reinforced it all. It would be great to have one every year'

Service delivery will continue in the form of final year workshops as part of the roll out of previous programs and funding has been received from the Department of Primary Industries to deliver ten programs to flood affected farmers across Victoria. It is also pleasing that, over the course of the SFF project, some efficiencies have been generated, which has allowed for two additional SFF programs to be held. This is a credit to all involved that we have been able to get extra value from the funding and importantly use it in the best possible way by delivering further services to our flood affected farming men and women.

Sustainable Dairy Farm Families™ - Future Directions 2010- 2012 was funded by the Geoffrey Gardiner Foundation and Colac Community Enterprise to inform future health, well-being and safety directions for Victoria's dairy industries. This project focused on extending our understanding of the initial SFF Dairy program implemented across Victoria at 11 different locations during 2005-2007. The same locations are being re-visited, undertaking a longitudinal health, well-being and safety study during 2011.

NCFH conference

'Opening the gates on farmer health'

The inaugural 'Opening the gates on farmer health' conference was held in Hamilton during October 2010. The conference was highly successful with over 160 delegates interacting with international and national speakers, and sharing their experiences in improving farmer health. A highly successful 'celebrating rural life' photo competition received 250 photos from across Australia. The conference was attended by a broad section of agri- and health professionals, government and academia. A conference DVD, proceedings and entries in a photography competition are all available for viewing at **www.farmerhealth.org.au**

An important outcome of the conference was the development and endorsement of the Hamilton Charter for Farmer Health.

Southern Grampians & Glenelg Primary Care Partnership

→ Inspire, a community arts project, engaging secondary school children with professional artists to develop a public projection, including this one across the façade of the National Australia Bank in Hamilton

Primary Care Partnership (PCP) Members:

- ASPIRE, a Pathway to Mental Health Inc
- Balmoral Bush Nursing Centre Inc
- Brophy Family & Youth Services Inc
- Casterton Memorial Hospital
- Community Connections (Vic) Ltd
- Dartmoor & District Bush Nursing Centre Inc
- Glenelg Shire Council
- Hamilton Community House Inc
- Heywood Rural Health
- Kyeema Centre Inc
- Mulleraterong Centre Inc
- Old Courthouse Community Centre Inc
- Otway Division of General Practice Inc
- Portland District Health
- Portland Neighbourhood House Inc
- Southern Grampians Shire Council
- South West Healthcare (Psychiatric Services)
- Western District Health Service Hamilton, Coleraine and Penshurst campuses

Overview

The last twelve months have provided the Southern Grampians and Glenelg Primary Care Partnership (SGGPCP) with many exciting challenges as well as times for reflection and acknowledgement of our achievements to date. The Strategic Plan has continued to provide the SGGPCP with clear direction and vision; through capacity building for collaboration and enhancing the health and wellbeing of our community.

Our priority themes for keeping people well by undertaking integrated health promotion planning and activities remained unchanged:

- Physical activity
- Food security – access and affordability
- Social connection
- Oral health
- Transport

National Health Reform Update

In February 2011, National Health Reform was agreed to by all Australian Governments and the Great South Coast Medicare Local Working Group developed their submission to the Federal Government to become a Medicare Local. This submission was put forward by the Southern Grampians & Glenelg Primary Care Partnership, South West Primary Care Partnership and the Otway Division of General Practice. The initial submission was unsuccessful and a second submission was made in July 2011, with the outcome yet to be advised. It is envisaged that the Great South Coast Medicare Local will be operational by 1 July 2012 at the latest and will consist of the following Shires: Glenelg, Southern Grampians, Moyne, City of Warrnambool and Corangamite.

In summary, Medicare Locals will be responsible for a range of functions, including:

- making it easier for patients to navigate the local health care system
- providing more integrated care

» ensuring more responsive local GP and primary health care services that meet the needs and priorities of patients and communities

» making primary health care work as an effective system as part of the overall health system

Achievements

The Arts

The Arts has once again been a focus for the SGGPCP over the last twelve months. Our Arts Officer, linked directly to the Southern Grampians Shire, has been instrumental in developing a number of outstanding community arts events including:

» Inspire: a community arts project, enabling secondary school children to work with professional artists to develop a public projection, including music and graphics and present this across the façade of the National Australia Bank, Hamilton

» Illuminated by Fire: a project co-ordinated by Dunkeld Artist, Trevor Flinn, focussing on the theme of wood collection, fire and cooking. A launch was held in Dunkeld and was well received by the community – over 100 people on a freezing night in the Dunkeld Hall enjoyed projection displays, damper cooking and a cookbook launch

» TWEET: a textile community art project, aimed at increasing social connectedness and mental health and wellbeing. Tweet, has involved hundreds of hand stitched or machine sewn birds being created at homes and within groups, and sent free to ock over the South West, in the Southern Grampians, Glenelg and Moyne Shires. The SGGPCP facilitated the project, and the birds have nested in the Warrnambool Art Gallery, the Hamilton Library and the Portland Arts Centre.

Climate Change

As part of local action on climate change, SGGPCP has been facilitating Pass the Parcel, a project funded though the Victorian Government Sustainability Fund, an innovative project to help residents across the Glenelg and Southern Grampians shires to save money and become more energy efficient. Using a health promotion approach, the project recognises the impact of the social determinants of health in the project design. Pass the Parcel has engaged with up to 200 community members so far who have passed a package of information containing an ibutton (a temperature data logger) and sustainability information or attended workshops and information sessions.

→ The PCP Pass the Parcel Energy Efficiency project workshop; an innovation including 450 community members partner agencies to improve energy efficiency

Through this project, SGGPCP is partnering with RMIT University to investigate the findings from this methodology and inform future local adaptation projects.

Drug & Alcohol Plan

The Southern Grampians & Glenelg Drug & Alcohol Action Plan 2010-2012 was launched in October 2010. The Plan has been endorsed by the Glenelg and Southern Grampians Shires, and was developed by a wide range of agencies across both shires, including local government, health services, drug and alcohol services and neighbourhood houses across both shires. The Action Plan is an integrated, multi-agency plan and adopts a preventative and harm minimisation approach, using a health promotion framework. It has a clear focus on alcohol as the main priority, with attention to tobacco use. The PCP's Integrated Planning Subcommittee will oversee the implementation of the Plan by partner agencies over the next two years.

Plan, Do, Study, Act Project

The Plan, Do, Study, Act (PDSA) Model for Improvement Project, is a 12-month project that aims to improve care for clients with chronic and complex conditions through improved systems of practice. It involves participants undertaking small, rapid cycles of quality improvement using the PDSA Model for Improvement.

This project is based on collaborative methodology, which differs from other approaches to quality improvement, and has been proven to demonstrate improvements in health care settings including Australian general practice. There are three important characteristics to the methodology:

» collaboration

» the improvement model

» data collection

The Southern Grampians & Glenelg PCP (SGGPCP) was appointed by the Barwon South West (BSW) Department of Health (DoH) in September 2010 to support Western District Health Service's (WDHS) participation in the state-wide PDSA project commissioned by DoH. WDHS chose ''Improving care planning practice (particularly with general practice)'' as its quality improvement focus.

The government funded project commenced in September 2010 and will be completed in September 2011.

For further information regarding the SGG PCP, go to **www.sggpcp.com**

Corporate Governance

→ 2011 WDHS Board members (L-R) – Ron Jones, Mary-Ann Brown, Mark Stratmann, Peter Irvin, Lisa Robertson, Jenny Hutton and Hugh Macdonald

Board of Directors

Mary-Ann Brown
BEcs(Tas),GradDipLibSc(KCAE), MBA(Newcastle)

Mary-Ann lives on a Merino sheep stud at Dunkeld and is the office manager of financial planning firm, Robert W Brown and Associates. She is secretary of the Dunkeld Progress Association, Chairperson of the Dunkeld Community Centre Committee, President of the Hamilton Film Group, member of the Performing Arts Centre Advisory Committee and Dunkeld Visitor Information Centre volunteer. Appointed to WDHS board in November 2002, current term expires 30 June 2012.

Jenny Hutton B.Ed

Jen is Director of Community Relations and Development at The Hamilton and Alexandra College. She is actively involved in fundraising in the community having been involved recently in the Grange and Mulleraterong fundraising appeals. She is the Regional representative on the Vic/Tas Executive Committee of ADAPE (Association of Development and Alumni professionals in Education). Appointed to WDHS Board in November 2002, current term expires 30 June 2012.

Ron Jones JP FCDA Dip CD

Ron is now a retired Police Officer, still residing in Coleraine and currently studying. Ron is a Justice of the Peace, is Chair of the Coleraine District Health Service Management Committee and member of his local golf club. Appointed to WDHS Board in November 2005, term expires 30 June 2011.

Peter Irvin B.Bus (B & F) FinF

Peter is the Project Manager of The Hamilton and Alexandra College Ltd and has a background in corporate and commercial banking. He is a board member of the Rotary Club of Hamilton North. First appointed November 2006, current term expires 30 June 2011.

Hugh Macdonald BBacc

Hugh is Regional Manager Hamilton and Director for the Southern Financial Group. He has worked in the finance industry since 1982. Hugh is Chairman and Director of The Hamilton and Alexandra College Foundation, a trustee for The Hamilton and Alexandra College Old Collegians, and Vice President and member of the committee of the Hamilton Regional Business Association. He is a past President of the Hamilton Race Club, and Hamilton Junior Basketball Association. He chaired the Hamilton Indoor Leisure and Aquatic Centre Fundraising Committee. Appointed to WDHS Board in November 2006, current term expires 30 June 2012.

Mark Stratmann BA Dip T, LLB, JP

Mark is principal of HNG Barristers and Solicitors. He has a background in education and has been practicing law since 1996. Mark and his wife Sally have four sons and a daughter. He is currently a Board Member of the WestVic Division of General Practice and a past board member of Monivae College Limited. Mark and his family have lived in Hamilton for twelve years after relocating from Melbourne. Appointed to WDHS Board on 01 July 2010, current term expires 30 June 2013.

Lisa Robertson Dip Des

Lisa is currently studying a Bachelor of Nursing/International Development (RMIT) and has been involved in small business in Hamilton and heavily committed to the South West community through volunteer activities. Lisa was the Chairperson for 'Kids at Risk' council, Victorian rural/regional liaison officer for the MS Society, Chairperson RMIT Collective Arts Collaborative, State Federal representative for South West community events/programs, fundraising coordinator for the Anti-Cancer Council in the Western District and a participant in the Standing Tall program. Appointed to WDHS Board on 22 March 2011, term expires 30 June 2013.

WDHS was incorporated in July 1998 under The Health Services Act 1988 and is governed by a seven-member Board of Directors (BOD), appointed by the Governor in Council upon the recommendation of the Minister for Health.

Board structure, role and responsibilities
BOD terms of appointment are usually three years, with one third of terms expiring in June each year. Members are eligible for reappointment.

BOD members serve in a voluntary capacity. The balance of skills and experience within the BOD is kept under continual review. The BOD orientation and evaluation process introduced in 2003 was continued in the 2010/11 year and has assisted greatly in evaluating the effectiveness and performance of the Board Chair, individual Directors and the Board as a team. All current Board Members have undertaken additional governance training.

The BOD is responsible for the governance and strategic direction of the Service and is committed to ensuring that the services WDHS provides comply with the requirements of the Act and the Objectives, Mission and Vision of the Service, within the resources provided.

In the course of their duties, the BOD and Executive may seek independent advice from a range of sources. The BOD reviews operating information monthly in order to continually assess the performance of WDHS against its objectives and is also responsible for appointing and evaluating the performance of the Chief Executive Officer.

In order to ensure the effective operation of the BOD, the Board has membership on 10 committees, which meet as required and report back to the BOD.

Governance Statement

"The Board is a strong advocate of corporate and clinical governance and seeks to ensure that the Health Service fulfils its governance obligations and responsibilities to all its stakeholders."

The Board is committed to:

- sound, transparent corporate governance and accountable management
- provision of high quality and innovative care, re ective of its Mission and Vision
- conduct that is ethical and consistent with the Health Service values and community values and standards
- management of risk and protection of health service staff, clients and assets
- due diligence in complying with statutory requirements, acts, regulations and codes of practice
- continuous quality improvement and research

Risk Management

Risk management is an all of organisation activity and requires appropriate action to be taken to minimise or eliminate risk that could result in personal injury, damage to, or loss of assets. Following a recommendation from our ACHS Organisational Wide Accreditation Survey, our Risk Register was restructured into strategic and organisation risks. Three extensive reviews and updates of the Risk Register were completed by the Executive during the year.

A major risk review was completed by the Audit and Compliance Committee in conjunction with our internal auditor to develop our next three-year Internal Audit Program, commencing 01 July 2011.

Our insurer, Victorian Managed Insurance Authority, completed a review of our risk management framework and was complimentary of our system, and we were awarded a Gold Medal Award.

Attestation on Compliance with Australian/New Zealand Risk Management Standard

I, Jim Fletcher, certify that the WDHS has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The audit committee verifies this assurance and that the risk profile of the WDHS has been critically reviewed within the last 12 months.

Jim Fletcher

CHIEF EXECUTIVE OFFICER

Hamilton

12 August 2011

Board Member	Board Meetings Attended	Committee Membership as at 30 June 2011	Committee Meetings attended
Mary-Ann Brown	11 of 11	Medical Appointments Advisory Medical Consultative Quality Improvement Remuneration	2 of 2 4 of 4 4 of 6 1 of 1
Jenny Hutton	9 of 11	Community Advisory Development Council Medical Appointments Advisory Penshurst Advisory	3 of 4 6 of 6 2 of 2 5 of 6
Peter Irvin	10 of 11	Audit & Compliance Project Control Remuneration	5 of 5 10 of 11 1 of 1
Ron Jones	11 of 11	Audit & Compliance Coleraine Advisory Medical Appointments Project Control Remuneration	4 of 5 6 of 6 2 of 2 10 of 11 1 of 1
Hugh Macdonald	11 of 11	Development Council Quality Improvement	3 of 6 6 of 6
Lisa Robertson (Appointed March 22 2011)	3 of 3	Project Control Quality Improvement	1 of 1 0 of 1
Mark Stratmann	11 of 11	Audit & Compliance Quality Improvement	4 of 5 6 of 6

Ethics

Board members are required by the Health Services Act, 1988 to act with integrity and objectivity at all times. They are required to declare any pecuniary interest or conflict of interest during Board debate and to withdraw from proceedings if necessary. There was one instance requiring declaration this year.

Executive Role

The Executive members are Chief Executive Officer, Deputy CEO/Director of Corporate Services, Director of Medical Services, Director of Nursing, Director of Primary and Preventative Health, Human Resources Manager, Manager/Director of Nursing, Coleraine Campus, Manager/Director of Nursing, Penshurst Campus, Director, National Centre for Farmer Health.

The Executive met 25 times during the year, providing regular reports to the BOD.

→ International Nurses' Day is celebrated by WDHS staff donning nursing costumes from years gone by

Committees of the Board

Audit and Compliance Committee
Advises the BOD on all aspects of internal and external audits, financial and asset risk, accounting procedures, financial reporting, and compliance with statutory requirements. Five meetings were held during the year. Francis Pekin and Jodie Missen were the external committee representatives. The committee received internal audit reports on the post implementation of the new financial management system (ORACLE), risk assessment, nurse to patient ratios and developed the next three year internal audit plan to commence from 1 July 2011.

The VAGO report on the Western District Health Service Sustainable Farm Families program was reviewed and the updated business continuity plan was endorsed.

Tenders were called for the internal audit appointment for the period 1 July 2011 to 30 June 2014 with RSM Bird Cameron selected as the successful tenderer.

Medical Appointments Advisory Committee
Advises the BOD on appointments, reappointments, suspensions and terminations of visiting medical practitioners. Two meetings were held during the year.

Medical Consultative Committee
Makes recommendations on matters relating to medical staff and clinical services provided, and ensures effective communication between the Board, Senior Management and the Medical Staff Association. Four meetings were held during the year.

Quality Improvement (QI) Committee
Provides support and direction for Continuous Quality Improvement and performance monitoring. Ensures systems are in place for internal/external review. Ms Chris Phillips is the community representative. Six meetings were held during the year.

Development Council
Oversees and guides WDHS fundraising strategy. The Council operates in compliance with the Fundraising Appeals Act 1984. Rachel Malseed, Philip Baulch, Vicki Whyte, Megan Campbell, Renae Porter, Libby MacGugan and Lisa McIntosh) were the community members on the committee in 2010/11. Six meetings were held during the year.

Penshurst (PDHS) Advisory Committee
Reviews operation, performance and strategic planning for the Penshurst campus. Community representatives are:

Tom Nieuwveld, Les Paton, Wendy Williams, Margaret Eales, Florence Graetz, Jennifer Kinnealy, Mary Johnson, Don Adamson and Western District Health Service Board Member Jen Hutton. Six meetings were held during the year.

Coleraine (CDHS) Management Committee
Reviews operation, performance and strategic planning for the Coleraine campus. Community representatives are Ron Jones, Sandra Adams, John McMeekin, Gabrielle Baudinette, John Northcott, Grant Little, Alan Millard and Anne Pekin. Six meetings were held during the year.

Community Advisory Committee
Provides consumer views and advice to the Board on planning, implementation and evaluation of health services. Kay Scholfield, Rev. Peter Cook, Chris Phillips, Dorothy McLaren and Sherryn Jennings were the community representatives. Four meetings were held during the year.

Project Control Committee
Makes recommendations on the design, management and construction of major building projects. Eleven meetings were held during the year.

Remuneration Committee
Oversees and sets remuneration policy and practice for Executive staff, under the principles of the Government Sector Executive Remuneration Panel. One meeting was held during the year.

→ WDHS Executive members L-R Alastair Wilson, Rosie Rowe, Patrick Turnbull, Jim Fletcher, Janet Kelsh, Hilary King, Sue Brumby, Alastair Doull and Tim Pitt-Lancaster

Executive Team

Chief Executive Officer
Jim Fletcher BHA, AFCHSE, CHE, MIPAA

Jim has held a number of senior executive positions within the human services field across the Loddon Mallee, Grampians, Northern Metropolitan and Barwon South Western Regions. His background includes the role of Chief Executive Officer at three of the State's largest regional psychiatric hospitals and community services, leading these agencies through significant reform and change. Jim commenced as CEO of WDHS on July 17, 2000. Jim is Chair of a number of sub regional committees.

Deputy Chief Executive Officer, Director of Corporate Services
Patrick Turnbull BBus, BHA, FCPA

Patrick has been with Hamilton Base Hospital since 1982. He has been the Hospital's principal accounting officer since 1987 and was appointed to his current role in 1993. Financial and business support of patient services is managed through the Corporate Services Division. Among Patrick's commitments with WDHS are his role as Chair of the SWARH Finance Sub-committee and Chair of the FMIS Rural Alliance Implementation Committee.

Director of Primary and Preventative Health
Rosie Rowe BNatRes, MBA

Rosie was appointed as Director in May 2009. Prior to this appointment, Rosie was the Deputy Director of Community Services from October 2008 and for five years, the Executive Officer of Southern Grampians and Glenelg Primary Care Partnership. She has held senior positions in both the public and private sectors, including in natural resources and telecommunications. She is a participant in the Department of Health's 2011 LINK Executive Program.

Director of Nursing
Janet Kelsh RN, ICUCert, BAppSci (NAdmin), CertMgt (Deakin), GradDipAgedServicesMgt, MRCNA

Janet commenced her role as Director of Nursing at Hamilton Base Hospital in 1987. With experience in New Guinea and London, Janet worked predominantly in intensive care and neurosurgery in a number of major city hospitals across Australia and overseas before moving to Hamilton. Janet represents WDHS on a number of regional committees, including palliative care, infection control, sub acute rehabilitation and nurse education through collaborative relationships with a number of Universities.

Director of Medical Services (DMS)
Alastair Wilson BScMB. ChB.,FRNZCGP,DipObst.,Dip.Occ.Health,Dip. HSM

Alastair Wilson was a general practitioner in Wanganui, New Zealand for 24 years during which he achieved post graduate diplomas in obstetrics, occupational health and health service management. He also developed interests in adolescent health and minor surgery. After leaving general practice in 2003, he was appointed to a number of clinical management roles in primary care, hospitals and workplaces. In 2007 he was appointed the Corporate Medical Advisor for the Accident Compensation Corporation in NZ, including the clinical management role. He joined Western District Health Service in May 2011.

Director, National Centre for Farmer Health
Associate Professor Susan Brumby RN, RM, DipFMgt, GradDipWomen's Studies, MHMgt, CertIV Workplace Trainer, AFCHSE, MRCNA, PhD in progress

Sue commenced as founding Director of the National Centre for Farmer Health in November 2008 – a partnership between WDHS and Deakin University. The centre focuses on education for rural professionals, farmer health research, service delivery, specialist clinics aimed at farm men and women and dissemination of information through www.farmerhealth.org.au.She has continued as Principal Investigator with the award winning Sustainable Farm Families project and has presented and published on farmer health throughout Australia and internationally. Previously she was Director of Community Services at WDHS from 2002 where she oversaw the introduction of new and innovative service delivery models for consumer involvement and health promotion. Sue is a graduate of the Australian Rural Leadership Program.

Human Resources Manager
Hilary King MBA, Grad Dip HRM, Dip Physio, CAHRI

Hilary commenced work at WDHS in October 2007. She had previously worked at Alcoa in Portland in a broad range of Human Resource, safety management and production roles. Hilary has extensive experience in conflict resolution, diversity management, mentoring, coaching and management development. Hilary has worked as a physiotherapist and rehabilitation consultant for State and Federal governments.

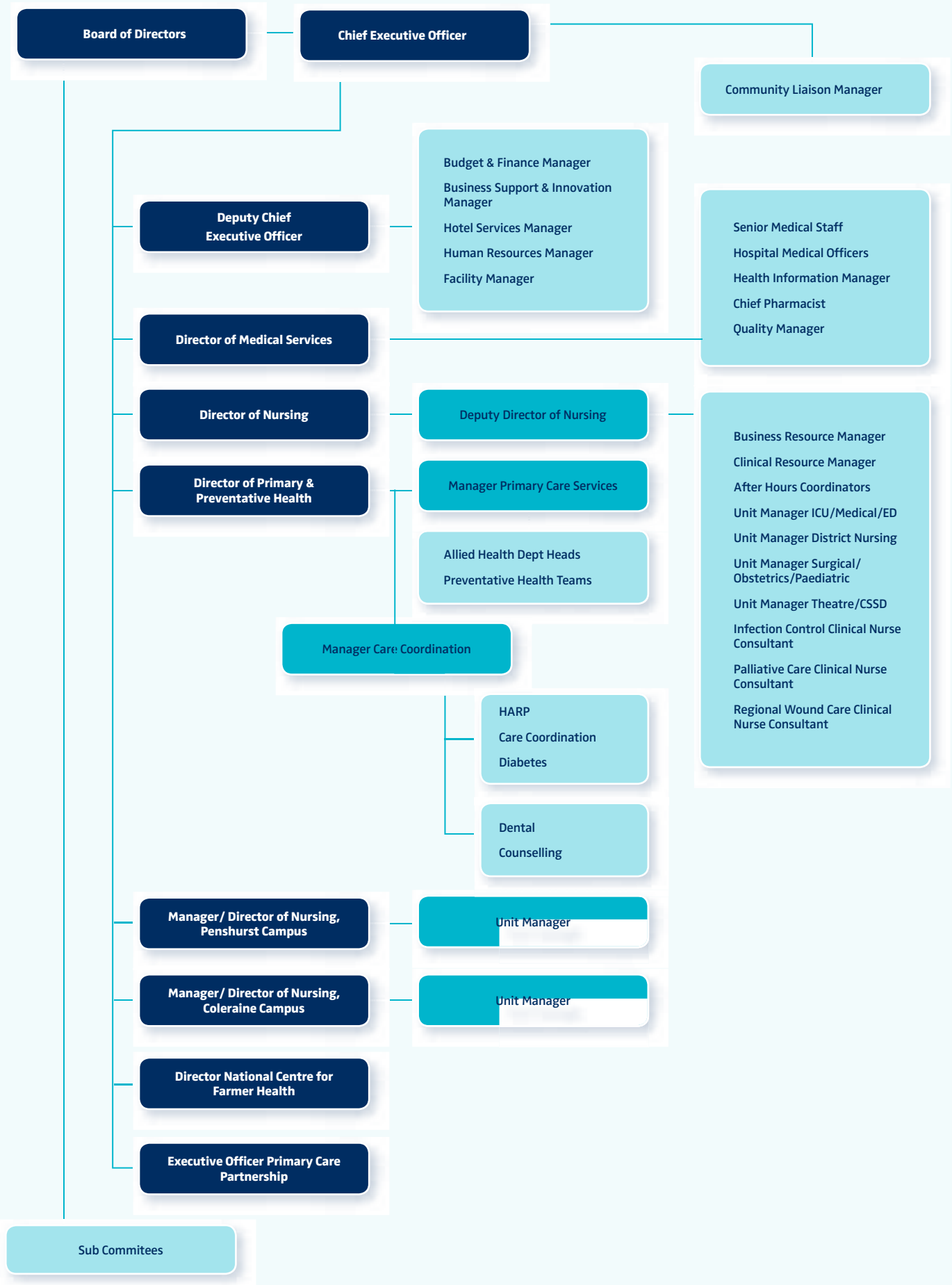
Coleraine Manager/Director of Nursing
Tim Pitt-Lancaster RN BN Cert Perioperative Nursing, GradDip Nursing Science

Tim commenced his role in Coleraine in July 2005. Prior to this appointment Tim was the Nurse Unit Manager of the Operating Theatre Suite of the Mount Gambier and District Health Service, a role he filled from 1998 to 2005. During 2005, Tim was also the Acting Director of Nursing and Patient Services of the Mount Gambier Hospital.

Penshurst Manager/Director of Nursing
Alastair Doull RN MBA

Alastair commenced his role at Penshurst in March, 2011. He has worked in a range of acute, and community healthcare settings as well as Residential Care. Just prior to Penshurst he worked in Portland overseeing the Aged Care Services of Portland District Health. He has also held senior positions in both public and private sectors including Residential and Community Health.

Organisational Structure



Our People in the Workplace

The Challenge

The challenge is to recruit, develop and retain high calibre professionals and specialist staff in a highly competitive labor market as required, to support service delivery to our community, fostering a culture of excellence and innovation and providing training and research opportunities that motivate and encourage staff to maximise use of their skills.

Achievements

- Completion of the triennial Organisational Effectiveness Survey and development of an organisation wide action plan.
- Development and Implementation of a Nursing Management Competency Tool for all nursing management positions
- On-line presence extended with social media (eg facebook and linkedin) integrated into recruitment strategies
- Continued development and enhancement of overseas recruitment strategy; 11 staff and their families granted permanent residency an additional nine staff on temporary long term working visas
- Emergency codes and plans updated, including WSHS Bushfire Preparedness Plan, Chemical Biological and Radiation incident Plan, and Business Continuity Plan
- Worksafe performance rating 0.7479, which is 25% better than the industry average
- Investment in Occupational Health and Safety equipment, includes commitment to installing ceiling hoists in all rooms at the Birches and Grange by October 2011
- Emergency Management exercise involving 22 senior management staff and critical emergency response staff
- All health professional staff registered with Australian Health Professionals Registration Authority

The Future

- Completion of new Human Resources Strategic Plan
- Management and Implementation of New Enterprise Bargaining Agreements for all staff groups
- Development of a Healthy Workforce Strategy
- Implementation of e-recruitment
- Expansion of Human Resources Self-Service on-line system
- Introduction of SMS messaging systems to manage roster vacancies

WDHS fosters a culture of excellence and innovation. New workforce models like the care coordination model of care developed in the Primary and Preventative Health area are already producing improvements in the number of people getting the help they need to manage complex health conditions.

HR strategic plan 2006-11

The HR Strategic Plan was adopted by the Board of Management in August 2006. During 2010/2011 we continued the reorganisation of the previous Allied Health and Community Services departments and now have a well functioning Primary and Preventative Health Division. This has seen increasing interdisciplinary activities and a strong emphasis on developing active consumer focus in the delivery of care and services.

The development of the next five year HR Strategic Plan will be completed by December 2011. A major focus of the plan is to ensure WDHS is capable of taking advantage of the Redesigning Healthcare program, aimed at improving efficiency in the healthcare system by standardising processes, and innovative use of technology. Workforce planning and development remain a priority along with building a culture of excellence where staff are valued and encouraged to be innovative in order to better serve our community.

Recruitment

After several years of stability in our allied health workforce, several staff have left the region. Fortunately most of the resulting vacancies have been filled, however a few key positions are taking longer to fill due to a tight labour market. Recruitment activities are moving to a stronger online presence with social media (e.g. facebook, LinkedIn) now being used as well as traditional newspaper advertising.

The recruitment of medical staff and nursing staff continues to be challenge especially in rural areas. In the past year there was considerable turnover of senior positions with staff taking up promotional opportunities or relocating interstate or to metropolitan areas. Senior appointments during the year included Director of Medical Services, Manager/DON at Penshurst Campus, Unit Managers at the Grange, Birches, Surgical and Medical Units and the appointment of a new General Surgeon. In addition two new Physicians have accepted positions have accepted appointments and are expected to commence early in 2012. Recruitment of Medical Staff is only possible in partnership with the local medical practices and involves considerable time and effort to comply with the numerous registration and credentialing processes.

As anticipated, WDHS is starting to see increasing numbers of staff retiring, although a number continue to work beyond traditional retirement age using some of our flexible work options like casual work, reduced hours or consultancy work. The ageing workforce (60% of our workforce are over 45) reinforces the business case behind WDHS's commitment to business innovation and embracing the use of technology throughout the health service. Less people in the labour market means we have to continue to be smarter at what we do.

Workforce Profile 2011

Labour Category	% Workforce	Female	Male	Total 2011	Total 2010	EFT 2011	EFT 2010	EFT 2009
Managers	1.97	5	10	15	17	15.54	16.17	15.30
Professionals	41.18	281	32	313	286	227.9	215.93	223.91
Associate Professionals	14.34	101	8	109	107	77.84	78.36	73.50
Trades & Related Workers	3.16	7	17	24	25	21.03	20.20	23.81
Advanced Clerical/Sales/Service	0.66	5	0	5	5	4.2	4.20	4.10
Intermediate Clerical/Sales/Service	22.37	156	14	170	173	119.24	118.94	113.89
Intermediate Production/Transport	1.18	4	5	9	10	7.53	8.88	8.70
Elementary Clerical/Sales/Service	2.11	9	7	16	19	13.53	14.95	13.85
Labourers & Related Workers	13.03	74	25	99	94	66.31	71.84	64.31
TOTAL	100.00	642	118	760	736	553.12	549.47	541.37

→ The Birches Specialist Extended Care Services Volunteers with their 2011 Minister for Health Volunteer Award

Work Experience

A review has seen a reduction in the number of students accessing our work experience program but for those who gained a place, the program was more structured, giving them a broader appreciation of the different roles available in a busy health service. During 2010/11, 28 students completed work experience and two commenced new traineeships. The feedback from our school-based programs continues to be excellent.

Organisational Effectiveness Survey 2010

This triennial survey helps WDHS look inside the organisation to better understand what staff thinks about the health service. The fourth survey provided useful trend data showing that, while there are areas for improvement, staff are generally happy with the way they are managed. In the 2010 survey, staff rated WDHS very favourably in comparison with other similar health services and our own past performance. In particular they rated information technology, physical conditions and communication very high. Areas requiring more work include staff recognition and organisational commitment.

Australian College of Health Services Executives Residency Program

The support of the ACHSE- rural management residency program continues, allowing graduate business students to be placed within rural health services and DH for two years. Students are rotated through a range of functions over the two years while they complete their post graduate studies in management. During 2010/2011, Owen Drummond worked with WDHS. The first six months of his placement saw Owen working with the Business Support and Innovation unit, and we have been able to extend his placement for an additional six months.

Staff Recognition and Awards

Employees of the Month Program

This program, sponsored by Darriwill Farm, continues to grow and most months see three or four very strong nominations for the award. It is pleasing to see the broad range of staff nominated for this award. Over the past 12 months, almost every department has nominated a staff member. This year's Employees of the month were:

July **Craig McAllister** (Payroll)

Aug **Carolyn Gellert** (Health Information)

Sept **Briana Picken** (YouthBiz)

Oct **Jeffrey Slater** (HBH Medical Unit)

Nov **Deborah Overmars** (Coleraine)

Dec **Kay Diana** (Human resources)

Jan **Anthony Jackson** (Primary and Preventative Health)

Feb **Merilyn Grant** (Executive Office)

Mar **Dr. James Muir** (Anaesthetics)

Apr **Hazel Saligari** (Birches)

May **Julie Pollock** (Coleraine)

June **Erika Fischer** (Palliative Care)

External Awards

WDHS is extremely proud of its staff and we were pleased to see a number of our staff and volunteers recognised in state wide or other external awards industries.

Dr Brian Coulson – Victorian Rural Doctors' Award for Outstanding Contribution to Rural Communities

Ms Pauline Kearns – Deakin Leadership in Nursing and Midwifery Award finalist

Ms Marlene Lee – Activity 2 Go Magazine – Best Practice Award for Leisure Activities

The Birches Volunteer team – Minister for Health Volunteer Award

Industrial Relations

There were no days lost through industrial activities in 2010/11.

Public Sector Values and Employment Principles

Public Sector Values and Employment Principles are integral to Western District Health Service's Leadership and Employee Orientation programs. The employment principles have also been incorporated into our recruitment and selection training programs to ensure that all employment decisions are based on merit and equity. Western District Health Service is an Equal Opportunity Employer.

Code of Conduct

The WDHS Employee Code of Conduct outlines the standards of behaviour and conduct expected of all employees. All staff receive training in the Code of Conduct and expected standards of behaviour on a regular basis. This training is completed in conjunction with the Prevention of Bullying and Harassment training.

Whistleblowers and Equal Opportunity Acts

Over the past year there were no complaints under the Whistleblowers Act or the Equal Opportunity Act.

Statutory compliance

During 2010/2011, all registered health professionals moved from state registration to the Australian Health Professionals registration authority, allowing national registration. Students in regulated health professions are now registered for the first time. All WDHS staff have moved across to the new system are 100% compliant.

All WDHS staff are required to have a current police check. In addition staff working unsupervised with children must have a current ''Working with Children Check'' 100% of staff are compliant with these requirements.

Legislative changes include a major change to the Occupational Health and Safety environment with new national Work Health and Safety laws to take effect in January 2012. The Fairwork Act continues to develop as a result of case law and modernisation of Awards. The Equal Opportunity Act has also been updated. All WDHS policies and procedures are updated to reflect and meet the new requirements.

→ WDHS Maternity Services Program Coordinator, Pauline Kearns (2nd from left) with Midwifery staff, mothers and babies of the program

Staff and Volunteer Service Milestones

10 Years			
Helen Clare	Kathryn Coote	Maureen Darling	Jennifer Dunstan
Judith Forsyth	Wendy Herring	Maureen Irving	Dougald Johnstone
Amanda Jubb	Joy Lambourn	Fiona Liddle	Christine Marnell
Lorraine McCrae	Pauline McLean	Judith McLeod	Glenis Mellington
Coryn Meyers	Gary Meyers	Mark Newell	Rosemary Perks
Natalie Povey	Laurice Picken	Valarie Rigby	Sally Stratmann
Patricia Walker	Erin White	Robyn Wilken	Michelle Wooley
Rowena Wylie			

15 Years			
Angela Brown	Bobbie Clapham	Ricky Dennert	Margaret Grinham
Helen Holcombe	Catherine Jackson	Cherie Kennett	Beverley Kniebeiss
Pamela Menzell	Heather McKenry	Leanne McLaren	Megan McLeish
Sara Roberts	Lee Ross	Julianne Thomson	

20 Years			
Jackie Deppler	Kerryn Feely	Julie Picken	Eileen Robertson
Michelle Rook	Jeanette Ryan	Jane Sharp	David Young

25 Years			
Mark Baker	Rhonda Baker	Robyn Beaton	Sue Cameron
Margaret Crone	Deborah Egan	Paula Foley	Chris McGennisken
Bronwyn Roberts	Kathryn Ross	Kim Sheehan	Richard Trigger
Helen Van dooren	Robyn Wood		

30 Years			
Leanne Deutscher	Sally Kinghorn	Margaret Langford	Margaret Mahoney
Jenny O'Donnell	Ian Ross	Carol Scherek	Anne Sparke
Fiona Cogger			

35 Years		
Sally Clapham	Shirley Hayward	Ron Price

Learning and Education

Orientation

A one day orientation program is provided for all new staff and volunteers to the health service. The program covers human resource services, emergency procedures and infection control and is supplemented with online courses. The nursing orientation program is held monthly over two days in conjunction with the general orientation program.

One hundred and fifty three new staff, students and volunteers participated in orientation in 2010-11. See table 1 for the participant breakdown.

Modified programs for new medical staff on rotation from larger hospitals have continued for 27 medical and surgical interns.

Table 1- Orientation Participants

Corporate Services	44
Nursing Staff	37
Personal Care Staff	15
Community / Allied Health	6
Medical Staff	6
NCFH	3
Students and Trainees	3
Volunteers	39
Total	153

Online Learning

The further development and use of an electronic learning management system has continued to grow. There are currently 734 active users. Online courses allow staff to undertake education at a time and place convenient to them and at their own pace. During the last financial year, six courses were updated and an additional 17 courses have been made available. Some of these have been developed in-house and others by external agencies.

Medical Education

A weekly intern tutorial program is provided to medical staff on rotation to WDHS. These sessions are presented by the local and visiting senior medical staff and coordinated by the Medical Education Officer. Registrars and consultants also link in via videoconferences to training session run by the Royal Australian College of Physicians. A weekly meeting for the general practitioners and other medical staff is also facilitated by the Otway Division of General Practice.

Continuing Nursing Education

Western District Health Service continues to facilitate continuing nursing education activities on behalf of the South West sub region. Over the last year, nurses have been supported financially to attend fourteen events locally. Topics covered included midwifery, continence, wound care, emergency presentations, paediatric emergencies and management skills.

→ WDHS PDN, Bev Robinson helps Graduate Nurse Amy Flavell, RN1 learn the proper techniques of CPR

Graduate Nurse Program

Twelve newly registered nurses were recruited and are participating in the 12 month graduate nurse program for 2011, undertaking rotations through the acute, aged care and community settings at WDHS. In 2011, the format for the enrolled nurse program was altered to include two intakes; the first of four graduates commenced in February with the second intake scheduled for September. These programs are designed to provide graduates with structured challenging clinical experiences in supportive environments. In mid 2011, open days were held for prospective graduates for both the registered and enrolled nursing programs. Clinical teachers have also been attending careers expo's throughout the region to promote the program and recruitment.

Nursing Graduate Diplomas

WDHS currently supports nursing staff undertaking postgraduate studies in the areas of midwifery, critical care and Perioperative nursing.

Midwifery – One participant commenced in February 2010 and completed the midwifery Diploma in June 2011. A second participant commenced the Graduate Diploma of Midwifery in February 2011, and is currently gaining many skills and experience in this field.

Critical Care – Two participants in the Graduate Certificate of Critical Care completed

→ Clinical work placement students, Saumya Mathew, Arun Ranjit and Vipin Joseph with WDHS Care Coordinator, Maureen Wood and Learning and Education Manager, Deb Smith

the course in Nov 2010.We have two new students in the Graduate Diploma of Critical Care who commenced in February. They are progressing well and have had placements in larger organisations to further their experience.

Perioperative – The only participant in the Graduate Diploma of Perioperative nursing for 2010 completed the course and is working in the Operating Unit this year. We have two students in the program this year who are working well and have completed all the requirements of the course to date.

Hindson Professional Development Fund
This fund was established in 2007 to provide professional development opportunities for nurses working in critical care. In May 2011, two nurses from the Intensive Care Unit at WDHS attended the Australian College of Critical Care Nurses annual conference in Perth. The conference was based on providing updates around best practice in the Intensive Care area of nursing, which helped the attendees consolidate their current knowledge and provided new ideas for them to consider. They provided a report to their colleagues following the conference, which also benefits nurses not able to attend the conference.

Scope of Practice
The Enhanced Scope of Practice project is an ongoing project, which has been funded by the Department of Health. It is anticipated that enrolled nurses will gain more skills through further education and supervised experience. The role of the enrolled nurse therefore is changing and the health service is preparing for this increase in scope of practice of its enrolled nurse workforce in the acute areas.

Management Training
A management in-service program is provided on a monthly basis with a range topics covered, including a workshop funded through the Victorian Healthcare Association on developing the mind of our leaders. Other management topics included incident management, monitoring budgets and building effective teams. In addition, support was provided for five staff members to undertake further studies towards a management qualification relevant to their position and future career plans.

General Professional Development
Over the last year, staff members from all disciplines have participated in professional development opportunities provided internally and externally. In-service programs are run at least once a month in each of the clinical areas and focus on topics relevant to staff in that specific unit. Training has been conducted for allied health professionals in professional resilience, and first aid training provided for staff from a number of units. Several staff members were supported to study toward VET sector qualifications. Qualifications have been obtained in the areas of Allied Health Assistance and Community Services (Leisure and Lifestyle).

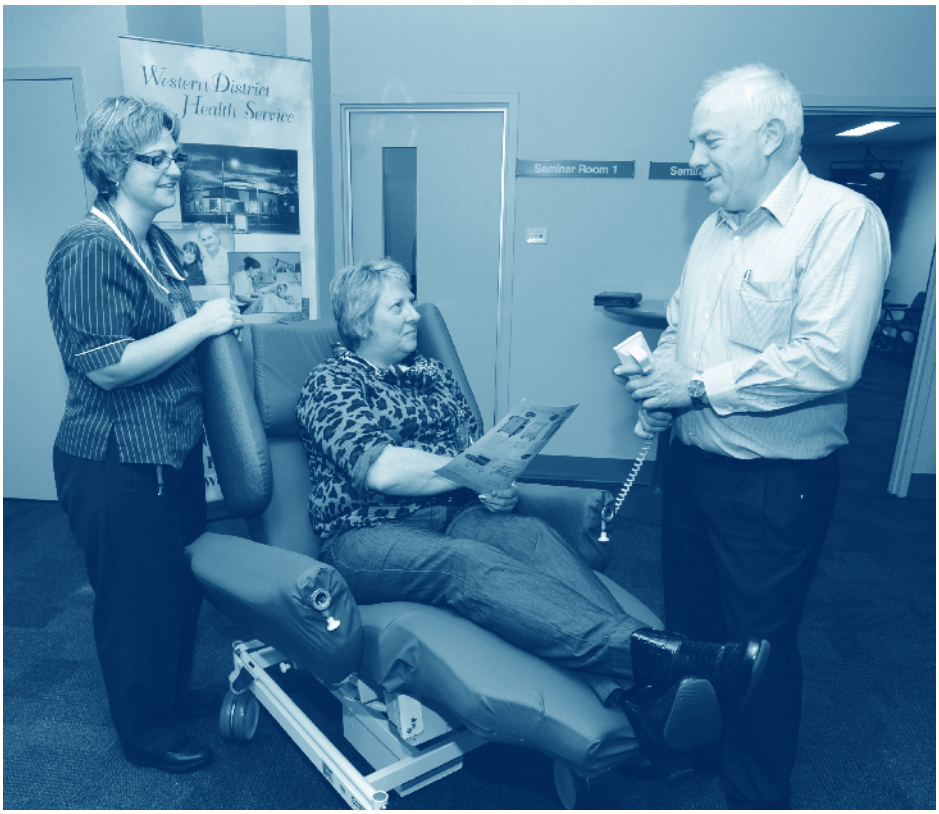
Interprofessional Learning
In February a session was facilitated in collaboration with the Greater Green Triangle University Department of Rural Health to introduce the concept of interprofessional learning, providing staff with a basic understanding of how it works. It was well received and followed up with a hands on session undertaken in the emergency department, addressing chest pain. Participants were medical officers, nurses and paramedics. This session encouraged participants to reflect on how they interacted and communicated within the team and improved their clinical skills.

Clinical Supervision Training
WDHS received a grant from the Victorian Healthcare Association to provide supervision training for staff involved in supervising students on clinical placement. A one day workshop was held in May 2011 with 15 staff participating.

Clinical Student Placements
Over the last financial year, we facilitated students from local, regional and distance universities and TAFE. The placements are facilitated in all campuses as well as the Hamilton Medical Group. They allow students to experience learning encounters with all aspects of the health industry and enable them to reinforce and consolidate the theoretical component of their training.

This year, we have hosted 224 nursing students, including those in both the registered and enrolled nursing courses, and Certificate IV in Aged Care. There have been 28 medical students. In allied health, we have facilitated support of five physiotherapy, six occupational therapy and two pharmacy students.

Occupational Health and Safety



→ WDHS No Lift Coordinator, Leah Swainston, Deputy HR Manager, Sally Hicks and Doug Williams of Crescent Health Care with new equipment designed to reduce patient handling risk

Equipment Procurement Program

WDHS has continued its commitment to improved Occupational Health and Safety management through an ongoing equipment procurement program. During 2010/2011, WDHS invested almost $94,000 to make the workplace safer for staff and patients. A third of this money was invested in the first stage of installing ceiling hoists throughout the Grange and the Birches aged care facilities. The funding will complement the installation of ceiling hoists and tracks in 13 refurbished rooms and seven new rooms at the Grange as part of that facility's redevelopment. A grant of $97,000 over three years will provide all HBH aged care rooms with ceiling hoists to complement our no-lift program, and three aged care rooms will be fitted with bariatric lifting equipment.

The management of bariatric patients presents as a risk for staff and WDHS has an excellent Occupational Health and Safety program to reduce this risk. In addition to the funding for the three bariatric ceiling hoists in aged care, a bariatric ceiling hoist, an electric bariatric bed and special bari-breeze mattress have been installed in the medical unit. One additional bariatric chair for aged care, patient position devices for Theatre and special walking aids in physiotherapy (paid for by Murray to Moyne donations) have all been provided this year to assist bariatric care.

The bed replacement program has continued with funds from the Department of Health purchasing seven floor level beds for aged care ($35,000).

Fire Safety and Emergency Procedures

Fire and emergency code training is compulsory for all staff at WDHS. During 2010/2011, a complete rewrite of all WDHS emergency procedures (including specific requirements for PDHS and CDHS) was undertaken to include recommendations from the Department of Health.

An expert emergency management trainer facilitated an all day table-top exercise to test our emergency capabilities. Twenty-two senior staff and other critical emergency response staff attended to assist their understanding of their roles and necessary resources for effective emergency response in the case of both external emergency and internal major emergency within the hospital.

In December, 2010, the WDHS bushfire preparedness plan was updated, and in May 2011, the Chemical Biological and radiation incident plan was revised. In June 2011, the WDHS Business Contingency Plan was reviewed and updated. During the past year, there have been zero Chemical Biological and Radiation incidents where the exhaust mode in the emergency department needed to be activated.

Workcover

WDHS has continued to review and develop policies and procedures in accordance with relevant legislative requirements and was free from serious injury or death in 2010/2011. WDHS recorded six new claims. Days lost have increased over this period due to the nature of the claims made, from 94 in 2009/2010 to 255 days in 2010/2011, an increase in 36%. This is still a substantial improvement on the 2008/2009 year, which saw over 400 days lost.

The Workcover performance rating was 9.9% better than the average for the industry. It is expected that premium increases of about $50,000 will impact on the health service next year.

There were no Worksafe notifiable incidents in 2010/2011.

Occupational Health and Safety representatives

All health and safety representatives are current with their required training in accordance with the Occupational Health and Safety Act 2004. Three new representatives attended five day training programs over the past year.

Staff Vaccination

Staff vaccination is a very important part of our occupational health and safety program and is constantly provided across the health service.

Number of WDHS staff vaccinated

Location	2009	2010	2011
Hamilton	391	306	344
Penshurst	38	24	33
Coleraine	47	33	42

Corporate Services
Business Systems and Sustainability

→ The recently completed Merino Community Health Centre is the new home for Primary Health and District Nursing, Planned Activity Group and Visiting Medical and Allied Health Services provided to the Merino community

The Corporate Services Division comprises departments staffed by people with skills and expertise in business analysis, budget and finance, food, environmental and linen, human resources, information communications and technology, library, and supply and maintenance services. These departments support direct patient care and ensure WDHS functions effectively and efficiently. The division employs 114 people (91.1 EFT) and has an annual budget of $10.9 million.

The Division participates in management decision-making, in particular the interpretation of government policy, the implementation of changes required for compliance with statutory obligations and the management of resources necessary for the delivery of clinical services.

Challenges

» Support clinical services development, review and restructure

» Develop, implement and monitor infrastructure and technology strategic initiatives

» Take a leadership role in alliances and peer groups to promote innovative practice within the Sub-Region

» Implement, monitor and review risk management strategies

» Ensure effective governance and management of resources

» Maintain timely, accurate, efficient and effective reporting on finance, service activity and compliance

» Ensure efficient, contemporary workforce management strategies for maximum organisational effectiveness

Achievements

» 1,100 user accounts successfully transferred to the new Exchange Mail Server significantly enhancing email and calendar functionality and security

» Completion of digital Theatre project enabling integration with patient electronic record and the provision of enhanced clinical education using streaming of images to the Education Centre

» Virtual Visiting Resource Kit developed and published on the DoH and Ageing website

» Virtual services expanded to include antenatal visits and enhanced service provision to remote areas

» Maintenance Department relocated to the old Ambulance site

» Standard Board Financial Reporting format adopted and implemented for Sub-Regional Health Services

» Program Budget Reporting system developed providing program reports monthly to the Board

» 98% Compliance with DoH - Statement of Priorities

» New $853,000 Merino Health Centre commissioned

» Oracle FMIS – asset management components implemented

» External painting of main HBH building completed

» DoH provides $400,000 to WDHS to lead a Benefits Realisation Project including standardisation of Common Supply Catalogue for all rural health services

» Acute and residential aged facilities television services upgraded to receive digital signal

» $2.841m Grange Redevelopment construction commenced June 2011

→ Business Support & Innovation Manager, Colin Barrie with ACHSM Resident, Owen Drummond (Left), and BSI Project Manager, Demogene Smith working on plans for one of the 24 development projects under way for the Health Service

» $240,000 Penshurst Laundry Project completed

» Contract signed for implementation of a new Patient and Client Management system

» $100.000 provided to participate in the DoH Redesigning Care project

» Carpet replacement in HBH and Frances Hewett Centre completed

» Asbestos re-audit competed and Management Plan adopted in December 2010

» Business Continuity Plan revised and updated

» Emergency Desktop Exercise conducted in February 2011

» Completion of Independent Organisational Risk assessment by Deloitte and appointment of RSM Bird Cameron to provide internal audit services for the next three years

» VMIA Gold Medal award for Risk Management

The Future

» Complete Grange Redevelopment Project

» Upgrade and relaunch Internet website and internal intranet site

» Commence construction of the new Coleraine District Health Service

» Install replacement emergency generator to extend backup capacity to cover the HBH site

» Complete review of WDHS – Hamilton and Penshurst Master plans

» Commence construction of new Sub-Acute redevelopment at HBH site

» Undertake Fire Safety Re-Audit of all facilities

» Complete Redesigning Care Project improving ows for high turnover short stay procedures

» Extend Sub-Regional corporate services model, establish a standardised reporting format and consolidate program budget development

» Complete review of HR Strategic Plan to establish strategies for the next five years

» Expand virtual services to include establishment of Medical Benefits Schedule funded virtual consultations in accordance with New Medicare arrangements commencing in July 2011

» Adopt new ICT strategy aligned with the Victorian Whole of Health ICT Strategy 2009-13

» Implement environment, waste management, food and fire safety programs

» Monitor and implement changes associated with the National Health Reform – '' A National Health and Hospitals Network''

» Implement new PAM Medical Indemnity Insurance system with VMIA

» Implement Sub-Regional Linen Service model with Southwest Healthcare

Corporate Services Support

Corporate Services works with Divisional Directors, Departmental Managers and clinicians to achieve organisational goals, explore opportunities for further development of services, and increase the range of services required to meet current and future needs of our community. A major responsibility of the Division is the development of strategic alliances and participation in industry workgroups.

This is the first year of an extensive redevelopment phase for the health service involving five sites and expenditure of in excess of $33m over three years. The Merino Health Service and Penshurst Laundry projects were completed during the year with the $2.8m Grange Redevelopment commencing in late June. The $26m Coleraine Redevelopment will commence in August and site clearing works were completed during the year.

In addition to managing an extensive building program, the National Health Reform – '' A National Health and Hospitals Network'' released by the Commonwealth Government

is being implemented in conjunction with the States. Key changes to apply from July 2012 include the establishment of a ''fair price'' for all services provided by the health service. The policy direction supports the WDHS strategies including the focus on quality local governance, development of partnerships, consumer involvement, quality services and the implementation of the electronic patient medical record.

Significant progress was made in preparing for major capital works projects and health system reforms to be undertaken over the next few years. The key areas of activity related to information management, medical equipment assessment and replacement, and completion of capital planning and infrastructure upgrades.

Sub Regional Progress, Alliances and Partnerships

Sub-Regional Corporate Services across the Glenelg and Southern Grampians planning area has continued with a representative steering committee meeting bi-monthly, identifying new opportunities for cooperative initiatives. The Sub-Regional Corporate Services initiative has developed an effective resource sharing arrangement among member agencies to provide relief for periods of leave, and resources on a fee for service basis in finance, human resources, payroll, supply and engineering.

During the year, this group implemented a standardised report format for Boards. This includes comprehensive financial statements with projections, KPI's and detailed program reporting as required under the new funding system to be introduced in 2011. This standard reporting enables staff from other agencies in the group to prepare and analyse reporting remotely, and facilitates benchmarking of performance. In addition, the group has upgraded the payroll system and is progressing towards the extension of Employee Self Serve functionality to all members by August 2011.

As a member of the SWARH ICT Alliance – WDHS staff were active in many of the projects undertaken, including:

- Successful implementation of a new Exchange Server System to manage email and calendar services,
- Establishment of Service Level Agreement to monitor performance of SWARH provision of ICT services
- Development of an active HL7 interface between the patient clinical system and the New Digital Theatre System – EndoAlpha
- Expansion of RFID (Radio frequency Identification)capability utilising the wireless network
- Planning for the upgrade of the Patient & Client Management System for Acute & Community Health programs.

Financial Management Information Systems

On a state wide basis, Corporate Services staff have been actively involved in the implementation of the Oracle Financial Management Information System in conjunction with DoH Rural and Regional Division and the five rural alliances. Although the formal implementation project concluded in November 2010, WDHS has continued to work with the SWARH Alliance to achieve the business improvements required in particular:

- Imprest systems with bar-coding functionality
- I-procurement online purchasing and approval system
- Business to business exchange of order and invoice data automating processes
- Asset management integrated into the system
- Wireless scanning of Imprest orders
- Regional accounts payable function for health services

In June 2011, the Department of Health allocated $400,000 to WDHS as project lead over the next two years to deliver these benefits to all rural alliances. A key deliverable of the project is to develop a common catalogue which is shared by all rural and regional health services and maintained by Health Purchasing Victoria.

WDHS finance staff have successfully implemented the asset management functionality of the Oracle financial system and developed program reporting system, which provides patient level financial data crucial to comply with the Commonwealth Department of Health and Ageing -Australian Hospital Patient Costing Standards, an integral part of the data collection requirements under the National Health Reform agenda.

For the first time, WDHS was required to develop with the DoH an agreed ''Statement of Priorities''. Monitoring of performance against targets required considerable modification to data systems but also provided valuable benchmarking data. It is pleasing to note that WDHS achieved 98% compliance with all targets.

Business Support and Innovation Projects

Business Support and Innovation leads change management across the organisation by assisting with process improvements including planning, organising and managing resources for successful completion of projects.

During the year the Commonwealth DoH and Ageing advised that a resource kit developed by this team was published on their website to be used across Australia.

In a major new development, the implementation of the new Digital Theatre as a centre of excellence for laparoscopic and endoscopic surgery was completed. The project involved technical work, installing a new arm to support digital screens and equipment above the floor. Touch screen controls for all equipment and services, the integration of digital images into patient electronic records, and transmission of digital images across the network for teaching and specialist referrals were also provided as part of the project.

WDHS received $100,000 for participation in the DoH Redesigning Hospital Care Program. This initiative will support health agencies in developing the ability to analyse, review and redesign health service processes and workflows, enhancing performance and patient outcomes. Business Support and Innovation is working to redesign and improve patient flow for high volume, short length of stay surgical patients.

Facilities Management

Facilities Management requires the ongoing maintenance of physical facilities to ensure they are reliable, safe and comply with relevant standards. Significant investment in infrastructure requires a long term planning approach, which includes major redevelopment and refurbishment and the maintenance of essential plant at all campuses. The Facilities Department also has responsibility for the procurement of capital equipment in accordance with changing product standards and government procurement policies. The highlight of the year was commencement of a substantial building program which will exceed $33m in replacing and upgrading buildings at all sites. This program includes the following major projects:

- Merino Health Service – completed in May 2011 (cost $853,000)
- Penshurst Laundry Project – completed April 2011 (cost $240,000)
- Grange Redevelopment – commenced June 2011 (cost $2.8m)

→ The architect's drawing of the new Coleraine Health Service site currently under construction

- Penshurst Cool Room Project – commencing July 2011 (cost $180,000)
- Coleraine Redevelopment – commencing August 2011 (cost $26m)
- Hamilton Medical Group Renovation – commencing September 2011 (cost $500,000)
- HBH Sub-Acute Redevelopment – commencing December 2011 (cost $3.5m)

In addition to the major works underway, the building fabric and functional layout of key service areas at HBH will require substantial investment in the next five to 10 years. The most urgent areas which will require significant investment include the catering department, Theatre, emergency department and the acute ward area. With the relocation of the Maintenance Department to the old Ambulance Service Building increasing available space in the centre of the site, a complete review of the HBH will be undertaken, for completion by December 2011. The Master Plan will provide the framework for the future development of the HBH site.

Other significant projects completed during the past year include carpet replacement in HBH and Frances Hewett Centre, painting of the exterior of HBH main building, completion of works on the Digital Theatre upgrade, renovation of Hamilton Medical Group roof and upgrade of Penshurst waste water system.

Risk Management

WDHS was awarded a Gold Medal for Risk Management by insurers VMIA and performed well during the ACHS accreditation survey in relation to risk management, reflective of the significant risk management activities undertaken.

An organisation wide Risk Assessment was completed by Deloitte identifying major risks to be managed by the Health Service as part of the next three year Internal Audit Program. An open tender process in conjunction with Portland District Health, Heywood Rural Health and Moyne Health Services saw the appointment of RSM Bird Cameron as Internal Auditors for the group for the next three years.

Formal internal audit activities undertaken and reported to the Audit and Compliance Committee included a post implementation review of the Oracle FMIS project, and an assurance report of compliance with Nurse Ratios.

Other activities undertaken during the year included:

- Asbestos Reaudit - December 2010
- Desktop Exercise – Emergency Planning – February 2011
- Review and Update of Business Continuity Plan
- Implementation of Victorian Hospital Incident Management System (VHIMS)
- Review of Biomedical Equipment Maintenance Procedure
- Introduction of PAM Medical Indemnity Insurance System
- $142,000 invested in equipment to reduce risk of injury including ceiling hoists, beds, mattresses and shower chairs

A significant risk for WDHS is the capacity of emergency backup power available at the HBH site to meet existing requirements. The DoH has identified a generator to be relocated from Sunshine Hospital, providing a Capital Grant of $235,000 for the transport and installation of the generator in 2011. This generator has sufficient capacity to cover the whole site and will resolve this identified risk.

Hotel Services

Hotel Services includes Food Services, Environmental Services, Linen Services, Garden and Grounds, contracted services for Security, Pest Control and General/Prescribed Waste. Hotel Services is an integral part of WDHS and continually seeks excellence in the delivery of services. Hotel Services participates in rigorous, on-going external audit examinations, as well as benchmarking exercises to see how it rates against other, peer-group services.

Achievements in the current year include:

- 100% external food safety audit result for all sites 2011

» 98.4% score for annual state-wide external cleaning audit

» Achieved above the mean in all areas for VPSM state-wide food satisfaction survey for 2011.

» 'Gold' Accreditation as a Waste-Wise Business.

Hotel Services has embraced the Victorian Government's ''Our Environment Our Future – Sustainability Action Statement'' and has implemented the WDHS Environment Management Plan (EMP) that sets down the Health Service's approach to reducing its impact on its environment. This EMP has clearly defined key performance indicators to track performance against each target and reports to Government annually.

The department is also developing and promoting its electronic patient menu system, which has been introduced at Coleraine and Penshurst campuses. Strong interest is being shown by other hospitals in the region in adopting this program, which enhances patient menu choice and substantially reduces waste. The linen service sustainable sub-regional model has progressed with South West Healthcare to the point of having an investment proposal for consideration in July 2011. It is expected that the new model will be adopted and implemented next year with substantial savings achieved for the sub-region.

Department of Sustainability and Environment Water Efficiency Improvements Award Nomination

WDHS is committed to conservation and in particular to the most valuable of our resources, water. This project was necessary because it made both a positive contribution to water conservation and formed an integral part of ensuring the longevity of the linen service to clients.

On average, WDHS processes some 45,000 kgs of linen per month in two extractor washers. This equates to the use of some 1.35 ML of potable water a month or 16.2 ML a year. A 20% reduction in the volume of water used was calculated to realise a saving of some 3.24 ML of potable water per annum.

Once a new recycling system was installed, the computerised washing programs were set to divert the designated number of rinses to the holding tank, for transfer to the next wash load. The project became self-sustaining via the wash programs installed in to each washer. The outcome achieved is that each wash uses one less rinse cycle of potable water per load. This water saving initiative is ongoing and has the capacity and scope to be transferred to other equipment, should the need ever arise.

Recurring costs for maintaining the water recycling system are being met from linen service operating costs.

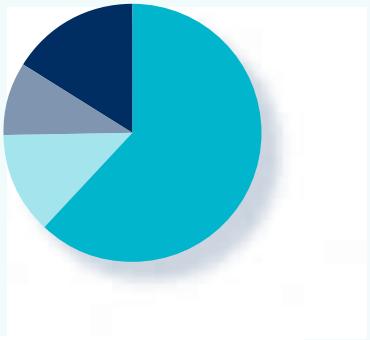
Waste Management

WDHS management and staff have embraced the principles of waste management. These principles are commonly known as the waste reduction 3R system, Reduce, Reuse and Recycle.

The ultimate goal for our health service would be to reach a zero waste situation. This would mean, only items which do not meet the requirements of the 3R criteria are disposed of into land fill.

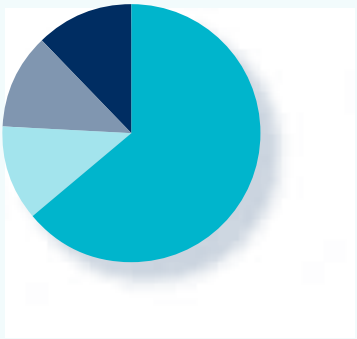
The following data reflects waste management volumes across the health service campuses.

General waste (m3)



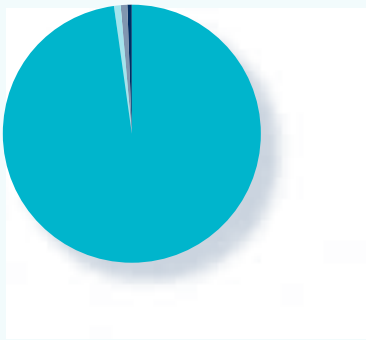
Hamilton Base Hospital	2,190
Coleraine Hospital	449
Penshurst Hospital	330
The Grange Aged Care	561
Total	3,530

Recyclable material (m3)



Hamilton Base Hospital	564
Coleraine Hospital	106
Penshurst Hospital	105
The Grange Aged Care	107
Total	882

Clinical waste (m3)



Hamilton Base Hospital	13,454
Coleraine Hospital	123
Penshurst Hospital	97
The Grange Aged Care	58
Total	13,732

Our Community Partnerships

→ The inaugural WDHS Vitality Fun Run saw 314 members of the community put their runners on to support the Grange Residential Care facility, raising almost $4,000

WDHS values its partnerships with the communities of the Western District. The Health Service's Community Liaison Department is responsible for developing ongoing reciprocal partnerships on behalf of WDHS. Community Liaison promotes new WDHS programs and services, coordinates fundraising events and initiatives, supports the many volunteers who give their valuable time, and represents WDHS at community events. The commendable image of WDHS is promoted through the media, Annual and Quality of Care reports, brochures, biannual newsletters and the website.

The goal of the Community Liaison Department is to fully inform the community, increasing awareness of and promoting their involvement in the Health Service. We have a commitment to community feedback, which identifies needs and facilitates community participation in the future of the Health Service.

We thank everyone in the community who has contributed to WDHS, whether financially or in-kind this year.

Fundraising Strategy

WDHS' fundraising is conducted in accordance with the Fundraising Appeals Act 1994, and the Fundraising Institute of Australia Ethical Codes of Fundraising. The total fundraising strategy of the Health Service is guided by the WDHS Development Council, an eight-member committee plus Board of Directors' representation.

The Community Liaison Department manages the overall fundraising strategy on behalf of WDHS. In addition to fundraising events and functions, the department submits applications to philanthropic Trusts and Foundations to support the health service's fundraising efforts. This year, a total of $1,527,974 was raised.

Key fundraising events in 2010/11 were the Grange Redevelopment Appeal, with a total now standing at $2.070m, including pledges and funds held in reserve by the Health Service. The Hospital Door Knock Appeal raised $50,517, the Christmas Appeal $30,990, the Murray to Moyne Cycle Relay raising $12,650. The Top of the Town Charity Ball raised $219,448 to support the purchase and installation of digital Theatre equipment for the Hamilton Base Hospital. The Hamilton Fun Run and the Hamilton Golf Tournament raised $3,850 and $13,000 respectively for the Grange Redevelopment Appeal.

WDHS received bequests totalling $870,315 and grants from Trusts and Foundations totalling $32,563 in 2010/11.

Fundraising Activities

The Grange Redevelopment Fundraising Appeal

This appeal was launched in April 2009 by campaign patron Dr Geoff Handbury AO to raise money for the final redevelopment stage at an estimated cost of $2.841m. This will provide the facility with a new wing of seven beds and a redesign of Home 3 to care for residents with more complex needs (15 beds to 13 beds), a total increase of five beds (45 to 50). A new kitchen will be constructed along with increased activity space for programs and covered delivery and pick up areas. This stage is the final building block in the creation of a first class aged care facility, ensuring The Grange will retain its premier status in the Western District and continue to meet the increasing needs of the community. Construction commenced on 27 June 2011. Donations, pledges and funds held in Health Service reserves toward the redevelopment to date total $2.070m, a fantastic show of support from our community, which leaves $130,000 remaining to reach the fundraising target of $2.2 million.

Christmas Appeal

In December, the Hospital Christmas Appeal, conducted via letters of request and newsletters sent into the community raised $30,990. The funds were directed to our operating Theatres for the purchase of cholestectomy laparoscopic instruments. Laparoscopic instruments are used by general surgeons for keyhole surgery procedures, including hernia repairs, appendectomy, gall bladder removal and some bowel surgery. Keyhole surgery results in less recovery time, improved outcomes and a shorter hospital stay for patients.

Hospital Door Knock Appeal

This year's revamped Hospital Door Knock Appeal ran for nine days instead of just one weekend, and new volunteers knocked in rural areas that had previously not been included. It was a resounding success with over 130 Volunteers door knocking from the 18th to 26th of June in the communities of Hamilton, Glenthompson, Dunkeld, Cavendish, Penshurst and Branxholme and surrounding rural districts.

The appeal tally reached $50,517 with the funds going towards the purchase of an electrocardiograph for our emergency department, a large joint drill for orthopaedic surgery and a laparoscopic needle holder for the operating Theatres.

Murray to Moyne

The annual Murray to Moyne Team Cycle Relay was held in April with a great team of enthusiasts participating. Fifteen riders and a support team of five took up the challenge, had a lot of fun and managed to raise a total $12,650. The funds raised were used to purchase multiple equipment items for WDHS.

Support for Appeals
Many community groups and individuals have provided WDHS with considerable financial and in-kind support throughout the year, including:

- **Dr Geoff Handbury AO** $125,000
- **Bob Henderson AM** $40,000
- **The Collier Charitable Fund** $29,000
- **Gordon and Alexandra Dickinson** $10,000
- **Allan and Joan Blain** $10,000
- **Michael Krowicky** $7,000
- **The National Servicemen's Association of Australia** $5,725
- **The Estate of Ted Hodgetts**, $715,898 (for Coleraine)
- **The Estate of Phyllis Lorna Mibus**, $78,376 (for Penshurst)
- **The Estate of Trevor William O'Malley** $12,408 (for Penshurst)
- **The Estate of May Fraser**, $19,618

Jacinta and John Hedley of Darriwill Farm provided sponsorship of our Employee of the Month Award, James Dean Pharmacy provided gift packs for Midwifery private patients and IGA Hamilton contributes via the Community Benefit Scheme.

These generous donors and supporters are extremely important to WDHS, making it possible for us to purchase much-needed equipment and to refurbish our facilities to meet the needs of our patients and clients. We sincerely thank all those who contributed, financially or in-kind throughout the 2010/11 year. A list of donors contributing $100 or more is shown on page 52.

Auxiliaries and Community Groups
WDHS' five auxiliaries, the Hamilton Base Hospital Opportunity Shop, the Penshurst Opportunity Shop and the Hamilton & District Aged Care Trust have again contributed a great deal to the Health Service. The North Hamilton Ladies' Auxiliary donated $3,500 towards a Headlight for ENT surgery and Bariatric Anaesthetic Intubation equipment for Theatre. The Hamilton Base Hospital Ladies' Auxiliary donated $5,725 to purchase a Renal Dialysis Chair for our Dialysis Unit. The Hamilton & District Aged Care Trust continued to raise funds for the Grange Redevelopment. The Coleraine District Health Service Ladies' Auxiliary donated funds to purchase kitchen equipment, Palliative Care equipment and an Oxygen Concentrator for the hospital, the Auxiliary is also continually raising funds for equipment for the newly redeveloped Coleraine Hospital. The Coleraine Homes for the Aged Auxiliary held various fundraising activities throughout the year to purchase new wheelchairs for Mackie House and Wannon Hostel residents. The Penshurst Hospital Ladies' Auxiliary donated $5,529 to purchase an ECG machine for the hospital, a large flat screen TV for the Sheppard Centre, individual manicure sets for each resident and a microphone system. The Penshurst Opportunity Shop donated $3,400 towards the purchase of wheelchairs and a No Lift Chair for Palliative Care.

Opportunity Shop
The Hospital Opportunity Shop is open five days a week from 10:00am to 4:00pm and is staffed by two volunteers each day. For the 2010/11 year, 3,024 hours were contributed by this fantastic team of 14 volunteers. The Opportunity Shop has raised a total of $390,500 since its inception in 1938.

→ WDHS offers local kindergarten children and school students the opportunity to take a tour through HBH and speak with WDHS staff about being a patient and a medical professional in a hospital

→ The WDHS Top of the Town Charity Ball brought Chefs from local restaurants together as volunteers to provide a five star dinner on the night

→ Seventy two students from The Hamilton and Alexander College volunteered their time to provide table service to 520 guest and help raise $219,448 for the digitisation of the HBH Theatre Unit

The Hospital Opportunity Shop donated $30,000, for the purchase of two defibrillators, one for medical unit and one for Theatre, a Ranger fluid/blood warmer and an electronic flushing pump for endoscopy for Theatre. WDHS is extremely appreciative of the excellent contribution put forward by the hard working auxiliaries and community groups.

Our Volunteers

WDHS has 301 registered, unpaid volunteers, excluding auxiliary members, who give of their valuable time and skills to support our patients, residents and clients across the health service. Volunteers are recruited through an interview process with the Volunteer Coordinator to determine where their skills, experience and interests will be best used. All undergo a Police Check and comprehensive orientation program before commencement of service.

WDHS relies heavily upon the support of all its volunteers and we acknowledge and appreciate their dedication and considerable contribution to improving the lives of people we provide services to.

Hours of Service in 2010/11

Fourteen volunteers provided 1,369.8 hours of support to the Grange Residential Care Service. Thirteen volunteers and external work placement / work experience volunteers provided 274 hours of support at The Birches Specialist Extended Care Centre. Twenty seven volunteers provided 1,209 hours of support to Penshurst campus residents through individual and group visits, activities, excursions and gardening.

Sixteen volunteers provided 400 hours of support at Wannon Court and Mackie House in Coleraine. Five volunteers give their time to the PAGS group which operates for 10 hours each week and one volunteer assists with the Hospital Nursing Home residents. Four volunteers provided 76 hours of support to the Men's Out and About program.

The Merino Community Health Centre is supported by 27 volunteers.

Fourteen volunteers worked to provide a comforts trolley service to Hamilton Base Hospital inpatients, raising $606.60 after costs. Over 130 volunteers donated in excess of 400 hours to doorknock for the Hospital Sunday Appeal, which raised $50,517 for the purchase of an electrocardiograph for our emergency department, a large joint drill for orthopaedic surgery and a laparoscopic needle holder for the operating Theatres.

The Adult Day Activity and Support Service in Hamilton and Penshurst received 687.5 hours of volunteer support to assist with transport, meals, activities and a three-day trip.

Students from Baimbridge College, Monivae College and The Hamilton and Alexandra College volunteered as Hospital Door Knock Appeal collectors throughout the second half of June.

Volunteer Support for Fundraising

WDHS uses registered volunteers in its fundraising program separate for the Auxiliary committees, and they include:

- The HBH comforts trolley service
- The HBH Opportunity Shop
- The Annual Door Knock Appeal
- The Grange Redevelopment Golf Day
- The Vitality Fun Run – Run the Grange for the Grange
- The Top of the Town Charity Ball
- The Hospital Harmonies Choir

Community Transport Program

The Hamilton Community Transport Program had 50 volunteer drivers and 11 escorts assisting the Health Service in 2010/11. The volunteers donated 2,552 hours and provided 1,652 trips covering a total of 119,845 kilometres. The majority of clients are from the Hamilton and District area however the program will provide transport for clients living further afield if they are unable to access transport in their region. The program takes clients to medical appointments locally and to services in Ballarat, Warrnambool, Geelong, Horsham and Mt. Gambier. As many as four trips a week are provided to Melbourne hospitals for appointments and admission, these being The Alfred, The Austin, St. Vincent's, The Royal Melbourne, The Royal Children's, Peter McCallum, the Eye and Ear Hospitals and orthopeadic surgeon, Mr Cunningham in Heidelberg.

The Coleraine Community Transport program was supported by 30 volunteers making 464 trips totalling 17,709 kilometers over 1,507 hours. The service in Coleraine enables clients to attend local activities and medical appointments.

The Palliative Care Program

Seven WDHS registered volunteers are available to participate in the Palliative Care Service. Three of these volunteers gave 73.5 hours of support to visit and care for four palliative care clients and their carers.

The Palliative Care Service assists clients and their carers via visits that can provide moral support and friendly reliable companionship on a regular basis. They may give general assistance by helping with feeding, accompanying clients on a walk, special outing, or help them with a hobby they love.

Volunteers can also, if required, accompany

clients to their medical appointments. This level of support gives carers free time to run errands, attend a favourite respite activity or take some well-earned time out with peace of mind, knowing their loved one has company and is being cared for.

Palliative Care Volunteers provide support for clients and their carers in the client's home, as a visitor during acute episodes in hospital, during respite and on external appointments and excursions.

Volunteering Awards 2011

The Birches volunteer program has developed into a show case for volunteering. With supervision and support from Diversional Therapist, Julianne Gould, and with the recruitment of volunteers with special qualities of caring, empathy and kindness this group of exceptional volunteers were recognized state wide by being selected for outstanding team achievement for a volunteer service in a regional health service at the 2011 Minister for Health Volunteer Awards.

Aged Care Program

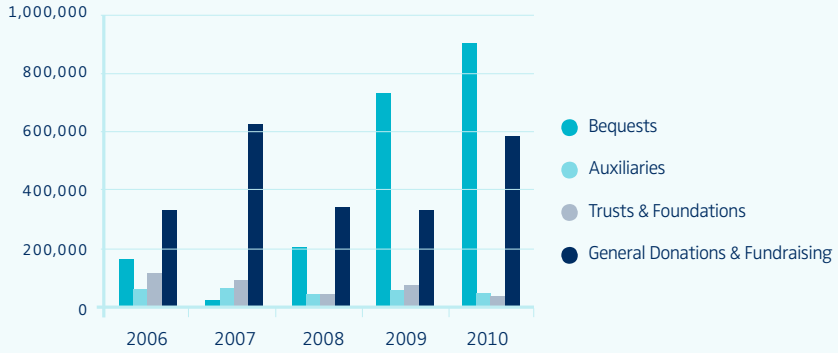
Volunteers visit residents at our Aged Care facilities to provide companionship, escort them to appointments, help with shopping and recreational activities such as cooking, gardening, playing cards, music, having manicures, hair sets, wheelchair walks and outings. They also assist diversional therapists and occupational therapists in regular activities. A total of 2,852.8 volunteer hours were provided to residents in our combined aged care facilities and programs.

Appreciation

The Community Liaison Department extends its sincere appreciation to WDHS' auxiliaries, the Op Shop, Aged Care Trust, Murray to Moyne teams, community groups, businesses, Trusts and Foundations, WDHS staff, volunteers and many local individual donors for their outstanding support during 2010/11. Clearly, we are able to continue to provide high calibre service to our community because of your generosity and commitment and we thank you all.

Donations and Bequests

The five year report - $4,708,444 raised



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Aarons F
Aldridge MLV
Apex Club of Coleraine
Bailey M
Ball R
Baudinette LE
Baudinette NR
Baxter CJ
Baxter J
Beggs HN
Boyle J
Brabham R
Brebner K
Broers M
Brumby A
Bunge B
Burger GG
Burgin E
Celewych K
Clayton D
Clifforth S
Cook C
Cottrill A
Cross C
Donehue L
Douglas WH
Drew WS
Duff S
Duncan W
Duval W
Edmonds Dr J
Fidler E
Finch GM
Fleming JD
Flynn JE
Forbes F
Francis E
Fraser M
Frazer T
Fyfe BJ
Gaussen D
Gardiner PD
Golding AL
Gubbins J
Gumley F PSM
Gurry AJ
Handbury G AO
Harrip EL
Hay T
Heazlewood P
Henty Anderson G
Hickleton E
Holmes ES
Hope MMH
Hutton T
James DP
Jenkins L
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Kaufman ML
Kenny J
Kenny L
Kruger N
Langley C
Lawson V
Linke N
Little J
Logan U
Lyon E
MacLean M
McCalman J
McCorkell FH
McCrae DG
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McDonald J
McIntyre J
McIntyre SM
McKinnon M
McMahon Mrs
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Mibus HA
Mibus L
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Mutch L
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Templeton MA
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Tonkin N
Turner J
Walker O
Wallis V
Walter R AM
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Young M

NOTE: A full list of Life governors, including those who are deceased, is available from the Community Liaison Department at the Hamilton Base Hospital campus.

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Senior Staff

Chief Executive Officer
Jim Fletcher BHA, AFCHSE, CHE, MIPAA, MAICD

Community Liaison Manager
Kerry Martin AssDipBusAdmin, Cert1V WplaceL&M

Penshurst Manager/Director of Nursing
Damien Malone BA, BN, RN, MN, Cert 1V A&WT to October 2010

Jenny Paton RN, RM Acting from October 2010 to March 2011

Alastair Doull DipN, MBA from March 2011

Penshurst Unit Manager
Jenny Paton RN, RM

Heather Kelly RN and Carol Neild RN Acting from October 2010 to March 2011

Coleraine Manager/Director of Nursing
Tim Pitt-Lancaster RN BN Cert Peri-operative nursing, GradDipNursingSci

Coleraine Unit Manager
Denise Beaton RN RM

Deputy Chief Executive Officer/Director of Corporate Services
Patrick Turnbull BBus, BHA, FCPA

Manager Finance & Budget
Nicholas Starkie BBus DipTS(Bus),GradCertBusAdmin, ASA

Business Support and Innovation Manager
Veena Mishra BSc, MBA, registered Project Manager to March 2011

Colin Barrie BE from April 2011

Hotel Services Manager
Peter Davies BA

Human Resources Manager
Hilary King MBA, Grad Dip HR, Dip Physio, CAHRI

Facility Manager
Daryl Hedley AIMM, FMAM, AIHEAM to August 2010

Trevor Wathen Dip Frontline Mgt, MFAM from August 2010

Learning and Education Manager
Deborah Smith PGradCert Ed, PGradDipEval, BAAdmin Hons), Cert IV A&WT

Librarian
Louise Milne ALIA

Nursing Services

Director of Nursing
Janet Kelsh RN, ICUCert, BAppSci(Nadmin), CertMgt(Deakin), GradDipAgedServMgt, MRCNA

Deputy Director of Nursing
Bronwyn Roberts RN, CriticalCareCert, GradCertBusAdmin, MRCNA

Business Resource Manager
Lorraine Hedley RN, BN, MRCNA

Clinical Resources Manager
Judy Esson RN,RM,BN,CertCritCare,GradDipHealthAdmin from June 2011

After Hours Coordinators
Linda Donaldson RN, MRCNA

Lesley Stewart RN, Sterilisation&InfectionControlCert

Marilyn Fraser RN, BN, GradDipCritCare to May 2011

Mavis Wilkinson RN, RM

Kathy Ross RN GradDipCriticalCare

Leanne Deutscher RN

Jennifer O'Donnell RN, RPN, AdvCertMgt, AdvCertWorkplace Practice Skills

Dianne Raymond RN

Dianne Nagorcka RN, RM, Peri-opCert,BN

Nurse Managers

Aged Care Services
Gillian Jenkins RN Master of Education (Rsch), GradCertBusAdmin, MRCNA to January 2011

Unit Manager, The Birches
Eryn Cottier RN to October 2010

Bongai Duma M Clin.Science(Healthy ageing and Aged Care), BA(nursing science), RN from October 2010

Unit Manager, the Grange
Peter Francis, BN, CertPsych, CertAdvPhysiology, Grad Cert Paeds, GradDipMidwifery,GradDipHealthServicesAdmin, MRCNA to December 2010

Pam Vince RN, BaHealth Science (Nursing), Nurse Immuniser, MRCNA, AdvDip Business, from October 2010

District Nursing /Discharge Planning
Pat O'Beirne RN, RM

Unit Manager, Medical/ICU/ED
Leanne Deutscher RN (Acting) to August 2010

Lisa Livingstone CCRN from August 2010

Unit Manager Surgical/Obstetrics/Paediatrics
James Smith RN, DipAppSci(Nursing), BappSci(Hons), PeriopCert, GradDipInfec&TropDis, Dip VenerealDis, DipBusMan to April 2011

Kate Stewart BN, Grad Cert (cancer nurse), RN Acting from April 2011

Unit Manager Theatre/CSSD
Liska Greyling RN, BCUR-NursingDegree, DipSurgNursing(OpRm) to March 2011

Jane Sanders RN, Dip Frontline Mgt, Cert Education from March 2011

Regional Programs

Infection Control
Mark Stevenson RN, PeriopCert, GradCertBusAdmin, Sterilisation&InfectionControl Cert, Accredited Nurse Immuniser

Carolyn Templeton RN, Sterilisation&InfectionControlCert, CertHIV/HEPCounselling, Accredited Nurse Immuniser

Paediatric Home Care Program
Gaye Goggin RN

Palliative Care Service
Erika Fischer RN

Regional Wound Management
Leslie Stewart RN, Sterilisation&InfectionControlCert

COAG LSOP
Jennie O'Donnell RN,AdvCertMgt, AdvCertWorkplaceSkills

Medical Services

Director Medical Services
Dr John Christie DMS, DTM&H, FAFPHM, FRACMA, MACTM to May 2011

Dr Alastair Wilson B.Sc., MB.ChB., Dip.Obs., Dip.Indust. Health, DipH.S.M., FRNZCGP from May 11

Quality Manager
Wendy James RN, RM, Bsn, MBA to Jan 2011

Gillian Jenkins RN Master of Education (Rsch), GradCertBusAdmin, MRCNA from Feb2011

Chief Pharmacist
Lynette Christie BPharm, MPS, GradCertBusAdmin

Chief Health Information Manager
Carolyn Gellert Grad Dip HSci, BAppSci

Senior Medical Staff

Anaesthetics (Director)
James Muir MBChB, FRCA

Anaesthetists in General Practice
Craig deKievit MBBS, DRANZCOG, FACRRM

Kim Fielke MBBS, DRANZCOG, DA (UK), FRACGP

Stuart Perry MBBS

General Practitioners
Mohamed Abdullah MBBS

Victoria Blackwell MB, ChB, MRCGP, DRCOG, DFFP

Brian Coulson MBBS, FACRRM, Dip O&G

Craig deKievit MBBS, DRANZCOG, FACRRM

Dale Ford MBBS, FRACGP, FACRRM

Michael Forster MBBS, MCPPsych, DRANZCOG, FACRRM to February 2011

Niranjani Harindran MBBS (Sri Lanka)

Allan Mark Johnson MBBS

Robey Joyce MB, ChB (Pretoria)

Andrew McAllan MBBS, MMed (Ophth)

Stuart Perry MBBS

Greta Prozesky MB, ChB, FRACGP

Catherine Pye MBBS

Shaun Renfrey MBBS

Susan Robertson MBBS, DipRACOG, FRACGP, DipPallCare

Robert Scaife MBBS, FACRRM

Senior Staff

Jan Slabbert MB, ChB (Free State), FRACGP, RACGP

Ramin Taheri MBBS

Kim Tan MBBS, FRACGP, FCFP(S/pore), GDFP (Dermatology)

Linda Thompson BMS, FRACGP

Sharma Kaipa Tripura MD., FHM from November 2010

Leesa Walker MBBS, FRACGP

Anthony Wark MBBS

Dental Officers (honorary)
David Baring BDSc

Timothy Halloran LDS,BDSc

(Steven) Jiwen Sun BDSc

Peter Tripovitch LDS, BDSc

Dermatologist
Julie Wesley RFD, MBBS, FACD

Endocrinologist
Fergus Cameron B Med Sci, MD, BS, Dip RACOG, FRACP

General Surgeons
David Bird MBMS, FRCS, FRACS

Stephen Clifforth MBBS, FRACS

Uvarasen Kumarswami Naidoo MBcHB, FCS, FRACS from January 2011

Peter Tung MBBS, FRACS, FHKAM

Neurologists
Associate Professor Peter Gates MB, BS, FRACP, Neurology RACP

Obstetrician/Gynaecologist (Director)
Jacobus Cloete MBChB, MMed (O&G),MFamMed(CapeTown) ,FCOG(SouthAfrica),FRCOG(UK),FRANZCOG

Obstetricians in General Practice
Craig deKievit MBGBS, DRANZCOG, FACRRM

Robey Joyce MB, ChB (Pretoria)

Jan Slabbert MB, ChB, (Free State), FRACGP, RACGP

Ophthalmologist
Vincent Lee MBBS, MMed, FRACS, FRANZCO

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Graeme Fowler LDS, BDSc, MDSc, FDSRCPS

Orthopaedic Surgeon
Ric Cunningham MBBS, FRACS (ORTH)

Otolaryngologists
Anne Cass MBBS, FRACS

Paediatrician
Christian Fiedler MD, (KIEL), FRACP

Pathologist
David Clift MBBS, FRCPA

Physicians
Andrew Bowman MBChB (Zimb),LRCP(Edin),LRCS(Edin),LR CP&S(Glas),FRCP(UK),CCST(UK),FRACP

Andrew Bradbeer MBBS, FRACP

Geoffrey Coggins MBBS, FRACP

Radiologists
Margaret Bennett MBBS, FRANZCR

Damien Cleeve MBBS, FRACR

John Eng MBBS, FRANZCR

Robert Jarvis MBBS, FRACR

Sarah Skinner BMBS, Flinders University SA

Urologists
Richard Grills MBBS, FRACS

Hospital Medical Officers (visiting on rotation)
St Vincent's Hospital-two general surgical interns, two general medicine interns

→ WDHS RN, Kerryn Rhodes, one of many staff providing care to some of the 7,695 patients of HBH in 2010/11

Barwon Health – one general medicine intern, one special surgical registrar, one medical registrar

Austin Hospital – one surgical registrar

Hospital Medical Officers (employed by WDHS)
Roya Arabi MBBS

Miriam Athayde MBBS to May 2011

Brendra Kanapathippillai MBBS

Linn Htet Kyaw MBBS from April 2011

Sandy Kyaw MBBS

Ummu Rauf MBBS

Phyo Thandar MBBS

Khin Htet Htet Thu MBBS

Primary & Preventative Health

Director Primary & Preventative Health
Rosie Rowe BNatRes, MBA, Honorary Fellow, University of Melbourne

Manager, Primary Care Services
Fran Patterson BAppSci (O.T), Dip VET

Manager, Coordinated Care
Megan McLeish RN, GradDip Acute Care Nursing, BA Nursing from April 2010

Dentist
Rita Bruozis BA DentalSci Hon to March 2011

Dr Tony Buc BA DentalSci from May 2011

Chief Dietitian
Jodie Nelson BHSc(Nutrition&Dietetics)

Chief Occupational Therapist
Sue Adamson BAppSc(OT), DipBusMgt

Chief Physiotherapist
Lyn Holden BAppSc(Physio), MPhysio, MHealthAdmin, Member APA

Speech Pathologist
Sue Cameron BAppSc(SpeechPath), MSPAA

Senior Social Worker
Kate Leahy DipTech(SW) to April 2011

Senior Podiatrist
Phuong Huynh MSc, BAppSci(Pod), MAPodA, AAPSM

Primary Care Partnership

Executive Officer
Jeanette Lowe MBA, BEng

National Centre for Farmer Health

Director
Associate Clinical Professor Susan Brumby RN, RM, DipFMgt, GradDipWomen's Studies, MHMgt, CertIVWorkplaceTrainer, AFCHSE, MRCNA

Statement of Priorities Agreement

	STRATEGIC PRIORITIES	DELIVERABLES	OUTCOMES
1	Enhance Sub Acute Services	» Establish and operate a GEM inpatient service and achieve a minimum of 60% occupancy for 2010/11	» GEM inpatient service established October 2010 – 76% occupancy for 2010/11
		» Establish a transitional care bed and community based service from December 2010	» TCP Program three beds two home places established March 2011
2	Improve patient ow for admissions to Theatre and post operative orders on discharge form Theatre recovery to surgical unit to optimise post operative care and coordination of post discharge services	» All relevant patients' data including general assessment and associated admission information is completed prior to entry to Theatre » General post operative instructions and discharge referral are prepared in readiness for admission to Theatre » A complete set of assessment, operation reports and post operative instructions are available at the point of discharge from Theatre recovery to the surgical ward » Delays and oversights in providing post operative instructions to surgical ward are eliminated » Post discharge services are coordinated	» A Redesign Healthcare Project is currently being undertaken by WDHS and is aiming at developing and strengthening the capabilities within the WDHS Health service. A four-stage project will achieve increased throughput for WDHS high volume short stay patients. » Stages are: 1. Business case (Completed) 2. Diagnosis (Completed) 3. Solutions (In progress) and Stage 4. (Final report & outcomes) The project will conclude within WDHS October 2011.
3	Improve the coordination of care for cancer patients through the provision of information and education and facilitate linkages between specialist and local medical staff	» Establish a part time Cancer Link Nurse integrated through BSWRICS to support the patient's cancer care journey	» Cancer Link Nurse provided for full year. Eighty eight patients assisted
4	To enhance the provision of Maternity services	» Establish and implement a virtual visiting service to mothers in remote areas	» Pilot Virtual Visiting Project established and operational
		» Participate in DOH SWAMI project addressing maternity indicators, education and workforce issues	» CEO Chair of Group, Midwifery Coordinator on membership. Sub Regional service capability framework, emergency transfer tool and education program implemented
5	To develop a future service model for the provision of youth services in the Southern Grampians Shire	» Complete a review and implement a service model for youth services in partnership with SGG-PCP, Brophy Family and Youth Services and Southern Grampians Shire	» Review completed and new Service Model youth4youth launched 1/2/2011
6.	Implement a Headspace service for Hamilton in partnership with Brophy Family and Youth Services to target mental health, drug and alcohol issues for young people aged 12-25	» Headspace service established at WDHS via contract and partnership with Brophy Family and Youth Services	» Commenced in January 2011 with 36 young people assisted to access mental health, drug and alcohol and GP services
7	Improve access to Dental Health Services	» Reduce waiting time from 28 months to 23 months	» Dental waiting time as 30/6/11= 24 months
		» Complete a research project into the oral health needs of Koori children in conjunction with Winda Mara Aboriginal Cooperative and Melbourne University	» Indigie grin oral Health Research Project commenced in August 2010 to conclude end of August 2011
8	Implementation of the Health Independence and Active Service Model Program	» Co-location of Southern Grampians Shire HACC assessment and coordinator functions to Western District Health Service	» Completed July 2010
		» Integration of assessment and coordination for primary health and HACC services	» Completed July 2010
		» Integration of WDHS discharge planning unit with new care and coordinator function	» Completed February 2010
		» Reduce duplication of assessment and care plans » Increase linkages with acute discharge planning and Shire of Southern Grampians	» 30% of clients identified as needing other services with 86% of these referred for complex care coordination. 51% referral increase to Rehab Care Coordinator and 40% increase in client's service events. 80% reduction in time taken to receive services in some Allied Health disciplines
9	Expansion of the Allied Health CMBS Program	» CMBS program implemented with Hamilton Medical Group and Casterton Coleraine Medical Group	» 80 clients attended the Hamilton Program » 114 clients attended the Casterton/Coleraine program. » 67 attended WDHS Allied Health program
10	Implementation of National Centre for Farmer Health five key priority objectives	» Completion of research projects for Beyond Blue, Farming Fit project, Australian Research Council on the misuse of alcohol in the farming community and RIRDC on the further evaluation of original 2003-2006 health and wellbeing outcomes for farm families, six years on	» Farm Fit Project completed including production of DVD. RIRDC evaluation completed 97% of farmers knowledge of relevant health issues has increased. ARC Linkage Research Project in progress with training module developed for SSF health professionals to address alcohol misuse
		» Roll out of Sustainable Farm Families program to Queensland four workshops. Victoria, 25 workshops.	» Four workshops completed for Queensland 60 participants. » 25 workshops completed for Victoria 318 participants
		» Completion of Agriculture Health and Medicine Unit by Health and Agriculture professionals across Australia	» 23 students from across five states completed unit
		» Host a National Conference in Hamilton during October 2010	» Opening the Gates on Farmer Health Conference held in October 2011. The Hamilton Charter for Farmer Health developed by conference
11	Review Master Planning of GEM/ Rehab and consequential works	» Completion of Feasibility Study	» Completed

Service Performance

FINANCIAL PERFORMANCE	2010-2011 ACTUALS
Operating Result	
Annual Operating result ($m)	0.28
Cash management /liquidity	
Creditors (days)	33
Debtors (days)	29

SERVICE PERFORMANCE

WIES activity performance	
WIES (public and private) performance to target (%)	102%
ELECTIVE SURGERY	
Elective surgery admissions - qtr 1	696
Elective surgery admissions - qtr 2	705
Elective surgery admissions - qtr 3	636
Elective surgery admissions - qtr 4	694
CRITICAL CARE	
ICU Minimum operating capacity	3
QUALITY AND SAFETY	
Health service accreditation (ACHS)	Full Compliance
Residential aged care accreditation (ACA&SA)	Full Compliance
Cleaning standards	98.4
Submission of data to VICNISS (%)	100%
VICNISS Infection Clinical Indicators	1.80%
Hand Hygiene Program compliance (%)	80.10%
SAB Rate (OBDs)	0
Victorian Patient Satisfaction Monitor	84.2
MATERNITY	
Postnatal home care	100%
ACCESS PERFORMANCE	
Percentage of operating time on hospital bypass	0%
Percentage of emergency patients admitted to an inpatient bed within 8 hours	97%
Percentage of non-admitted patients with length of stay of less than 4 hours	94%
Number of patients with length of stay in the emergency department greater than 24 hours	0
Percentage of triage Category 1 emergency patients seen immediately	100%
Percentage of triage Category 2 emergency patients seen within 10 minutes	99%
Percentage of triage Category 3 emergency patients seen within 30 minutes	93%

ACHS Australian Council on Healthcare Standards	
ACAA Aged Care Accreditation and Standards Agency	
ICU Intensive Care Unit	
VICNISS Hospital Acquired Infection Surveillance System	

ACTIVITY AND FUNDING

Activity	2010-2011
Weighted Inlier Equivalent Separations (WIES)	Activity Achievement
WIES Public	3,548
WIES Private	1,130
Total WIES (Public and Private)	4,678
WIES Renal	52
WIES DVA	289
WIES TAC	30
WIES - Rural Patient Initiative	31
WIES TOTAL	5,081
Sub Acute Inpatient	
GEM (non DVA)	556
Palliative Care - Inpatient	372
Transition Care (non DVA) - bed day	151
Ambulatory	
Transition Care (non DVA) - Homeday	174
SACS - Non DVA	6,708
SACS - DVA	393
Aged Care	
Residential Aged Care	60,967
Community Health/Primary Care	
Community Health - Direct Care	5,296

Legislative Compliance

Financial Management Act 1994
In accordance with the Direction of the Minister for Finance part 9.1.3 (iv), information requirements have been prepared and are available to the relevant Minister, Members of Parliament and the public on request.

Fees
WDHS charges fees in accordance with the Commonwealth Department of Health and Aged Care, the Commonwealth Department of Family Services and the Department of Health (Vic) directives, issued under Regulation 8 of the Hospital and Charities (Fees) Regulations 1986, as amended.

Competitive Neutrality
All competitive neutrality requirements were met in accordance with Government costing policies for public hospitals.

Consultancies
There was one contract with consultants undertaken during the year, paid by WDHS. This consultancy was less than $100,000 and totalled $51,949.55.

Freedom of Information (FOI)
Access to documents and records held by WDHS may be requested under the Freedom of Information Act 1982. Consumers wishing to access documents should apply in writing to the FOI Officer at WDHS. This year 31 FOI requests were received. No request was denied. There were no documents for two requests and for all others access was granted in full.

Declarations of Pecuniary Interest
All necessary declarations have been completed. Refer to Note 24 of the Financial Statements.

Building and Maintenance
All building works have been designed in accordance with DOH Capital Development Guidelines and comply with the Building Act 1993, Building Regulations 2006 and Building Code of Australia relevant at the time of the works.

Buildings Certified for Approval
A certificate of Final Inspections was issued on 10th May 2011 on completion of the Community Health Centre at 19 – 21 High Street Merino.

Building works 2010/2011
Penshurst & District Health Service – Stage 1 of the laundry upgrade works were completed in June 2011.

Infrastructure projects
Water pipe replacement and HVAC ducting replacement continues throughout the HBH ward areas, which will improve environmental control and conditions.

The remainder of the carpet replacement project at HBH to ground floor wards, offices and education centre were completed in January 2011.

Exterior painting to the sub acute wing and front entrance of HBH was completed in March 2011.

Carpet replacement at the Francis Hewett Community Centre was completed in June 2011.

Stage 1 carpet replacement (70% completed at the Hamilton Medical Group facility in April 2011.

Digital Theatre upgrade at Hamilton Base Hospital was completed in February 2011.

WWF Earth Hour Australia
All WDHS facilities participated in Earth Hour Australia.

Attestation on Data Integrity
I, Jim Fletcher, certify that WDHS has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Health Service has critically reviewed these controls and processes during the year.

Jim Fletcher

CHIEF EXECUTIVE OFFICER

Hamilton

12 August 2011

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

We certify that the attached financial statements for Western District Health Service has been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, Australian Accounting 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 andnotes to and forming part of the financial report, presents fairly the financial transactionsduring the year ended 30 June 2011 and the financial position at that date of Western District Health Service as at 30 June 2011.

We are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.

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

Mary Ann Brown
President

Hamilton
12 August 2011

Jim Fletcher
Chief Executive Officer

Hamilton
12 August 2011

Pat Turnbull
Chief Finance and Accounting Officer

Hamilton
12 August 2011

The Annual Report of Western District 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.

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Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Western District Health Service

The Financial Report

The accompanying financial report for the year ended 30 June 2011 of Western District 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 notes, 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 Western District Health Service are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, 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 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, 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.

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.

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

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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Western District Health Service as at 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, 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 Western District Health Service for the year ended 30 June 2011 included both in Western District Health Service's annual report and on the website. The Board Members of Western District Health Service are responsible for the integrity of Western District Health Service's website. I have not been engaged to report on the integrity of Western District 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
15 August 2011

D D R Pearson
Auditor-General

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

Comprehensive Operating Statement For the Year Ended 30 June 2011

	Note	Total 2011 $'000	Total 2010 $'000
Revenue from Operating Activities	2	59,874	54,104
Revenue from Non-operating Activities	2	1,629	1,325
Employee Expenses	3	(41,018)	(38,239)
Non Salary Labour Costs	3	(3,311)	(2,981)
Supplies & Consumables	3	(6,163)	(5,355)
Other Expenses From Continuing Operations	3	(10,736)	(8,635)
Share of Net Result of Associates & Joint Ventures Accounted for using the Equity Method	10	-	(107)
Net Result Before Capital & Specific Items		**275**	**112**
Capital Purpose Income	2	8,012	3,545
Impairment of Financial Assets	3	(12)	(54)
Depreciation and Amortisation	4	(3,618)	(3,575)
Assets Received Free of Charge	2d	459	-
NET RESULT FOR THE YEAR		**5,116**	**28**
Other Comprehensive Income			
Net fair value gains/(losses) on Available for Sale Financial Investments		17	112
Net fair value revaluation on Non Financial Assets		-	376
Share of other comprehensive income of associate and joint ventures		-	65
COMPREHENSIVE RESULT FOR THE YEAR		**5,133**	**581**

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

Balance Sheet As at 30 June 2011

	Note	Total 2011 $'000	Total 2010 $'000
Current Assets			
Cash and Cash Equivalents	5	22,917	19,023
Receivables	6	2,853	2,301
Inventories	8	365	294
Other Current Assets	9	18	37
Total Current Assets		**26,153**	**21,655**
Non-Current Assets			
Receivables	6	787	656
Investments and other Financial Assets	7	1,711	1,693
Investments Accounted for using the Equity Method	10	-	336
Property, Plant & Equipment	11	48,693	48,316
Intangible Assets	12	12	7
Total Non-Current Assets		**51,203**	**51,008**
TOTAL ASSETS		**77,356**	**72,663**
Current Liabilities			
Payables	13	3,669	4,222
Provisions	14	7,703	6,961
Other Liabilities	15	1,871	1,705
Total Current Liabilities		**13,243**	**12,888**
Non-Current Liabilities			
Provisions	14	1,402	1,492
Other Liabilities	15	3,492	4,197
Total Non-Current Liabilities		**4,894**	**5,689**
TOTAL LIABILITIES		**18,137**	**18,577**
NET ASSETS		**59,219**	**54,086**
EQUITY			
Property, Plant & Equipment Revaluation Surplus	16a	2,437	2,437
Financial Asset Available for Sale Revaluation Surplus	16a	26	9
Restricted Specific Purpose Reserve	16a	11,815	6,738
Contributed Capital	16b	49,535	49,535
Accumulated Surpluses/(Deficits)	16c	(4,594)	(4,633)
TOTAL EQUITY	16c	**59,219**	**54,086**
Contingent Liabilities and Contingent Assets	20		
Commitments for Expenditure	19		

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

Statement of Changes in Equity For the Year Ended 30 June 2011

	Note	Property, Plant & Equipment Revaluation Surplus	Financial Asset Available for Sale Revaluation Surplus	General Purpose Surplus	Restricted Specific Purpose Surplus	Contributions by Owners	Accumulated Surpluses/ (Deficits)	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2009		**2,061**	**(103)**	**-**	**4,831**	**49,535**	**(2,819)**	**53,505**
Net result for the year		-	-	-	-	-	28	28
Other comprehensive income for the year	16a	376	112	-	-	-	65	553
Transfer to accumulated surplus	16c	-	-	-	1,907	-	(1,907)	-
Balance at 30 June 2010		**2,437**	**9**	**-**	**6,738**	**49,535**	**(4,633)**	**54,086**
Net result for the year		-	-	-	-	-	5,116	5,116
Other comprehensive income for the year	16a		17					17
Transfer to/ from accumulated surplus	16c	-	-	-	5,077	-	(5,077)	-
Balance at 30 June 2011		**2,437**	**26**	**-**	**11,815**	**49,535**	**(4,594)**	**59,219**

This Statement should be read in conjunction with the accompanying notes

Cash Flow Statement For the Year Ended 30 June 2011

	Note	Total 2011 $'000	Total 2010 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		41,328	38,728
Patient and Resident Fees Received		12,365	10,692
Private Practice Fees Received		325	325
GST Received from/(paid to) ATO		1,343	1,039
Interest Received		839	524
Dividend Received		15	45
Other Receipts		5,440	4,721
Employee Expenses Paid		(40,368)	(38,400)
Non Salary Labour Costs		(3,311)	(2,982)
Payments for Supplies & Consumables		(10,087)	(8,111)
Other Payments		(8,424)	(6,058)
Cash Generated from Operations		**(535)**	**523**
Capital Grants from Government		5,063	1,318
Capital Grants from Non-Government		450	-
Capital Donations and Bequests Received		1,987	1,162
Other Capital Receipts		1,387	1,124
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	17	**8,352**	**4,127**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments		95	(918)
Payments for Non-Financial Assets		(4,414)	(2,025)
Proceeds from sale of Non-Financial Assets		178	126
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		**(4,141)**	**(2,817)**
NET INCREASE/(DECREASE) IN CASH HELD		**4,211**	**1,310**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**13,610**	**12,300**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5	**17,821**	**13,610**

This Statement should be read in conjunction with the accompanying notes

Contents

Note 1: Statement of Significant Accounting Policies

(a) Statement of Compliance

These financial statements are a general purpose financial report which has been prepared in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards (AASs), and Australian Accounting Interpretations and other mandatory requirements. AASs include Australian equivalents to International Financial Reporting Standards.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Minister for Finance.

The Health Service is a not-for profit entity and therefore applies the additional Aus paragraphs applicable to "not-for-profit" Health Services under the AAS's.

The annual financial statements were authorised for issue by the Audit & Compliance Committee of Western District Health Service on 10/08/2011.

(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 2011, and the comparative information presented in these financial statements for the year ended 30 June 2010.

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

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

The financial statements, except for cash ow 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 these 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 the revaluation of certain non-financial assets and financial instruments, as noted. Particularly, exceptions to the historical cost convention include:

- Non-current physical assets, which subsequent to acquisition, are measured at valuation and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;
- Available-for-sale investments, which are measured at fair value with movements re ected in equity until the asset is derecognised.
- The fair value of assets other than land is generally based on their depreciated replacement value.

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

In the application of AAS's 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 historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. 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 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, are disclosed throughout the notes to the financial statements.

(c) Reporting Entity

The financial statements include all the controlled activities of the Health Service.

Its principle address is:

20 Foster Street,

Hamilton 3300

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

(d) Principles of Consolidation

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

Joint Ventures
Investments in a joint venture partnership are accounted for using the equity method of accounting. Under the equity method of accounting, Western District Health Service share of the post acquisition profits or losses of the joint venture partnership is recognised in the net result and its share of post acquisition changes in revaluation surpluses and any other reserves are recognised in both the comprehensive operating statement and the statement of changes in equity.

Details of joint venture are set out in Note 10.

Jointly Controlled Assets
Interest in jointly controlled assets are accounted for by recognising in Western District Health Services financial statements its proportionate share of the assets, liabilities and any income and expense of such assets.

Details of jointly controlled assets are set out in Note 22.

(e) Scope & presentation of financial statements

Fund Accounting
The Health Service operates on a fund accounting basis and maintains three funds:

Operating, Specific Purpose and Capital Funds. The Health 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 Health Services Agreement and Services Supported BY Hospital and Community Initiatives
Activities classified as Services Supported by Health Services Agreement (HSA) are substantially funded by the Department of Health and includes Residential Aged Care Services (RACS) and are also funded from other sources such as the Commonwealth, patients and residents; while Services Supported by Hospital and Community Initiatives (H&CI) are funded by the Health Service's own activities or local initiatives and/or the Commonwealth.

Residential Aged Care Service
The following Residential Aged Care Services operations are an integral part of the Health Service and share its resources.

- The Birches and Grange Residential Care

Service (located in Hamilton)

- Kolor Lodge and W J Lewis Nursing Home (located in Penshurst)
- Valley View Nursing Home and Wannon Hostel (located in Coleraine)

These Residential Aged Care Services are substantially funded by Commonwealth bed day subsidies. Where services are co-located with other health service operations an apportionment of land and buildings has been made based on oor space. The results of all operations have been segregated based on actual revenue earned and expenditure incurred by each operation.

Western District Linen Service
The Western District Linen Service is a self-funding operation controlled by the Health Service Board. As the Linen Service operations are an integral part of the agency, with shared resources, its operations have been included with the Health Service for accountability.

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 Health Service. This subtotal reports the result excluding items such as capital grants; assets received or provided free of charge, depreciation, and items of unusual nature and amount such as specific revenues and expenses. The exclusion of these items is made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The "Net Result before Capital & Specific Items" is used by the management of the Health Service, the Department of Health and the Victorian Government to measure the ongoing result of Health Services in operating hospital services.

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

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer Note 1 (g)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Specific income/expense comprises the following items, where material:
  - Non-current asset revaluation increments/decrements
  - Diminution in investments
- Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), related to non-current assets only which have been recognised in accordance with Note 1 (j) and (l)
- Depreciation and amortisation, as described in Note 1 (h)
- Assets provided free of charge, as described in Note 1 (g) and (h)
- Expenditure using capital purpose income, which comprises expenditure which either falls below the asset capitalization threshold (Note 1 (h)) or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

Balance Sheet
Assets and liabilities are categorised either as current or non-current.

Statement of changes in equity
The statement of changes in equity presents reconciliations of each non-owner and owner equity 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 related to other non-owner changes in equity.

Cash Flow Statement
Cash ows 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.

Comparative Information
Where necessary the previous year's figures have been reclassified to facilitate comparisons.

(f) Changes in Accounting Policies

Disclosure 1
Western District Health Service has a 12.97% interest in the joint venture of South West Alliance for Rural Health (SWARH) as at 30th June 2010 amounting to $177,000. This investment in the joint venture was previously treated as an investment in a jointly controlled entity. From 1 July 2010, this investment has been accounted for as an interest in a jointly controlled asset. The change in accounting policy is a result of a review of the accounting treatment under the joint venture agreement.

As at 30 June 2011 this investment is disclosed as a Jointly Controlled Asset, split into the relative class of revenue, expenditure, assets and liabilities per the health Service's share of SWARH result and position.

For the year ended 30 June 2010, the impact of this change is nil.

Previous disclosure 2009/10 Published Financial Statements;

- Recognition of health services share of operating result of SWARH ($114,000 deficit), as an individual line item in the Comprehensive Operating Statement; and
- Investment accounted for using the equity method as a non current asset in the balance sheet for $177,000.

Under new Accounting Policy this investment would have been disclosed in 2009/10 as follows;

- Revenue class items amounting to $734,000, expenditure class items amounting to $(848,000). Net result $(114,000); and
- Current assets items amounting to $1,620,000, non-current items amounting to $26,000 and current liability items amounting to $(1,453,000) and noncurrent liabilities items amounting to $(16,000). Resulting in a net asset position for the investment in SWARH jointly controlled assets of $177,000

Refer to Note 10 Investment accounted for using the equity method for disclosure relating to 2009/10 and to Note 22 Interest in Jointly Controlled Asset for the disclosure of this investment in 2010/11.

Disclosure 2
Western District Health Service has a 45% interest in the joint venture of Southern Grampians / Glenelg Shire PCP as at 30th June 2010 amounting to $159,000. This investment in the joint venture was previously treated as an investment in a jointly controlled entity. From 1 July 2010, this investment has been accounted for as an interest in a jointly controlled asset. The change in accounting policy is a result of a review of the accounting treatment under the joint venture agreement.

As at 30 June 2011 this investment is disclosed as a Jointly Controlled Asset, split into the relative class of revenue, expenditure, assets and liabilities per the Health Service's share of Southern Grampians / Glenelg Shire PCP result and position.

For the year ended 30 June 2010, the impact of this change is nil.

Previous disclosure 2009/10 Published Financial Statements;

- Recognition of health services share of operating result of Southern Grampians / Glenelg Shire PCP $7,000 surplus, as an individual line item in the Comprehensive Operating Statement; and
- Investment accounted for using the equity method as a non current asset in the balance sheet for $159,000.

Under new Accounting Policy this investment would have been disclosed in 2009/10 as follows;

- Revenue class items amounting to $262,000, expenditure class items amounting to $(255,000). Net result $7,000; and
- Current assets items amounting to $237,000 and current liability items amounting to $(78,000). Resulting in a net asset position for the investment in Southern Grampians / Glenelg Shire PCP controlled assets of $159,000

Refer to Note 10 Investment accounted for using the equity method for disclosure relating to 2009/10 and to Note 22 Interest in Jointly Controlled Asset for the disclosure of this investment in 2010/11.

(g) Income Recognition

Income is recognised in accordance with AASB 118 Revenue and is recognised as to the extent it that it is probable that the economic benefits will ow to Western District Health Service and the income can be reliably measured. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue is, where applicable, net of returns, allowances and duties and taxes.

Government Grants and other transfers of income (other than contributions by owners)
Grants are recognised as income when the Health Service gains control of the underlying assets in accordance with AASB 1004 Contributions. For reciprocal grants the Health Service is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants the Health Service is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

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 14/2009.

Patient and Resident Fees
Patient fees are recognised as revenue at the time the invoices are raised.

Private Practice Fees
Private Practice fees are recognised as revenue at the time the invoices are raised.

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

Dividend Revenue
Dividend revenue is recognised on a receivable basis

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

Sale of Investments
The profit/loss on the sale of investments is recognised when the investment is realised

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

(h) Expense Recognition

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

Cost of Goods Sold
Costs of goods sold are recognised when the sale of an item occurs by transferring the cost or value of the item/s from inventories.

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 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 expenses when incurred.

Defined benefit plans
The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by the Health Service to the superannuation plans in respect to the current services of current Health Service staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

Employees of the Health Service are entitled to receive superannuation benefits and the Health Service contributes to both the defined benefit and defined contribution plans. The defined benefits plan(s) 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 Health Service are as follows:

Fund	Contributions Paid or Payable for the Year 2011 $'000	2010 $'000
Defined Benefit plans		
Health Super	264	286
Defined Contribution plans		
Health Super	2,614	2,556
HESTA	309	244
Other	130	89
TOTAL	**3,317**	**3,175**

Depreciation
Assets with a cost in excess of $1,000 (2009-10 and 2010-11) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives. 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. This depreciation charge is not

funded by the Department of Health.

Depreciation is provided on property, plant and equipment, including freehold buildings, but excluding land and investment properties. Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in a manner intended by management.

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

	2011	2010
Buildings	2 to 40 Years	2 to 40 Years
Plant & Equipment	8 to 10 Years	8 to 10 Years
Medical Equipment	8 to 10 Years	7 to 9 Years
Computers and Communication	1 to 5 Years	1 to 5 years
Furniture and Fittings	8 to 10 Years	8 to 10 Years
Motor Vehicles	1 to 5 years	1 to 5 Years
Intangible Assets	1 to 5 years	1 to 5 Years

As part of the Building valuation, building values were componentised and each component assessed for its useful life which is represented above.

Amortisation
Amortisation is allocated to intangible assets with finite useful lives on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, the entity tests all intangible assets with indefinite useful lives for impairment by comparing the recoverable amount for each asset with its carrying amount:

- annually, and
- whenever there is an indication that the intangible asset may be impaired.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

Intangible assets with finite useful lives are amortised over a 10-15 year period. (2009 10-15 years).

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

(i) Financial 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 3 months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For cash ow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current interest bearing liabilities in the balance sheet.

Receivables
Receivables consist of;

- Statutory receivables, which includes predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- Contractual receivables, which includes of mainly debtors in relation to goods and services, loans to third parties, accrued investment income and finance lease receivables.

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 where there is objective evidence that impairment loss has occurred. Bad debts are written off when identified.

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

Investments and Other Financial Assets
Investments are recognised and derecognised on trade date where purchase or sale of an investment is under contract whose term requires delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Investments are classified in the following categories;

Financial assets at fair value through profit & loss;

- Loans and receivables; and
- Available-for-sale financial assets.

The Health Service classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

The Health 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 and loss are subject to annual review for impairment.

Loans and receivables
Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment. Term deposits with maturity greater than three months are also measured at amortised cost, using the effective interest method, less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate a shorter period.

Held to maturity investments
Where the Health Service has the positive intent and ability to hold investments to maturity, they are measured at amortised cost less impairment losses.

Available-for-sale financial assets
Other financial assets held by the Health Service are classified as being available-for-sale and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in profit or loss for the period. Fair value is determined in the manner described in Note 18.

Impairment of Financial Assets
At the end of each reporting period the Health Service assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit rating. All financial instruments assets, except those measured at fair value through profit and loss, are subject to annual review of impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off and allowance for doubtful receivables are recognised as expenses in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of the estimated future cash ows, discounted at the effective interest rate.

Where the fair value of an investment in an equity instrument at balance date has reduced by 20 percent or more than its cost price or where its fair value has been less than its cost price for a period of 12 or more months, the financial asset is treated as impaired.

In order to determine an appropriate fair value as at 30th June 2011 for its portfolio of financial assets, the Health Service obtained a valuation based on the best available advice using a valuation method through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30th June 2011. These methodologies were critiqued and considered to be consistent with standard market valuation techniques.

Net Gain/ (Loss) on Financial Instruments
Net gain/loss on financial instruments includes;

- realised and unrealised gains and losses from revaluation of financial instruments designated at fair value through held-for-trading;
- impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets.

Revaluation of Financial Instruments at Fair Value
The revaluation gain/loss on financial instruments at fair value excludes dividends or interest earned on financial assets.

(j) Non-Financial Assets

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

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, 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.

Cost is assigned to land for sale (undeveloped, under development and developed) and to other high value, low volume inventory items on a specific identification of cost basis.

Cost for all other inventory is measured on the basis of weighted average cost.

Inventories acquired for no cost or nominal considerations are measured at current replacement cost at the date of acquisition.

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.

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 land, 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 measured at fair value 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 FRD's. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments 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 at an expense in net result, the increment is recognised as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation surplus.

Revaluation surplus are normally not transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103D the Health Service's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Intangible Assets
Intangible assets represent identifiable non-monetary assets without physical substance such as computer software.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent

to initial acquisition are capitalised when it is expected that additional future economic benefits will ow to the Health Service.

Other non-financial assets

Prepayments
Other non-financial assets include prepayments which represents 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 at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

Impairment of Non-Financial Assets
Apart from intangible assets with indefinite useful lives, all other assets are assessed annually for indications of impairment.

- inventories; and
- financial assets;

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense 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 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 ows is measured at the higher of the present value of the future cash ows expected to be obtained from the asset and fair value less costs to sell.

(k) Liabilities

Payables
These amounts consist predominantly of liabilities for goods and services.

Payables are initially recognised at fair value, and then subsequently carried at amortised cost and represent liabilities for goods and services provided to the Health Service prior to the end of the financial year that are unpaid, and arise when the health service becomes obliged to make future payments in respect of the purchase of these goods and services.

The normal credit terms are usually Nett 30 days.

Provisions
Provisions are recognised when the Health Service has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash ows estimated to settle the present obligation, its carrying amount is the present value of those cash ows.

Employee Benefits

Wages and Salaries, Annual Leave, Sick Leave and Accrued Days Off.
Liabilities for wages and salaries, including non-monetary benefits, annual leave accumulating sick leave and accrued days off expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee's services up to the reporting date, and are classified as current liabilities and measured at their nominal value.

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

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 Health 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 Health Service does not expect to settle within 12 months; and
- nominal value – component that the Health Service expects to settle within 12 months.

Non Current Liability – conditional LSL
(represents 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 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 are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Superannuation liabilities
The Health Service does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Health Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial statements.

(l) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to re ect 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.

Operating Leases
Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Operating lease payments, including any contingent rentals, are recognised as an expense in the 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 assets.

(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 have also been designated as contributed capital is also treated as contributed capital.

Property, Plant & Equipment Revaluation Surplus
The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets.

Financial Assets Available–for–Sale Revaluation Surplus
The available-for-sale revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to that financial asset is effectively realised, and is recognised in the Comprehensive Operating Statement. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognized in the Comprehensive Operating Statement

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

(n) Commitments for expenditure

Commitments for expenditure are not recognised on the balance sheet. Commitments for expenditure are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated.

(o) Contingent assets and contingent liabilities

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

(p) Goods and Services Tax

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 it is recognized as part of the cost of acquisition of the asset or 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 ows are presented on a gross basis. The GST components of cash ows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash ow.

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

(q) Rounding of Amounts

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

(r) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting period.

As at 30 June 2011, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2011.

The Health Service has not and does not intend to adopt these standards early. Refer to table page 68.

(s) Category Groups

The Health Service has used the following category groups for reporting purposes for the current and previous financial years.

Acute Health (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 palliative care facilities, or rehabilitation facilities, or alcohol and drug treatment units or hospitals specialising in dental services, hearing and ophthalmic aids.

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 Health Services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy.

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

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

Note 1: (r) New Accounting Standards and Interpretations (Continued)

	Summary	Applicable for reporting periods beginning on or ending on	Impact on Health Service's Annual 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).	Beginning 01 Jan 2013	Detail of impact is still being assessed.
AASB 124 Related Party Disclosures (Dec 2009)	Government related entities have been granted partial exemption with certain disclosure requirements.	Beginning 01 Jan 2011	Preliminary assessment suggests the impact is insignificant.
AASB 1053 Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Beginning 01 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]	This Standard gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 01 Jan 2013	Detail of impact is still being assessed.
AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 and 1031 and Interpretations 2, 4, 16, 1039 and 1052]	This standard amends AASB 8 to require an entity to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures. This standard also makes numerous editorial amendments to other AASs. Detail of impact is still being assessed.	Beginning 01 Jan 2011	The amendments only apply to those entities to whom AASB 8 applies, which are for-profit entities except for-profit government departments.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendments to Interpretation 14 arise from the issuance of prepayments of a minimum funding requirement.	Beginning 01 Jan 2011	Expected to have no significant impact.
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 01 July 2013	Does not affect financial measurement or recognition, so is not expected to have any impact on financial result or position. May reduce some note disclosures in financial statements.
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]	This Standard makes numerous improvements designed to enhance the clarity of standards.	Beginning 01 Jan 2011	No significant impact on the financial statements.
AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	This amendment contains editorial corrections to a range of Australian Accounting Standards and Interpretations, which includes amendments to reflect changes made to the text of IFRSs by the IASB.	Beginning 01 Jan 2011	No significant impact on the financial statements.
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]	This amendment adds and changes disclosure requirements about the transfer of financial assets. This includes the nature and risk of the financial assets.	Beginning 01 July 2011	This may impact on departments and public sector entities as it creates additional disclosure for transfers of financial assets.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These amendments are in relation to the introduction of AASB 9.	Beginning 01 Jan 2013	This amendment may have an impact on departments and public sector bodies as AASB 9 is a new standard and it changes the requirements of numerous standards. Detail of impact is still being assessed.
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	This amendment provides a practical approach for measuring deferred tax assets and deferred tax liabilities when measuring investment property by using the fair value model in AASB 140 Investment Property.	Beginning 01 Jan 2012	This amendment provides additional clarification through practical guidance.
AASB 2010-9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]	This amendment provides guidance for entities emerging from severe hyperinflation who are going to resume presenting Australian Accounting Standards financial statements or entities that are going to present Australian Accounting Standards financial statements for the first time. It provides relief for first-time adopters from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.	Beginning 01 July 2011	Amendment unlikely to impact on public sector entities.
AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]	This amendment affects multiple Australian Accounting Standards and AASB Interpretations for the objective of increased alignment with IFRSs and achieving harmonisation between both Australian and New Zealand Standards. It achieves this by removing guidance and definitions from some Australian Accounting Standards, without changing their requirements.	Beginning 01 July 2011	This amendment will have no significant impact on public sector bodies.

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.	Beginning 01 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not decided if RDRs will be implemented to Victorian Public Sector.
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures.	Beginning 01 July 2012	This amendment provides clarification to users on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used. No impact on performance measurements will occur.

Note 2: Revenue

	HSA 2011 $'000	HSA 2010 $'000	H&CI 2011 $'000	H&CI 2010 $'000	Total 2011 $'000	Total 2010 $'000
Revenue from Operating Activities						
Government Grants						
- Department of Health	39,716	37,205	-	-	39,716	37,205
- Commonwealth Government						
- Residential Aged Care Subsidy	6,573	5,668	-	-	6,573	5,668
- Other	634	772	-	-	634	772
Total Government Grants	**46,923**	**43,645**	**-**	**-**	**46,923**	**43,645**
Indirect Contributions by Department of Health						
- Insurance	1,494	1,137	-	-	1,494	1,137
Total Indirect Contributions by Department of Health	**1,494**	**1,137**	**-**	**-**	**1,494**	**1,137**
Patient and Resident Fees						
- Patient and Resident Fees (refer note 2b)	2,619	2,266	-	-	2,619	2,266
- Residential Aged Care (refer note 2b)	2,795	2,562	-	-	2,795	2,562
Total Patient & Resident Fees	**5,414**	**4,828**	**-**	**-**	**5,414**	**4,828**
Commercial Activities & Specific Purpose Funds						
- Private Practice and Other Patient Activities Fees	-	-	325	326	325	326
- Catering	-	-	326	338	326	338
- Laundry	-	-	341	278	341	278
- Cafeteria	-	-	277	251	277	251
- Other (include any unit or fund not stated above)			4,774	3,301	4,774	3,301
Total Business Units & Specific Purpose Funds	**-**	**-**	**6,043**	**4,494**	**6,043**	**4,494**
Sub-Total Revenue from Operating Activities	**53,831**	**49,610**	**6,043**	**4,494**	**59,874**	**54,104**
Revenue from Non-Operating Activities						
Interest & Dividends	-	-	957	683	957	683
Other Revenue from Non-Operating Activities	-	-	672	642	672	642
Sub-Total Revenue from Non-Operating Activities	**-**	**-**	**1,629**	**1,325**	**1,629**	**1,325**
Revenue from Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	5,513	1,318	-	-	5,513	1,318
Residential Accommodation Payments (refer note 2b)	1,387	1,124	-	-	1,387	1,124
Assets Received Free of Charge (refer note 2d)	459	-	-	-	459	-
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2c)	-	-	(413)	(59)	(413)	(59)
Net Gain/(Loss) on Disposal of Financial Assets	-	-	(3)	-	(3)	-
Donations & Bequests	-	-	1,528	1,162	1,528	1,162
Sub-Total Revenue from Capital Purpose Income	**7,359**	**2,442**	**1,112**	**1,103**	**8,471**	**3,545**
Share of Net Result of Associates & Joint Ventures Accounted for using the Equity Method (refer note 10)	-	(107)	-	-	-	(107)
Total Revenue (refer to note 2a)	**61,190**	**51,945**	**8,784**	**6,922**	**69,974**	**58,867**

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

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

Note 2a: Analysis of Revenue by Source

	Admitted Patients 2011 $'000	RAC incl. Mental Health 2011 $'000	Aged Care 2011 $'000	Primary Health 2011 $'000	Other 2011 $'000	Total 2011 $'000
Revenue from Services Supported by Health Services Agreement						
Government Grants	30,749	9,385	5,132	1,657	-	46,923
Indirect contributions by Department of Health	1,210	104	125	55	-	1,494
Patient & Resident Fees (refer note 2b)	2,155	2,795	464	-	-	5,414
Capital Purpose Income (refer note 2)	5,972	1,319	-	-	68	7,359
Sub-Total Revenue from Services Supported by Health Services Agreement	**40,086**	**13,603**	**5,721**	**1,712**	**68**	**61,190**
Revenue from Services Supported by Hospital and Community Initiatives						
Commercial Activities and Specific Purpose Funds	-	-	-	-	6,043	6,043
Other	-	-	-	-	1,629	1,629
Capital Purpose Income (refer note 2)	-	-	-	-	1,112	1,112
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**8,784**	**8,784**
Total Revenue	**40,086**	**13,603**	**5,721**	**1,712**	**8,852**	**69,974**

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

Note 2a: Analysis of Revenue by Source

	Admitted Patients 2010 $'000	RAC incl. Mental Health 2010 $'000	Aged Care 2010 $'000	Primary Health 2010 $'000	Other 2010 $'000	Total 2010 $'000
Revenue from Services Supported by Health Services Agreement						
Government Grants	28,539	8,748	4,775	1,583	-	43,645
Indirect contributions by Department of Health	926	79	97	35	-	1,137
Patient & Resident Fees (refer note 2b)	1,872	2,152	804	-	-	4,828
Capital Purpose Income (refer note 2)	1,318	1,077	-	-	47	2,442
Share of Net Result of Associates & Joint Ventures Accounted for using the Equity Method (refer note 10)	(107)	-	-	-	-	(107)
Sub-Total Revenue from Services Supported by Health Services Agreement	**32,548**	**12,056**	**5,676**	**1,618**	**47**	**51,945**
Revenue from Services Supported by Hospital and Community Initiatives						
Commercial Activities & Specific Purpose Funds	-	-	-	-	4,494	4,494
Other	-	-	-	-	1,325	1,325
Capital Purpose Income (refer note 2)	-	-	-	-	1,103	1,103
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**6,922**	**6,922**
Total Revenue	**32,548**	**12,056**	**5,676**	**1,618**	**6,969**	**58,867**

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

Note 2b: Patient and Resident Fees

	Total 2011 $'000	Total 2010 $'000
Patient and Resident Fees Raised		
Recurrent:		
Acute		
– Inpatients	2,155	1,872
– Outpatients	464	394
Residential Aged Care		
– Generic	2,795	2,562
Total Recurrent	**5,414**	**4,828**
Capital Purpose:		
Residential Accommodation Payments	1,387	1,124
Total Capital	**1,387**	**1,124**

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

	Total 2011 $'000	Total 2010 $'000
Proceeds from Disposals of Non-Financial Assets		
Plant and Equipment	-	1
Medical Equipment	12	2
Motor Vehicles	156	123
Buildings	10	-
Total Proceeds from Disposal of Non-Financial Assets	**178**	**126**
Less: Written Down Value of Non-Financial Assets Sold		
Plant and Equipment	-	2
Medical Equipment	51	49
Motor Vehicles	151	134
Buildings	312	-
Land	77	-
Total Written Down Value of Non-Financial Assets Sold	**591**	**185**
Net gains/(losses) on Disposal of Non-Financial Assets	**(413)**	**(59)**

Note 2d: Assets Received Free of Charge

	Total 2011 $'000	Total 2010 $'000
During the reporting period, the fair value of assets received free of charge, was as follows:		
Land	114	-
Buildings	345	-
Total	**459**	**-**

Note 3: Expenses

	HSA 2011 $'000	HSA 2010 $'000	H&CI 2011 $'000	H&CI 2010 $'000	Total 2011 $'000	Total 2010 $'000
Employee Expenses						
Salaries & Wages	35,016	32,242	1,245	1,296	36,261	33,538
WorkCover Premium	418	722	24	23	442	745
Departure Packages	22	2	-	-	22	2
Long Service Leave	972	753	4	26	976	779
Superannuation	3,190	3,033	127	142	3,317	3,175
Total Employee Benefits	**39,618**	**36,752**	**1,400**	**1,487**	**41,018**	**38,239**
Non Salary Labour Costs						
Fees for Visiting Medical Officers	3,311	2,981	-	-	3,311	2,981
Total Non Salary Labour Costs	**3,311**	**2,981**	**-**	**-**	**3,311**	**2,981**
Supplies & Consumables						
Drug Supplies	1,060	1,133	1	-	1,061	1,133
S100 Drugs	217	171	-	-	217	171
Medical, Surgical Supplies and Prosthesis	3,165	2,556	12	14	3,177	2,570
Pathology Supplies	304	200	-	-	304	200
Food Supplies	1,262	1,132	142	149	1,404	1,281
Total Supplies & Consumables	**6,008**	**5,192**	**155**	**163**	**6,163**	**5,355**
Other Expenses from Continuing Operations						
Domestic Services & Supplies	346	315	134	63	480	378
Fuel, Light, Power and Water	1,038	914	44	43	1,082	957
Insurance costs funded by the Department of Health	1,494	1,137	-	-	1,494	1,137
Motor Vehicle Expenses	290	256	-	-	290	256
Repairs & Maintenance	816	879	48	60	864	939
Maintenance Contracts	327	352	1	-	328	352
Patient Transport	534	399	-	-	534	399
Bad & Doubtful Debts	43	90	1	-	44	90
Lease Expenses	403	370	-	-	403	370
Other Administrative Expenses	4,995	3,594	146	128	5,141	3,722
Audit Fees						
- VAGO - Audit of Financial Statements	33	30	-	-	33	30
- Other	43	5	-	-	43	5
Total Other Expenses from Continuing Operations	**10,362**	**8,341**	**374**	**294**	**10,736**	**8,635**
Avaliable-for-Sale Financial Assets	12	54	-	-	12	54
Depreciation & Amortisation (refer note 4)	3,618	3,575	-	-	3,618	3,575
Total	**3,630**	**3,629**	**-**	**-**	**3,630**	**3,629**
Total Expenses	**62,929**	**56,895**	**1,929**	**1,944**	**64,858**	**58,839**

Note 3a: Analysis of Expenses by Source

	Admitted Patients 2011 $'000	RAC incl. Mental Health 2011 $'000	Aged Care 2011 $'000	Primary Health 2011 $'000	Other 2011 $'000	Total 2011 $'000
Services Supported by Health Services Agreement						
Employee Expenses	22,355	9,844	3,691	2,461	1,267	39,618
Non Salary Labour Costs	3,284	-	-	27	-	3,311
Supplies & Consumables	4,149	968	438	292	161	6,008
Other Expenses from Continuing Operations	5,943	2,162	878	556	823	10,362
Sub-Total Expenses from Services Supported by Health Services Agreement	**35,731**	**12,974**	**5,007**	**3,336**	**2,251**	**59,299**
Services Supported by Hospital and Community Initiatives						
Employee Expenses	-	-	-	-	1,400	1,400
Supplies & Consumables	-	-	-	-	155	155
Other Expenses from Continuing Operations	-	-	-	-	374	374
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**1,929**	**1,929**
Impairment of Financial Assets (refer note 3)	12	-	-	-	-	12
Depreciation & Amortisation (refer note 4)	2,604	543	126	214	131	3,618
Sub-total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	**2,616**	**543**	**126**	**214**	**131**	**3,630**
Total Expenses	**38,347**	**13,517**	**5,133**	**3,550**	**4,311**	**64,858**

Note 3a: Analysis of Expenses by Source

	Admitted Patients 2010 $'000	RAC incl. Mental Health 2010 $'000	Aged Care 2010 $'000	Primary Health 2010 $'000	Other 2010 $'000	Total 2010 $'000
Services Supported by Health Services Agreement						
Employee Expenses	20,840	9,177	3,442	2,294	999	36,752
Non Salary Labour Costs	2,981	-	-	-	-	2,981
Supplies & Consumables	3,503	883	406	271	129	5,192
Other Expenses from Continuing Operations	5,191	1,782	736	462	170	8,341
Sub-Total Expenses from Services Supported by Health Services Agreement	**32,515**	**11,842**	**4,584**	**3,027**	**1,298**	**53,266**
Services Supported by Hospital and Community Initiatives						
Employee Expenses	-	-	-	-	1,487	1,487
Supplies & Consumables	-	-	-	-	163	163
Other Expenses from Continuing Operations	-	-	-	-	294	294
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**1,944**	**1,944**
Impairment of Financial Assets (refer note 3)	54	-	-	-	-	54
Depreciation & Amortisation (refer note 4)	2,573	571	126	214	91	3,575
Sub-total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	**2,627**	**571**	**126**	**214**	**91**	**3,629**
Total Expenses	**35,142**	**12,413**	**4,710**	**3,241**	**3,333**	**58,839**

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

	Total 2011 $'000	Total 2010 $'000
Private Practice and Other Patient Activities	650	667
Catering	357	347
Laundry	742	729
Cafeteria	75	79
Property Expenses	105	122
TOTAL	**1,929**	**1,944**

Note 4: Depreciation and Amortisation

	Total 2011 $'000	Total 2010 $'000
Depreciation		
Buildings	2,428	2,651
Plant & Equipment	181	240
Medical Equipment	572	395
Computers and Communication	72	40
Furniture and Fittings	50	1
Motor Vehicles	310	247
Total Depreciation	**3,613**	**3,574**
Amortisation		
Intangible Assets	5	1
Total Amortisation	**5**	**1**
Total Depreciation & Amortisation	**3,618**	**3,575**

Note 5: Cash and Cash Equivalents

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

	Total 2011 $'000	Total 2010 $'000
Cash on Hand	9	4
Cash at Bank	12,391	14,819
Deposits at Call	10,517	4,200
TOTAL	**22,917**	**19,023**
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	17,821	13,610
Cash for Monies Held in Trust		
- Cash at Bank	5,096	5,413
TOTAL	**22,917**	**19,023**

Note 6: Receivables

	Total 2011 $'000	Total 2010 $'000
CURRENT		
Contractual		
Trade Debtors	1,467	844
Patient Fees	814	726
Accrued Investment Income	41	52
Accrued Revenue - Other	133	97
Accommodation Bonds Owing	267	489
Less Allowance for Doubtful Debts		
Trade Debtors	(13)	(46)
Patient Fees	(48)	(41)
	2,661	**2,121**
Statutory		
GST Receivable	192	180
	192	**180**
TOTAL CURRENT RECEIVABLES	**2,853**	**2,301**
NON CURRENT		
Statutory		
Long Service Leave - Department of Health	787	656
TOTAL NON-CURRENT RECEIVABLES	**787**	**656**
TOTAL RECEIVABLES	**3,640**	**2,957**

(a) Movement in the Allowance for doubtful contractual receivables

	Total 2011 $'000	Total 2010 $'000
Balance at beginning of year	87	72
Amounts written off during the year	(55)	(69)
Amounts recovered during the year	(15)	(6)
Increase/(decrease) in allowance recognised in profit or loss	44	90
Balance at end of year	**61**	**87**

(b) Ageing analysis of receivables

Please refer to note 18(b) for the ageing analysis of receivables

(c) Nature and extent of risk arising from receivables

Please refer to note 18(b) for the nature and extent of credit risk arising from receivables

Note 7: Investments and other Financial Assets

	Specific Purpose Fund		Capital Fund		Total	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000	2011 $'000	2010 $'000
NON CURRENT						
Term Deposit						
Aust. Dollar Term Deposits	-	-	229	8	229	8
Shares	1,482	1,685	-	-	1,482	1,685
Total Non Current	**1,482**	**1,685**	**229**	**8**	**1,711**	**1,693**
TOTAL	**1,482**	**1,685**	**229**	**8**	**1,711**	**1,693**
Represented by:						
Health Service Investments	1,482	1,685	229	8	1,711	1,693
TOTAL	**1,482**	**1,685**	**229**	**8**	**1,711**	**1,693**

(b) Ageing analysis of other financial assets

Please refer to note 18(b) for the ageing analysis of other financial assets

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

Please refer to note 18(b) for the nature and extent of credit risk arising from other financial assets

Note 8: Inventories

	Total 2011 $'000	Total 2010 $'000
Pharmaceuticals		
At cost	137	146
Catering Supplies		
At cost	10	-
Housekeeping Supplies		-
At cost	19	-
Medical and Surgical Lines		
At cost	43	-
Engineering Stores		
At Cost	1	-
Administration Stores		
At Cost	21	-
Other		
Circulating Linen-At Net Relisable Value	134	148
TOTAL INVENTORIES	**365**	**294**

Note 9: Other Current Assets

	Total 2011 $'000	Total 2010 $'000
Prepayments	18	37
CURRENT	**18**	**37**
TOTAL	**18**	**37**

Note 10: Investments Accounted for Using the Equity Method

	Total 2011 $'000	Total 2010 $'000
Interest in Jointly Controlled Entities	-	336
TOTAL	-	336

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest		Published Fair Value	
			2011 %	2010 %	2011 $'000	2010 $'000
Jointly Controlled Entities						
South West Alliance of Rural Health	Information Technology	Australia	-	12.99	-	177
Southern Grampians/Glenelg Shire PCP	Primary Health	Australia	-	45	-	159

Note 10: Investments Accounted for Using the Equity Method (Continued)

	2011 $'000	2010 $'000
South West Alliance of Rural Health		
Summarised Financial Information of Jointly Controlled Entities' Balance Sheet:		
Current Assets	-	1,620
Non-Current Assets	-	26
Share of Total Assets	**-**	**1,646**
Current Liabilities	-	1,453
Non-Current Liabilities	-	16
Share of Total Liabilities	**-**	**1,469**
Net Assets	**-**	**177**
Share of Jointly Controlled Entities Net Assets		
Total Income	**-**	**734**
Net Result	**-**	**(114)**
Share of Jointly Controlled Entities' Net Result After Income Tax		**-**
Dividends received from jointly controlled entities	**-**	**(114)**
Capital Commitments	**-**	**1,035**
Southern Grampians/GlenelgShire PCP		
Summarised Financial Information of Jointly Controlled Entities' Balance Sheet:		
Current Assets	-	237
Non-Current Assets		-
Share of Total Assets	**-**	**237**
Current Liabilities	-	78
Non-Current Liabilities		-
Share of Total Liabilities	**-**	**78**
Net Assets	**-**	**159**
Share of Jointly Controlled Entities Net Assets		
Total Income	**-**	**262**
Net Result	**-**	**7**
Share of Jointly Controlled Entities' Net Result After Income Tax	**-**	**7**
Dividends received from jointly controlled entities	**-**	**7**

Note 11: Property, Plant & Equipment

	Total 2011 $'000	Total 2010 $'000
Land		
Land at Fair Value	3,573	3,650
Land at Cost	114	-
Total Land	**3,687**	**3,650**
Buildings		
Buildings Under Construction at cost	2,281	1,134
Buildings at Fair Value	38,734	39,105
Less Acc'd Depreciation	4,984	2,651
Buildings at cost	2,913	997
Less Acc'd Depreciation	36	-
Total Buildings	**38,908**	**38,585**
Plant and Equipment		
Plant and Equipment at Fair Value	3,276	3,142
Less Acc'd Depreciation	2,164	1,988
Total Plant and Equipment	**1,112**	**1,154**
Medical Equipment		
Medical Equipment at Fair Value	6,684	6,141
Less Acc'd Depreciation	3,220	2,772
Total Medical Equipment	**3,464**	**3,369**
Computers and Communication		
Computers and Communication at Fair Value	694	631
Less Acc'd Depreciation	433	367
Total Computers and Communication	**261**	**264**
Furniture and Fittings		
Furniture and Fittings at Fair Value	790	660
Less Acc'd Depreciation	430	380
Total Furniture and Fittings	**360**	**280**
Motor Vehicles		
Motor Vehicles at Fair Value	1,875	1,815
Less Acc'd Depreciation	974	801
Total Motor Vehicles	**901**	**1,014**
TOTAL	**48,693**	**48,316**

Note 12: Intangible Assets

	Total 2011 $'000	Total 2010 $'000
Computer Software	46	36
Less Acc'd Amortisation	34	29
Total Written Down Value	**12**	**7**

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the previous and current financial year:

	Computer Software $'000	Total $'000
Balance at 1 July 2009	8	8
Amortisation (note 4)	(1)	(1)
Balance at 1 July 2010	**7**	**7**
Additions	10	10
Amortisation (note 4)	(5)	(5)
Balance at 30 June 2011	**12**	**12**

Note 13: Payables

	Total 2011 $'000	Total 2010 $'000
CURRENT		
Contractual		
Trade Creditors	1,033	1,717
Accrued Expenses	620	278
Other	825	1,466
	2,478	**3,461**
Statutory		
GST Payable	67	-
Department of Health	1,124	761
	1,191	**761**
TOTAL CURRENT	**3,669**	**4,222**

(a) Maturity analysis of payables

Please refer to Note 18(c) for the ageing analysis of contractual payables

(b) Nature and extent of risk arising from payables

Please refer to note 18(c) for the nature and extent of risks arising from contractual payables

Note 11: Property, Plant & Equipment (Continued)

	Land $'000	Buildings $'000	Plant & Equipment $'000	Medical Equipment $'000	Computers & Communications $'000	Furniture & Fittings $'000	Motor Vehicles $'000	SWARH Joint Venture	Total $'000
Balance at 1 July 2009	**3,650**	**40,528**	**1,537**	**1,917**	**190**	**491**	**1,142**	-	**49,455**
Additions	-	708	93	1,065	40	119	220	-	2,245
Assets transferred as Capital Contributions	-	-	-	-	-		(132)	-	(132)
Disposals	-	-	(1)	(50)	(2)	-	-	-	(53)
Revaluation Increments/(Decrements)	-	-	67	215	36	42	15	-	375
Net Transfers between Classes	-	-	(302)	617	40	(371)	16	-	-
Depreciation and Amortisation (note 4)	-	(2,651)	(240)	(395)	(40)	(1)	(247)	-	(3,574)
Balance at 1 July 2010	**3,650**	**38,585**	**1,154**	**3,369**	**264**	**280**	**1,014**	-	**48,316**
Additions	-	2,718	118	718	64	130	348	26	4,122
Assets transferred as Capital Contributions	114	345		-				-	459
Disposals	(77)	(312)		(51)			(151)	-	(591)
Depreciation and Amortisation (note 4)	-	(2,428)	(181)	(572)	(67)	(50)	(310)	(5)	(3,613)
Balance at 30 June 2011	**3,687**	**38,908**	**1,091**	**3,464**	**261**	**360**	**901**	21	**48,693**

Land and buildings carried at valuation

An independent valuation of the Health 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 the valuation is 30 June 2009

Note 14: Provisions

	Total 2011 $'000	Total 2010 $'000
Current Provisions		
Employee Benefits		
- Unconditional and expected to be settled within 12 months (nominal value)	4,089	3,511
- Unconditional and expected to be settled after 12 months (present value)	3,614	3,450
Total Current Provisions	**7,703**	**6,961**
Non-Current Provisions		
Employee Benefits	1,402	1,492
Total Non-Current Provisions	**1,402**	**1,492**
Total Provisions	**9,105**	**8,453**
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and related on-costs		
Unconditional LSL Entitlement	3,755	3,191
Annual Leave Entitlements	2,794	2,708
Accrued Wages and Salaries	1,091	1,005
Accrued Days Off	63	57
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements	1,402	1,492
Total Employee Benefits and Related On-Costs	**9,105**	**8,453**
(b) Movements in provisions		
Movement in Long Service Leave:		
Balance at start of year	**4,683**	**4,629**
Provision made during the year		
- Expense recognising Employee Service	1,193	742
Settlement made during the year	(719)	(688)
Balance at end of year	**5,157**	**4,683**

Note 16: Equity

	Total 2011 $'000	Total 2010 $'000
(a) Reserves		
Property, Plant & Equipment Revaluation Surplus		
Balance at the beginning of the reporting period	2,437	2,061
Revaluation Increment/(Decrements)		
- Plant and Equipment	-	376
Balance at the end of the reporting period	**2,437**	**2,437**
* Represented by:		
- Land	2,061	2,061
- Plant and Equipment	376	376
	2,437	**2,437**
Financial Assets Available-for-Sale Revaluation Surplus		
Balance at the beginning of the reporting period	9	(103)
Valuation gain/(loss) recognised	14	38
Cumulative (gain)/loss transferred to Operating Statement on Sale of Financial Assets	(9)	20
Cumulative (gain)/loss transferred to Operating Statement on Impairment of Financial Assets	12	54
Balance at end of the reporting period	**26**	**9**

Note 15: Other Liabilities

	Total 2011 $'000	Total 2010 $'000
CURRENT		
Monies Held in Trust		
- Patient Monies Held in Trust	391	342
- Accommodation Bonds (Refundable Entrance Fees)	1,480	1,363
Total Current	**1,871**	**1,705**
NON CURRENT		
Monies Held in Trust		
- Accommodation Bonds (Refundable Entrance Fees)	3,492	4,197
Total Non-Current	**3,492**	**4,197**
Total Other Liabilities	**5,363**	**5,902**
Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer to Note 5)	5,096	5,413
Receivables (refer to Note 6)	267	489
TOTAL	**5,363**	**5,902**

Note 16: Equity (Continued)

	Total 2011 $'000	Total 2010 $'000
Restricted Specific Purpose Reserve		
Balance at the beginning of the reporting period	6,738	4,831
Transfer to Asset Replacement Reserve for Aged Care Capital Income	1,387	1,115
Transfer from Asset Replacement Reserve	(1,113)	(462)
Transfer Specific Donations/Bequests from Accumulated Surpluses	1,303	1,254
Transfer Capital Grant from Accumulated Surpluses	3,500	-
Balance at the end of the reporting period	**11,815**	**6,738**
Total Reserves	**14,278**	**9,184**
(b) Contributed Capital		
Balance at the beginning of the reporting period	49,535	49,535
Balance at the end of the reporting period	**49,535**	**49,535**
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	(4,633)	(2,819)
Net Result for the Year	5,116	28
Comprehensive Income from Associates and Joint Ventures	-	65
Transfers to and from Reserve		
- Asset replacement reserve for Aged Care Capital Income	(1,387)	(1,115)
- Specific Donations/Bequests from Accumulated Services	(1,303)	(1,254)
- Asset Replacement Reserve	1,113	462
- Capital Works	(3,500)	-
Balance at the end of the reporting period	**(4,594)**	**(4,633)**
(d) Total Equity at end of financial year	**59,219**	**54,086**

Note 17: Reconciliation of Net Result for the Year to Net Cash In ow/ (Out ow) from Operating Activities

	Total 2011 $'000	Total 2010 $'000
Net Result for the Year	5,116	28
Depreciation & Amortisation	3,618	3,575
Impairment of Non Current Assets	12	54
Net (Gain)/Loss from Non-Financial Assets	413	59
Change in Operating Assets & Liabilities		
(Increase)/Decrease in Receivables	(712)	(134)
(Increase)/Decrease in Other Assets	(215)	-
(Increase)/Decrease in Prepayments	19	(37)
Increase/(Decrease) in Payables	(484)	470
Increase/(Decrease) in Provisions	653	88
Increase/(Decrease) in Other Liabilities	(68)	24
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	**8,352**	**4,127**

Note 18: Financial Instruments

(a) Financial Risk Management Objectives and Policies

The Health Service's principal financial instruments comprise of:
- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Investment in Equities and Managed Investment Schemes
- Payables (excluding statutory payables)
- 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 main purpose in holding financial instruments is to prudentially manage Western District Health Service financial risks within the government policy parameters.

	Carrying Amount 2011 $'000	Carrying Amount 2010 $'000
Financial Assets		
Cash and cash equivalents	22,917	19,023
Loans and Receivables	2,722	2,208
Available for Sale	1,711	1,693
Total Financial Assets (i)	**27,350**	**22,924**
Financial Liabilities		
At Amortised Cost	8,965	9,363
Total Financial Liabilities (ii)	**8,965**	**9,363**

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

Note 18: Financial Instruments (Continued)

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

	Carrying Amount 2011 $'000	Carrying Amount 2010 $'000
Financial Assets		
Available for Sale (i)	957	683
Total Financial Assets	**957**	**683**

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the movement in the fair value of the asset, interest revenue, or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;

(b) Credit Risk

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

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

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

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Western District Health Service maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

2011	Financial institutions (AAA credit rating) $'000	Government agencies (AAA credit rating) $'000	Government agencies (BBB credit rating) $'000	Other (min BBB credit rating) $'000	Total $'000
Financial Assets					
Cash and Cash Equivalents	22,917	-	-	-	22,917
Receivables					
- Trade Debtors	-	-	-	1,467	1,467
- Other Receivables	-	-	-	1,255	1,255
Other Financial Assets					
- Term Deposit	229	-	-	-	229
- Shares in Other Entities	1,482	-	-	-	1,482
Total Financial Assets	**24,628**	**-**	**-**	**2,722**	**27,350**
2010					
Financial Assets					
Cash and Cash Equivalents	19,023	-	-	-	19,023
Receivables					
- Trade Debtors	-	-	-	844	844
- Other Receivables	-	-	-	1,364	1,364
Other Financial Assets					
- Term Deposit	8	-	-	-	8
- Shares in Other Entities	1,685		-	-	1,685
Total Financial Assets	**20,716**	**-**	**-**	**2,208**	**22,924**

Ageing analysis of Financial Asset as at 30 June

2011	Total Carrying Amount $'000	Not Past Due and Not Impaired $'000	Past Due But Not Impaired				Impaired Financial Assets $'000
			Less than 1 Month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000	
Financial Assets							
Cash and Cash Equivalents	22,917	22,917	-	-	-	-	-
Receivables							
- Trade Debtors	1,285	602	683	-	-	-	-
- Other Receivables	1,255	-	741	376	138	-	-
Other Financial Assets							
- Term Deposit	229	229	-	-	-	-	-
- Shares in Other Entities	1,482	1,482	-	-	-	-	-
Total Financial Assets	**27,168**	**25,230**	**1,424**	**376**	**138**	**-**	**-**
2010							
Financial Assets							
Cash and Cash Equivalents	19,023	19,023	-	-	-	-	-
Receivables							
- Trade Debtors	844	414	430	-	-	-	-
- Other Receivables	1,364	-	859	232	273	-	-
Other Financial Assets							
- Term Deposit	8	8	-	-	-	-	-
- Shares in Other Entities	1,685	1,685	-	-	-	-	-
Total Financial Assets	**22,924**	**21,130**	**1,289**	**232**	**273**	**-**	**-**

There are no material financial assets which are individually determined to be impaired. Currently Western District Health 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.

Note 18: Financial Instruments (continued)
(c) Liquidity Risk

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due.

The Health Service's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Health Service manages its liquidity risk as follows:

Term deposits, investments and cash held at financial institutions are managed with variable maturity dates and take into consideration cash ow requirements of the health service from month to month.

Trade creditors are paid in accordance with their trading terms; and accommodation bonds are refunded when the resident departs the aged care facility.

The following table discloses the contractual maturity analysis for Western District Health Service 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

2011	Carrying Amount $'000	Contractual Cash Flows $'000	Maturity Dates			
			Less than 1 Month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000
Financial Liabilities						
Payables	2,478	2,478	2,107	371	-	-
Other Financial Liabilities						
- Accommodation Bonds	4,972		-	-	1,479	3,493
- Other	391		271	120	-	-
Total Financial Liabilities	**7,841**	**2,478**	**2,378**	**491**	**1,479**	**3,493**
2010						
Financial Liabilities						
Payables	3,461	3,461	1,475	1,215	771	-
Other Financial Liabilities						
- Accommodation Bonds	5,560	-	-	-	1,363	4,197
- Other	342	-	342	-	-	-
Total Financial Liabilities	**9,363**	**3,461**	**1,817**	**1,215**	**2,134**	**4,197**

Note 18: Financial Instruments (continued)
(d) Market Risk

Western District Health 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 paragraph below.
Currency Risk

Other Price Risk
Western District Health 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 is insignificant. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial assets, the health service mainly holds financial assets with relatively even maturity profiles.

Other Price Risk
Western District Health Service is exposed to normal price uctulations from time to time through market forces. Where adequate notice is provided by suppliers, additional purchases are made for long term goods.

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

2011	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate $'000	Variable Interest Rate $'000	Non-Interest Bearing $'000
Financial Assets					
Cash and Cash Equivalents	5.45	22,917	-	22,917	-
Receivables					
- Trade Debtors		1,467	-	-	1,467
- Other Receivables		1,255	-	-	1,255
Other Financial Assets					
- Term Deposit	5.74	229	-	229	-
- Shares in Other Entities		1,482	-	-	1,482
		27,350	**-**	**23,146**	**4,204**
Financial Liabilities					
Payables(		2,478	-	-	2,478
Other Financial Liabilities					
- Accommodation Bonds	5.9	4,972	-	4,972	-
- Other		391	-	-	391
		7,841	**-**	**4,972**	**2,869**
2010					
Financial Assets					
Cash and Cash Equivalents	5.10	19,023	-	19,018	5
Receivables					
- Trade Debtors		844	-	-	844
- Other Receivables		1,364	-	-	1,364
Other Financial Assets					
- Term Deposit	4.1	8	-	8	-
- Shares in Other Entities		1,685	-	-	1,685
		22,924	**-**	**19,026**	**3,898**
Financial Liabilities					
Payables		3,461	-	-	3,461
Other Financial Liabilities					
- Accommodation Bonds		5,560	-	5,560	-
- Other	5.3	342	-	-	342
		9,363	**-**	**5,560**	**3,803**

Note 18: Financial Instruments (continued)

(d) Market Risk (cont)

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Health 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 6%;
- A parallel shift of +1% and -1% in in ation 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 Health Service at year end as presented to key management personnel, if changes in the relevant risk occur.

2011	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-Y%		+X%		-Z%		+Z%	
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial Assets									
Cash and Cash Equivalents	22,917	(229)	(229)	229	229	-	-	-	-
Receivables									
- Trade Debtors	1,467	-	-	-	-	-	-	-	-
- Other Receivables	1,255	-	-	-	-	-	-	-	-
Other Financial Assets									
- Term Deposit	229	(2)	(2)	2	2	-	-	-	-
- Shares in Other Entities	1,482	-	-	-	-	-	-	-	-
Financial Liabilities									
Payables	2,478	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	-
- Accommodation Bonds	4,972	-	-	-	-	-	-	-	-
- Other	391	-	-	-	-	-	-	-	-
		(231)	**(231)**	**231**	**231**	**-**	**-**	**-**	**-**
2010									
Financial Assets									
Cash and Cash Equivalents	19,023	(190)	(190)	190	190	-	-	-	-
Receivables									
- Trade Debtors	844	-	-	-	-	-	-	-	-
- Other Receivables	1,364	-	-	-	-	-	-	-	-
Other Financial Assets									
- Term Deposit	8	(0)	(0)	0	0	-	-	-	-
- Shares in Other Entities	1,685	-	-	-	-	-	-	-	-
Financial Liabilities									
Payables	3,461	-	-	-	-	-	-	-	-
Other Financial Liabilities									
- Accommodation Bonds	5,560	-	-	-	-	-	-	-	-
- Other	342	-	-	-	-	-	-	-	-
		(190)	**(190)**	**190**	**190**	**-**	**-**	**-**	**-**

Note 18: Financial Instruments (continued)

(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Health Services considers that 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 most 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 2011 $'000	Fair value 2011 $'000	Consol'd Carrying Amount 2010 $'000	Fair value 2010 $'000
Financial Assets				
Cash and Cash Equivalents	22,917	22,917	19,023	19,023
Receivables				
- Trade Debtors	1,467	1,467	844	844
- Other Receivables	1,255	1,255	1,364	1,364
Other Financial Assets				
- Term Deposit	229	229	8	8
- Shares in Other Entities	1,482	1,482	1,685	1,685
Total Financial Assets	**27,350**	**27,350**	**22,924**	**22,924**
Financial Liabilities				
Payables	2,478	2,478	3,461	3,461
Other Financial Liabilities(i)				
- Accommodation Bonds	4,972	4,972	5,560	5,560
- Other	391	391	342	342
Total Financial Liabilities	**7,841**	**7,841**	**9,363**	**9,363**

Note 18: Financial Instruments (continued)

Financial assets measured at fair value

	Carrying Amount as at 30 June $'000	Fair value measurement at end of reporting period using:		
		Level 1* $'000	Level 2* $'000	Level 3 $'000
Financial assets at fair value through profit & loss				
Debt securities	-	-	-	-
Available for sale financial assets				
- Equities and managed funds	1,482	1,482	-	-
Total Financial Assets	**1,482**	**1,482**		
2010				
Financial assets at fair value through profit & loss				
Debt securities	-	-	-	-
Available for sale financial assets				
- Equities and managed funds	1,685	1,685	-	-
Total Financial Assets	**1,685**	**1,685**		

*There is no significant transfer between level 1 and level 2

Note 19: Commitments for Expenditure

	Total 2011 $'000	Total 2010 $'000
Capital Expenditure Commitments		
Payable:		
Land and Buildings	26,617	-
Plant and Equipment	-	634
Other (List)	-	-
Total capital expenditure commitments	**26,617**	**634**
Land and Buildings		
Not later than one year	10,781	634
Later than 1 year and not later than 5 years	15,836	-
Later than 5 years	-	-
Total	**26,617**	**634**
Other Expenditure Commitments		
Payable:		
Computer Equipment	-	1,035
Total Other Commitments	**-**	**1,035**
Not later than one year	-	-
Later than 1 year and not later than 5 years	-	1,035
TOTAL	**-**	**1,035**
Lease Commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	609	1,643
Finance Leases	-	-
Total lease commitments	**609**	**1,643**
Operating Leases		
IT infrastructure and computer equipment		
Cancellable		
Not later than one year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
Sub Total		
Non-cancellable		
Not later than one year	21	6
Later than 1 year and not later than 5 years	588	1,637
Later than 5 years	-	-
Sub Total	**609**	**1,643**
TOTAL	**609**	**1,643**
Total Commitments for Expenditure (exclusive of GST)	**27,226**	**3,312**

All amounts shown in the commitments note are nominal amounts inclusive of GST.

Note 20: Contingent Assets and Contingent Liabilities

As at balance date, the Board of Directors is unaware of the existenace of any financial obligation that may have a material effect on the Balance Sheet as a result of any future event which may or may not happen. (2010 Nil).

Note 21: Segment Reporting

	Hospital		RAC		Linen Service		Primary Care		Eliminations		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE												
External Segment Revenue	53,353	44,333	13,603	12,056	349	284	1,712	1,618			69,017	58,291
Intersegment Revenue	714	341		-	531	494		-	(1,245)	(835)	-	-
Total Revenue	**54,067**	**44,674**	**13,603**	**12,056**	**880**	**778**	**1,712**	**1,618**	**(1,245)**	**(835)**	**69,017**	**58,291**
EXPENSES												
External Segment Expenses	(48,045)	(42,848)	(12,974)	(12,413)	(289)	(337)	(3,550)	(3,241)			(64,858)	(58,839)
Intersegment Expenses	(714)	(341)		-	(531)	(494)	-	-	1,245	835	-	-
Unallocated Expense	1,088	-	(958)	-	(130)	-	-	-	-	-	-	-
Total Expenses	**(47,671)**	**(43,189)**	**(13,932)**	**(12,413)**	**(950)**	**(831)**	**(3,550)**	**(3,241)**	**1,245**	**835**	**(64,858)**	**(58,839)**
Net Result from ordinary activities	**6,396**	**1,485**	**(329)**	**(357)**	**(70)**	**(53)**	**(1,838)**	**(1,623)**	**-**	**-**	**4,159**	**(548)**
Interest Income	957	683	-	-		-	-	-	-	-	957	683
Share of Net Result of Associates & Joint Ventures using Equity Method	-	(107)	-	-		-	-	-	-	-	-	(107)
Net Result for Year	**7,353**	**2,061**	**(329)**	**(357)**	**(70)**	**(53)**	**(1,838)**	**(1,623)**	**-**	**-**	**5,116**	**28**
OTHER INFORMATION												
Unallocated Assets	56,357	52,341	17,440	16,519	539	652	3,020	3,151	-	-	77,356	72,663
Total Assets	**56,357**	**52,341**	**17,440**	**16,519**	**539**	**652**	**3,020**	**3,151**	**-**	**-**	**77,356**	**72,663**
Unallocated Liabilities	10,037	10,841	7,668	7,340	154	141	278	255			18,137	18,577
Total Liabilities	**10,037**	**10,841**	**7,668**	**7,340**	**154**	**141**	**278**	**255**	**-**	**-**	**18,137**	**18,577**
Investments in Associates and Joint Venture Partnership	-	336	-	-	-	-	-	-	-	-	-	336
Acquisition of Property, Plant and Equipment and Intangible Assets	**4,581**	**2,261**		**-**		**-**	**-**	**-**	**-**	**-**	**4,581**	**2,261**
Depreciation & Amortisation Expense	**2,783**	**2,688**	**543**	**571**	**78**	**102**	**214**	**214**	**-**	**-**	**3,618**	**3,575**
Non Cash Expenses other than Depreciation	**1,351**	**1,023**	**96**	**79**	**-**	**-**	**47**	**35**	**-**	**-**	**1,494**	**1,137**

Note 21: Segment Reporting (continued)

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

Business Segments	**Services**
Hospitals	Acute bed based services, accident and emergency, diagnostic, outpatient services.
Residential Aged Care Services (RACS)	Aged Residential Care Services.
Linen Service	Linen Services.
Primary Care Service	Primary Care and Community-based services.

The basis of inter-segment pricing is at cost.

Geographical Segment

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

Note 22: Jointly Controlled Operations and Assets

Name of Entity	Principal Activity	Ownership Interest 2011 %	Ownership Interest 2010 %
South West Alliance of Rural Health	Information Technology	12.97	-
Southern Grampians/Glenelg Shire PCP	Primary Health	45.00	-

Western District Health Service interest in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the financial statements and consolidated financial statements under their respective asset categories.

	2011 $'000	2010 $'000
South West Alliance of Rural Health		
Current Assets		
Cash and Cash Equivalents	(45)	-
Receivables	468	-
Inventories	21	-
Other Current Assets	62	-
Total Current Assets	**506**	**-**
Non Current Assets		
Property, Plant & Equipment	21	-
Total Non Current Assets	**21**	-
Total Current Assets	**527**	**-**

Western District Health Service interest in revenue and expenses resulting from jointly controlled operations and assets is detailed below:

	2011 $'000	2010 $'000
South West Alliance of Rural Health		
Revenue		
Other Revenue	2,289	-
Total Revenue	**2,289**	**-**
Expenses		
Employee Expenses	607	-
Maitenance Contracts	203	-
Leases Expense	190	-
Other	1,366	-
Total Expenses	**2,366**	**-**
Net Result Before Capital & Specific Items	**(77)**	-
Depreciation	5	-
Net Result	**(82)**	-

	2011 $'000	2010 $'000
Southern Grampians/Glenelg Shire PCP		
Current Assets		
Cash and Cash Equivalents	248	
Total Assets	**248**	

Western District Health Service interest in revenue and expenses resulting from jointly controlled operations and assets is detailed below:

	2011 $'000	2010 $'000
Southern Grampians/Glenelg Shire PCP		
Revenue		
Grants	177	-
Other Revenue	102	-
Total Revenue	**279**	**-**
Expenses		
Employee Expenses	120	-
Other	154	-
Total Expenses	**274**	**-**
Net Result	**5**	-

Note 23a: 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 Daniel Andrews, MLA, Minister for Health	1/07/2010 - 01/12/2010
The Honourable David Davis, MP, Minister for Health and Ageing	02/12/2010 - 30/6/2011
The Honourable Mary Woodridge, MLA, Minister for Mental Health	02/12/2010 - 30/6/2011
Governing Boards	
Ms M Brown	1/07/2010 - 30/06/2011
Ms J Huton	1/07/2010 - 30/06/2011
Mr P Irvin	1/07/2010 - 30/06/2011
Mr R Jones	1/07/2010 - 30/06/2011
Mr H Macdonald	1/07/2010 - 30/06/2011
Ms L Robertson	27/03/2011 - 30/06/2011
Mr M Stratmann	1/07/2010 - 30/06/2011
Accountable Officers	
Mr J Fletcher	1/07/2010 - 30/06/2011

Remuneration of Responsible Persons

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

	Parent 2011	Parent 2010
Income Band	No.	No.
$0 - $9,999	7	**7**
$270,000 - $279,999	-	1
$280,000 - $289,999	1	-
Total Numbers	**8**	**8**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$284,770**	**$272,607**
Other Transactions of Responsible Persons and their Related Parties	-	-

Note 23b: Executive Officer Disclosures

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 2011 No.	Total Remuneration 2010 No.	Base Remuneration 2011 No.	Base Remuneration 2010 No.
$100,000 - $109,999	-	1	-	1
$110,000 - $119,999	1	-	1	-
$120,000 - $129,999	1	1	1	1
$140,000 – $149,999	-	1	-	2
$150,000 – $159,999	1	1	1	1
$160,000 – $169,999	2	1	2	-
Total	**5**	**5**	**5**	**5**
Total Remuneration	**$732,101**	**$692,702**	**$732,101**	**$682,702**

Note 24: Events Occurring after the Balance Sheet Date

There were no events occuring after reporting date, which require additionl information to be disclosed.

Index

Glossary of terms

10MMM
Multi Media Mayhem project in 10 Southern Grampians Shire towns

ACHS
Australian Council on Healthcare Standards

ACHSE
Australian College of Health Service Executives

ADASS
Adult Day Activity and Support Service

ARA
Australasian Reporting Awards

Best practice
The way leading edge organisations deliver world class performance

BOD
Board of Directors

BSI
Business Support and Innovation

BSWRICS
Barwon South West Regional Integrated Cancer Services

CACPS
Community Aged Care Packages

CDHS
Coleraine District Health Service

CEO
Chief Executive Officer

COAG LSOP
Council of Australian Government's Long Stay Older Patients

CSSD
Central Sterile Supply Department

DoH
Department of Health

DON
Director of Nursing

DRG
Diagnostic Related Grouper; a means by which hospitals define and measure case mix

DVA
Department of Veterans Affairs

EBA
Enterprise Bargaining Agreement

ECG
Electrocardiograph

ECIICN
Emergency Care Improvement and Innovation Clinical Network

ED
Emergency Department

ENT
Ear, Nose and Throat

FHCC
Frances Hewett Community Centre

FIMS
Financial Information Management System

FOI
Freedom of Information

FRD
Financial Reporting Directions

FReeZA
Drug & alcohol free entertainment for young people

GCAHM
Graduate Certificate of Agricultural Health and Medicine

GEM
Geriatric Evaluation Management

GP
General Practitioner

HACC
Home and Community Care

HARP
Hospital Admission Risk Program

HBH
Hamilton Base Hospital

HITH
Hospital in the Home

HMG
Hamilton Medical Group

HMMC
Hamilton Midwifery Model of Care

HMO
Hospital Medical Officer

HonCode Certification
Certification to improve the quality of online education (the certification advises that we are a reliable and trustworthy site for medical information).

HR
Human Resources

ICT
Information, Communication and Technology

ICU
Intensive Care Unit

IMG
International Medical Graduates

IT
Information Technology

KPI
Key Performance Indicator

NCFH
National Centre for Farmer Health

OH&S
Occupational Health and Safety

OT
Occupational Therapy

PCMS
Patient and Client Management System

PCP
Primary Care Partnerships

PDHS
Penshurst & District Health Service

QI
Quality Improvement

QOC
Quality of Care Report

RFID
Radio Frequency Identification

RIRDC
Rural Industry Research & Development Corporation

RMIT
Royal Melbourne Institute of Technology (university with a site in Hamilton)

RN
Registered Nurse

Separation
Process by which a patient is discharged from care

SFF
Sustainable Farm Families

SGGPCP
Southern Grampians and Glenelg Primary Care Partnership

Standard
A statement of a level of performance to be achieved

SWAMI
South West Area Maternity Initiative

SWARH
South West Alliance of Rural Hospitals

TIA
Transient Ischaemic Attack

VHA
Victorian Healthcare Association Ltd

VMIA
Victorian Managed Insurance Authority

VMO
Visiting Medical Officer

VPSM
Victorian Patient Survey Monitor

VSCN
Victorian Stroke Clinical Network

WDHS
Western District Health Service

WIES
Weighted Inlier Equivalent Separations; allocated resource weight for a patient's episode of care. A formula is applied to the resource weight to determine the WIES for recovery of funding.