

**GOULBURN VALLEY HEALTH**



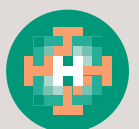
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# Annual Financial and Performance Report

2009-2010

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Working together to achieve a healthier community



GOULBURN VALLEY  
HEALTH

## VISION

Working together to achieve healthier communities.

## MISSION

In collaboration with the Community, GV Health will continually strive to improve the quality of integrated services that achieve the best possible individual and community health outcomes.

## STATEMENT OF VALUES

Goulburn Valley Health is committed to:

- Person Centred Care;
- Integrated and effective services and facilities;
- Improving Quality and Safety;
- Caring, Competent & Empowered workforce;
  - Responding to diversity;
  - Financial responsibility;
  - Equity of access;
- Consumer and community engagement.

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## INTRODUCTION

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for Goulburn Valley Health for the year ended 30 June 2010.



**CLEM FURPHY**  
**CHAIR – BOARD OF DIRECTORS**  
**6 AUGUST 2010**

Goulburn Valley Health (GV Health) reports on its annual performance in two separate documents. This Annual Financial and Performance Report fulfils the statutory reporting requirements to Government by way of an Annual Report and the Quality of Care Report reports on quality, risk management and performance improvement matters. Both documents are presented to the Annual General Meeting and then distributed to the community.

## CHAIR AND CHIEF EXECUTIVE OFFICER REPORT

The 2009/10 year was a busy and rewarding year for GV Health. The number of patients treated and services delivered continued to grow. A number of capital projects were completed during the year and planning is well underway for others.

For the 4th consecutive year, GV Health was once again a finalist in the 2009 Premier's Award for Regional Health Service of the Year, achieving a Highly Commended award. This is testament to the continued excellent performance of the Health Service in providing quality care to the community we serve whilst maintaining a sound financial position. GV Health staff and the community we serve can be justly proud of this ongoing recognition of outstanding achievement.

The information and statistics provided in this report highlight the continuing growth, complexity and diversity of the services that GV Health delivered during 2009/10. With regard to acute care, 23,438 patients were treated, slightly more (0.8%) than last year but with higher complexity. Acute services finished the year utilising 15,864 WIES, 1.7% more than the previous year. During the year the average acute length of stay decreased marginally from 2.44 days to 2.41 days. The number of theatre cases treated increased from 7,348 to 7,719.

During the year 785 rehabilitation, geriatric evaluation and management, palliative care and nursing home type patients were treated, as were 392 mental health patients. In total, 24,615 patients were treated compared to 24,270 last year. Birthing numbers increased from 1,110 last year to 1,168 this year, an increase of 5.2%.

All Category 1 elective surgery patients were treated within the required 30 days, 89% of Category 2 patients were treated within 90 days, and 100% of Category 3 patients were treated within 365 days. The number of patients treated within target increased from 87.55% in 2008/09 to 94.1%. The number of patients on the elective surgery waiting list at the end of June 2010 was 568, well below our target of 600.

In the Emergency Department (ED), all Category 1 patients requiring immediate care were so treated, 82% of all Category 2 patients were attended to within the required ten minutes, and 77% of Category 3 patients within 30 minutes. There were 32,572 ED attendances during the year. The number of patients with an ED length of stay greater than 24 hours decreased from 81 during 2008/09 to 17 this year. Of those patients requiring a bed, 81% were found one within 8 hours.

With regard to non-admitted patients, outpatient occasions of service increased from 124,146 to 143,571. The Transition Care Program provided 5,295 bed days and 7,639 home based days of service for the year.

Following an organisation wide review GV Health was awarded Australian Council of Healthcare Standards accreditation for the next four years. GV Health Area Mental Health and Home & Community Care Services also successfully passed in depth review processes with excellent results.

The results of the external audit of cleaning standards conducted at GV Health during March 2010 were a score of 99.7% at Tatura, 97.7% at Waranga (Rushworth) and 97.1% at Shepparton, all well above the acceptable state-wide quality level of 85% and further improving on last year's excellent results. During the year GV Health also achieved 100% compliance with the 24 food service components following an external food safety audit, a result rarely achieved by a health service of our size and complexity. All four aged care facilities have been accredited and remain fully compliant with each of the Commonwealth's 44 aged care standards, and the GV Health pathology service continues to be NATA accredited.

The car parking, landscaping and drainage project was completed in October 2009. This has increased car parking capacity and improved security with in excess of 200 additional car parking spaces for the public and staff, and improved capacity for the site to deal with storm water utilising water sensitive design principles. The newly constructed GP Medical Clinic at Rushworth was officially opened by The Hon. Warren Snowdon MP - Minister for Indigenous, Rural and Regional Health in December 2009. The clinic commenced seeing patients in May, providing additional GP services to Rushworth. The redevelopment works on the Ambermere site were completed in September. Planning is well underway for the construction of a Cancer Care and Research Centre during 2010/2011.

We welcomed Mr Ian McKinnon to the Board of Directors from 1 July 2009 and Ms Ros Knaggs was appointed to fill a casual vacancy from 16<sup>th</sup> February, 2010.

In conclusion, we would like to acknowledge the collaborative work and support of all directors, staff, contractors, and volunteers throughout the year, the assistance of the Department of Health both centrally and regionally, the local media, our local political representatives both state and federal, and the many community organisations and individuals who assist in so many different ways.

We trust you find this report both interesting and informative and commend it to you.



**CLEM FURPHY**  
**CHAIR – BOARD OF DIRECTORS**



**KERRY HEALY**  
**CHIEF EXECUTIVE OFFICER**

## DISCLOSURE INDEX

The annual report of Goulburn Valley Health 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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<b>Ministerial Directions</b>		
<b>Report of Operations</b>		
<b>Charter and purpose</b>		
FRD 22B	Manner of establishment and the relevant Ministers	5
FRD 22B	Objectives, functions, powers and duties	5
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<b>Management and structure</b>		
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FRD 10	Disclosure Index	3
FRD 11	Disclosure of ex-gratia payments	Financial Report
FRD 21A	Responsible person and executive officer disclosures	Financial Report
FRD 22B	Application and operation of <i>Freedom of Information Act 1982</i>	13
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FRD 22B	Occupational health and safety	12
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SD 4.2(c)	Compliance with Ministerial Directions	Financial Report
SD 4.2(d)	Rounding of amounts	Financial Report

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**Legislation**

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<i>Victorian Industry Participation Policy Act 2003</i>		13
<i>Building Act 1993</i>		12
<i>Financial Management Act 1994</i>		1

## **RELEVANT MINISTER**

Goulburn Valley Health (GV Health) is established under the Health Services Act 1988. The responsible Minister during the reporting period is The Hon. Daniel Andrews MP, Minister for Health.

## **OBJECTIVES, FUNCTIONS, POWERS AND DUTIES**

Objectives, Functions, Powers and Duties of GV Health are described in Operational Practices and By-Laws of the organisation.

GV Health is a multi-campus facility providing a broad range of hospital and community services through the Department of Health Hume Region. Campuses include:

- The Shepparton Campus is located at Graham Street, Shepparton and has 251 beds providing acute medical, surgical, obstetrics, paediatrics, rehabilitation, psychiatric, and intensive-coronary care. A number of non admitted acute/sub acute services operate from this campus including Emergency, Outpatients, HARP – Disease Management, Sub Acute Ambulatory Care etc as well as a number of Community programs including Community Allied Health, Dental, Diabetes Education, Post Acute Care, Rural Health Team, Continence, Rural Withdrawal Service etc.
- The Tatura campus, known as the Tatura Annexe, maintains eight acute and 15 nursing home beds.
- The Rushworth campus, known as the Waranga Annexe, maintains 12 acute and 10 nursing home beds. The Waranga Hostel is located on a separate site and has 32 resident places.
- Una House is located in Corio Street Shepparton and is the base for Community Interlink and District Nursing.
- The Centre for Older Persons Health in Orr Street, Shepparton is the base for the Aged Care Assessment Service, GEM in the Home, Transition Care and the Psychogeriatric Assessment and Treatment Team.
- The Centre Against Sexual Assault (CASA) is located centrally in Shepparton.
- The Primary Mental Health and Early Intervention Team is located in Orr Street, Shepparton.
- Community programs also operate from outreach offices in Seymour, Cobram, Benalla, Wodonga, Yea, and Alexandra.
- Community Mental Health Services operate from GV Health's Shepparton campus and offices located in Seymour.

GV Health also provides administrative assistance to Yea and District Memorial Hospital, and the Nathalia District Hospital.

The range of services provided by GV Health is described across nine clinical streams:

### **Emergency Medicine**

- Emergency Department
- Intensive Care Unit

### **Child and Adolescent**

- Paediatric Unit
- Maternal and Child Health Services
- Community Paediatric Services

### **Extended Care**

- Geriatric Evaluation and Management (GEM)
- Rehabilitation
- Community Rehabilitation Centre
- GEM In The Home

### **Surgical Services**

- Specialist Consulting Suite
- Preadmission Clinic
- Day Procedure Unit (DPU)
- Operating Theatres
- Surgical Unit

### **Women's Health**

- Maternity Unit
- Birthing Suite
- Domiciliary Midwifery
- Ante-Natal Outpatient Services
- Ante-Natal Day Stay Unit
- Neonatal Nursery
- Lactation Support Service

### **Residential Care**

- Grutzner House, Shepparton
- Waranga Aged Care, Rushworth
- Parkvilla, Tatura

### **General Medical**

- Medical Unit
- Oncology
- Haemodialysis
- Rheumatology
- Disease Management
- Hospital in The Home (HITH)
- Waranga Memorial Hospital
- Tatura Hospital

### Community Services

- Aged Care Assessment Service
- Centre Against Sexual Assault
- Community Interlink
- Community Health
- Rural Health Team
- Diabetes Services
- Home nursing Service
- Post Acute Care
- Rural Drug & Alcohol Withdrawal Program
- Community Dental Program

### Mental Health

- Child and Adolescent Mental Health
- Adult Mental Health – Inpatient & Community Mental Health Services
- Aged Persons Mental Health Service
- Primary Mental Health & Early Intervention Service
- Preventative and Recovery Care (PARC)
- Early Psychosis Program (Hume Region)

**Clinical streams are supported by a range of organisation-wide services including: -**

**Diagnostic and Other Clinical Services:** Pathology, Medical Imaging, Dental and Pharmacy

**Allied Health Departments:** Social Work, Speech Pathology, Nutrition & Dietetics, Occupational Therapy, Physiotherapy, Podiatry and Audiology

### Clinical Support and Corporate Services:

Professional Library, Quality Improvement and Risk Management Unit, Finance Services, Business & Performance Unit, Clinical Business Unit, Supply Services, Human Resources, Payroll Services, Occupational Health & Safety, Security Services, Information Technology Services, Post-Graduate Nurse Training, Aboriginal Liaison Officer, Health Information Services, Communications, Hotel Services, Engineering Services and Biomedical Engineering Services, Court Liaison Service, Consumer/Carer Consultation

### STATEMENT OF MERIT & EQUITY

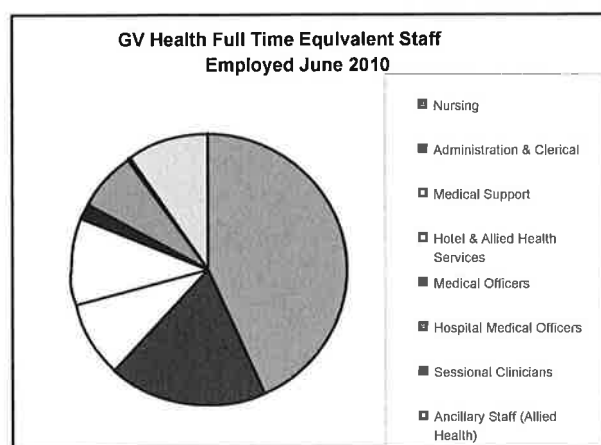
GV Health ensures a fair and transparent process for recruitment, selection, transfer and promotion of staff. It bases its employment selection on merit, and complies with relevant legislation. GV Health has policies and procedures in place that ensure employees are respected and treated fairly. These policies also provide avenues for grievance and complaint processes.

### WORKFORCE DATA

Labour Category	June Current Month FTE	June YTD FTE
Nursing	574.0	563.3
Administration & Clerical	251.0	242.5
Medical Support	117.0	115.9
Hotel & Allied Health Services	135.0	137.3
Medical Officers	24.3	23.4
Hospital Medical Officers	97.9	91.3
Sessional Clinicians	2.2	2.4
Ancillary Staff (Allied Health)	133.0	127.9
<b>Total</b>	<b>1334.4</b>	<b>1304.0</b>

\* Includes doctors on rotation paid by GV Health.

\* Dental officers and other dental/clinicians/specialists are in labour category 3 – medical support.



GV Health staff are required to abide by the GV Health Code of Conduct which is based on the Code of Conduct for Victorian Public Sector Employees.

In addition, approximately 220 volunteers involved in nine auxiliaries and groups, support Goulburn Valley Health.

### CONSULTANCIES

Goulburn Valley Health commissioned 22 consultancies under \$100,000 during the year at a total cost of \$414,275. No consultancies over \$100,000 during the 2009/2010 year were commissioned.



## BOARD OF DIRECTORS

### Board Chair

**Mr. Clem Furphy, BE (Civil),  
C. P Eng, FIE Aust;**  
Board Director Appointed - 1996  
Term Expires – 30/06/2011  
Committees -

- Medical Consultative
- Patient Care Review
- Project Control Group
- Quality & Risk Management
- Remuneration

### Senior Vice-Chair

**Mr. Chris Hazelman, MBA**  
Board Director Appointed – 2003  
Term Expires – 30/06/2012  
Committees -

- Audit
- Medical Consultative
- Patient Care Review
- Primary Care & Population Health
- Remuneration

### Junior Vice-Chair

**Mr. Noel Maughan**  
Board Director Appointed – 2007  
Term Expires – 30/06/2013  
Committees -

- Aboriginal Health Taskforce
- Audit
- Patient Care Review
- Primary Care & Population Health
- Remuneration

### Chair of Audit

**Ms. Rebecca Woolstencroft, B. Com, CPA**  
Board Director Appointed – 2008  
Term Expires – 30/06/2011  
Committees -

- Audit
- Patient Care Review
- Primary Care & Population Health

### Director

**Ms. Letizia Torres, LLB**  
Board Director Appointed – 2004  
Term Expires – 30/06/2012  
Committees -

- Consumer Consultative
- Medical Appointments Advisory
- Patient Care Review

### Director

**Dr. Pamela Dalglish, B.DSc, FAICD, FAID**  
Board Director Appointed – 2002  
Term Expires – 30/06/2011  
Committees -

- Aboriginal Health Taskforce
- Medical Appointments Advisory
- Patient Care Review
- Primary Care & Population Health

### Director

**Mr. Bryan Gurry, LLB**  
Board Director Appointed – 2008  
Term Expires – 30/06/2012  
Committees -

- Patient Care Review
- Quality & Risk Management

### Director

**Mr. Ian McKinnon, TPTC, GDSE(HI),  
GDSE(Melb Uni);**  
Board Director Appointed – 2009  
Term expires – 30/06/2012  
Committees -

- Ethics & Research
- Patient Care Review

### Director

**Ms. Roslyn Knaggs, B.Ed, Dip.Ed(Prim)**  
Board Director Appointed - 2010  
Term expires – 30/06/2011  
Committees -

- Ethics & Research
- Consumer Consultative
- Patient Care Review

## ATTENDANCE AT BOARD MEETINGS

ATTENDANCE AT BOARD MEETINGS	2009						2010					
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
<b>Mr. C. Furphy</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Dr. P. Dalgliesh</b>	✓	✓	-	✓	✓	✓	✓	-	✓	✓	✓	-
<b>Mr. B. Gurry</b>	✓	-	✓	-	-	✓	✓	✓	✓	✓	✓	✓
<b>Mr. C. Hazelman</b>	-	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
<b>Ms. R. Knaggs</b>								✓	✓	✓	✓	-
<b>Mr. I. McKinnon</b>	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
<b>Mr. N. Maughan</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Mr. L. Torres</b>	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	-
<b>Ms. R. Woolstencroft</b>	✓	✓	-	✓	✓	-	✓	✓	✓	✓	✓	✓

IN ATTENDANCE: ✓

**Honorary Solicitors**  
Felthams Lawyers

**Auditors**  
Auditor-General, Victoria

**Banker**  
Westpac Banking Corporation

## SENIOR OFFICERS

### **Chief Executive Officer**

#### **Ms. Kerry Healy**

B. Bus (Acc), CPA, AFCHSE, CHE, FCFM

The Chief Executive Officer (CEO) is responsible to the Board of Directors for the efficient and effective management of GV Health. Prime responsibilities include the development and implementation of operational and strategic planning, maximising service efficiency and quality improvement, and minimising risk. Kerry is also CEO of the Nathalia District and Yea Memorial Hospitals and chairs the GV Health Executive. Kerry represents GV Health on a number of State committees, chairs the Hume Regional Integrated Cancer Service and the Hume Rural Health Alliance Executive Committee, and is also a member of the Hume Health Partnership.

### **Executive Director of Finance & Corporate Services**

#### **Mr. Shaun Eldridge**

B. Bus (Acc) MBA, CPA

The Director of Finance & Corporate Services role has responsibility for the financial management and reporting requirements to the Board of Directors, Managers and external bodies including the Department of Health. As well as financial and performance reporting, this position has operational responsibility for the majority of non-clinical support services provided to support the organisation.

### **Executive Director of Community and Integrated Care**

#### **Ms. Leigh Rhode**

RPN, B.HlthSc (Nursing), Grad Dip Bus Studs (Health)

The Director of Community and Integrated Care has responsibility for Allied Health, Dental Services and a wide range of ambulatory care and community health services, including health promotion. With a special interest in population health planning and service coordination, Leigh supports a range of partnership initiatives with health services across the Goulburn Valley and Hume region. Responsibilities include provision of executive support to GV Health's Primary Care and Population Health Advisory Committee, Aboriginal Health Task Force and Cultural Diversity Committee.

### **Executive Director of Clinical Services**

#### **Chief Nursing Officer**

#### **Ms. Wendy Lewis**

RN, RM, MHA, Bach App Sc. (Adv Nursing), ICC, Neo & Paed ICC, FRCNA

The Chief Nursing Officer has professional responsibility for nursing across all Clinical Streams and executive responsibility for Acute Nursing in Shepparton and the Tatura and Waranga campuses. Major responsibilities include Clinical Leadership and Standards of Practice, Nursing Credentialing, Resource Management, Service and Strategic Planning, Clinical Risk Management, and Quality Improvement.

### **Executive Director of Mental Health Services**

#### **Mr. Bill Brown**

MaMgt ACU, RN with MH Endorsement, AFRACN

The Executive Director of the Area Mental Health Service, in partnership with the Clinical Director of Psychiatry, is responsible for providing strong leadership to ensure the delivery of high quality public mental health services to the West Hume Region catchment area and private mental health services to Cobram. The programs provided by this service are Child and Adolescent Mental Health Services, Adult Community Mental Health, Acute In-patients services, Aged Mental Health Residential Services, Aged Acute In-patient and the Aged Psychiatry Assessment and Treatment Services, Primary Mental Health and Early Intervention and the Hume Region Early Psychosis Service.

## **Executive Director of Clinical Services**

### **Chief Medical Officer**

#### **Dr. Bruce Warton**

RFD, MBBS, BHA, Grad Dip Health & Medical Law, DTM&H, AFCHSE, CHE, FRCSEd, FRCOG, FRANZCOG, FRACMA

The Chief Medical Officer has professional responsibility for visiting medical officers, staff specialists and hospital medical officers across all clinical streams and is directly responsible for the general medical, surgical, and emergency medicine clinical streams. Bruce also has clinical responsibility for pathology and medical imaging, and operational responsibility for pharmacy and biomedical engineering services. The chief medical officer also undertakes medical recruiting and credentialing, resource management, and strategic planning in conjunction with other members of the executive.

### **Director of Quality & Risk**

#### **Ms. Annette Penney**

MQIHC, Grad Dip Bus Studs (Health), FAAQHC

The Director of Quality and Risk is responsible for Quality Improvement, Risk Management, Occupational Health and Safety, and Complaints Management services. The Director of Quality and Risk works closely with the Executive and Board of Directors to formulate and implement a strategic and systems driven approach to the management of Quality, Safety, and Risk at GV Health. This is done in consultation with Committees and individuals in relation to the development and implementation of clinical and corporate governance principles and activities to effectively manage risk, reduce patient harm, and improve the effectiveness of care provided.

### **Director Human Resource**

#### **Mr Barry Hinton**

LLB, Grad Dip Bus Admin

The Director of Human Resources has responsibility for developing effective recruitment strategies that will attract and retain the best employees. The Human Resources Department provides advice to managers and staff on a variety of industrial and employment matters including legislative requirements. Barry also assists in resolving industrial disputes, provides advice on disciplinary matters and appears before the FWA Tribunal if required. The team effectively manage workers compensation claims and return to work plans. Non clinical staff are provided with training and development opportunities as identified. Barry is responsible for the management of payroll services that are provided over multi sites.

## **Chief Information Officer**

### **Mr Ed Rhode**

Ph.D Information Technology Management, MEng, BSCP (Computer Sciences), BS (Mathematics)

The Chief Information Officer has responsibility for the design, development, and delivery of Information Technology infrastructure, communication, IT resource management, and related services. Ed is also the Executive Officer for the Hume Rural Health Alliance responsible for the provisioning of Information Technology Services along with providing strategic planning, representation, and advocacy for IT issues for the 21 member agencies representing Acute, Community Health and Aged Care in the Hume Region. Ed represents GV Health and the Hume Alliance on the State CIO committee and various statewide IT related Forums.

**GOULBURN VALLEY HEALTH – ORGANISATIONAL CHART  
BOARD OF DIRECTORS**

**CHIEF EXECUTIVE OFFICER – Kerry Healy**

- Associated Hospitals
  - Nathalia
  - Yea
- Audit
- Project Management (Capital)
- Regional Integrated Cancer Services
- Service Innovation

**EXECUTIVE DIRECTOR OF  
FINANCE & CORPORATE  
SERVICES**  
Shaun Eldridge

**SERVICES**

- Business Units
- Business and Performance Unit
- Car Fleet
- Clinical Business Resource Unit
- Engineering
- Finance
- Health Information Services
- Library
- Security
- Supply
- Accommodation
- Hotel Services (including Mortuary)

**DIRECTOR OF QUALITY &  
RISK**  
Annette Penney

**SERVICES**

- Community Liaison
- Insurance
- Occupational Health & Safety
- Quality Improvement & Risk Management

**EXECUTIVE DIRECTOR OF  
COMMUNITY &  
INTEGRATED CARE**  
Leigh Rhode

**CLINICAL STREAMS**

- Community

**SERVICES**

- Aboriginal Liaison
- Aged Care Assessment Service
- Allied Health
- Centre Against Sexual Assault
- Chronic Disease Self Management
- Community Health
- Community Interlink
- Dental
- Diabetes Centre
- District Nursing
- Drug/Alcohol
- HARP – Care Coordination
- Health Promotion
- Hospital in the Home
- Language Services
- Post Acute Care
- Rural Health Team
- Sub Acute Ambulatory Care
- Transition Care

**EXECUTIVE DIRECTOR OF  
CLINICAL SERVICES  
CHIEF MEDICAL OFFICER**  
Bruce Warton

**CLINICAL STREAMS**

- Emergency
- General Medicine
- Intensive Care
- Surgical

**SERVICES**

- Biomedical Engineering
- Diagnostic Services
  - Pathology (including Autopsy services)
  - Medical Imaging
- Medical Administration
- Medical Staff
- Senior Medical Staff
- Hospital Medical Officers
- Pharmacy

**DIRECTOR OF HUMAN  
RESOURCES**  
Barry Hinton

**SERVICES**

- Human Resources
- Payroll

**EXECUTIVE DIRECTOR OF  
CLINICAL SERVICES  
CHIEF NURSING OFFICER**  
Wendy Lewis

**CLINICAL STREAMS**

- Residential Aged Care
- Paediatric/Adolescent
- Sub-Acute
- Women's Health

**SERVICES**

- Aged Care Liaison
- Blood Transfusion Service
- Centre for Nursing Practice, Education, & Research
- Clinical Nurse Consultants
- CSSD
- Elective Admissions
- Haemodialysis
- HARP-Disease Management
- Nurse Practitioners
- Nursing Management
- Oncology
- Organ & Tissue Donation
- Outpatients

**CAMPUSES**

- Tatura
- Waranga

**EXECUTIVE DIRECTOR OF  
MENTAL HEALTH  
SERVICES**  
Bill Brown

**CLINICAL STREAMS**

- Mental Health

**SERVICES**

- Aboriginal Mental Health Liaison Service
- Adult Mental Health
- Aged Persons Mental Health
- Child & Adolescent Mental Health
- Consumer/Carer Consultation
- Court Liaison Service
- Hume Region Early Psychosis
- Primary Mental Health

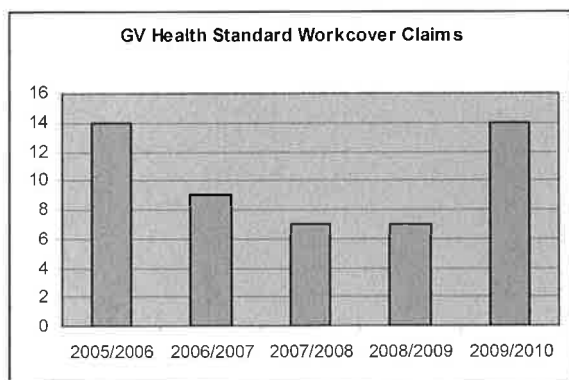
**CHIEF INFORMATION  
OFFICER**  
Ed Rhode

**SERVICES**

- Information Technology
- Telecommunications

## COMPLIANCE WITH OCCUPATIONAL HEALTH AND SAFETY MATTERS

Goulburn Valley Health monitors occupational health and safety matters through an Occupational Health and Safety Committee which reports to the Safe Practice and Environment Quality Committee. This is one of four core committees which reports to the Board of Directors via the Quality and Risk Management Committee.



### SUMMARY OF THE BUILDING ACT 1993

Goulburn Valley Health has a plan in place to ensure compliance with the provisions of the *Building Act 1993*.

During 2009-2010 the following have been undertaken:

#### Assessment

Fire Safety Certificates of Compliance were supplied to the Department of Health for the following sites:

- Goulburn Valley Health, Graham Street, Shepparton
- Tatura Hospital & Nursing Home, Park Street, Tatura
- Waranga Memorial Hospital & Nursing Home, Coyle Street, Rushworth
- Waranga Aged Care Hostel, High Street, Rushworth

#### Occupancy Permits and Certificates of Final Inspection

Goulburn Valley Health has consolidated all Occupancy Permits and Certificates of Final Inspection into one document. This will simplify documentation of Essential Safety Measures.

#### Building Works

New Occupancy Permits or Certificates of Final Inspection have been issued for the following buildings or building alterations:

- Doctors Offices Building
- 87 Knight Street
- 89 Knight Street

#### Essential Safety Measures

Goulburn Valley Health buildings constructed after 1994 have been designed to conform to *The Building Act 1993* and its Regulations, as well as to meet other statutory regulations that relate to health and safety matters. All have been issued with Occupancy Permits.

Buildings constructed prior to July 1994 were not subject to issue of Occupancy Permits. However, irrespective of the age of each building, Goulburn Valley Health is obliged to maintain essential safety measures, so far as is practicable, in accordance with the *Building Regulations 2006*.

Compliance involves ensuring that all essential safety measures covered by the Regulations are being maintained to fulfil their purpose. It also involves keeping records of maintenance checks, completing an Annual Essential Safety Measures Report, and retaining records and reports on the premises for inspection by the Municipal Building Surveyor or the Chief Fire Officer on request.

Essential Safety Measures Reports (Form 10) are prepared annually for properties owned by Goulburn Valley Health to confirm that all of the essential safety services are operating at the required level of performance.

#### Fire Audit Compliance

The following Fire Audits are current for the following buildings:

- Goulburn Valley Health, Graham Street, Shepparton, June 2007
- Tatura Hospital & Nursing Home, Park Street, Tatura, December 2007
- Waranga Memorial Hospital & Nursing Home, Coyle Street, Rushworth, December 2007
- Waranga Aged Care Hostel, High Street, Rushworth, September 2007
- Ambermere, Knight Street, Shepparton, May 2007
- CASA, 130 Nixon Street, Shepparton, February 2008
- Nixon Street Pathology, 102 Nixon Street, Shepparton, February 2008
- UNA House, 102 Corio Street, Shepparton, February 2008

### **NATIONAL COMPETITION POLICY**

The Hospital complied with all government policies regarding competitive neutrality in regard to tender applications.

### **FREEDOM OF INFORMATION ACT 1982**

A total of 255 formal requests for information were received by GV Health under the above Act during 2009/2010.

### **WHISTLEBLOWERS PROTECTION ACT 2001**

GV Health has established a reporting framework for whistleblower disclosures and has instituted written procedures for handling them. There were no protected disclosures under the Act during 2009/2010.

### **VICTORIAN INDUSTRY PARTICIPATION POLICY**

GV Health abides by the principles of the Victorian Industry Participation Policy. In 2009/2010 the following project was completed:

Car Park Redevelopment \$3,193,000.

For the Car Park Redevelopment the level of local regional value added as a percentage of the overall contract price was 100%. Skills and technology in plant operation, concrete work and project management were transferred to Victorians and Australians as a result of the project.

### **ENVIRONMENTAL PERFORMANCE**

GV Health is committed to sustaining the environment and continually participates to minimise environmental impacts into everyday operations. GV Health is a member of the Resource Smart program. This program builds on the previous work undertaken by GV Health and has resulted in a greater involvement of all staff in supporting environmental initiatives.

GV Health has several recycling initiatives which have been in place for many years. These include during the 2009/2010 year:

- Paper waste – approximately 6,620 kgs is recycled annually.
- Secure waste – approximately 6,560 kgs is recycled annually.
- Cardboard – 4,140 kgs of cardboard is recycled annually.
- Fluro tubes – 68.5 kgs is recycled annually.
- Mobile phone batteries and accessories – 45 kg recycled through the mobile muster program.

Goulburn Valley Health fleet vehicles as of 30 June 2010

	<b>Number</b>	<b>Percentage of fleet</b>
Number of vehicles in GV Health fleet that are 4 cylinder	105	58%
Number of vehicles in GV Health fleet that are 6 cylinder	76	42%
Number of vehicles in GV Health fleet that are diesel	14	7.73%
Number of vehicles in GV Health fleet that are LPG	10	5.52%
Number of vehicles in GV Health fleet that are hybrid	1	0.50%

Goulburn Valley Health has a total of 181 vehicles in fleet. Goulburn Valley Health has made changes to the composition of fleet in order to reduce fuel consumption and greenhouse emissions whilst maintaining a standard of fleet vehicles to ensure the safety of our staff.

GV Health has continued with the planned changes to the composition of the fleet and during the year has maintained its trial of a hybrid vehicle. Over 50% of the GV Health fleet are four cylinder vehicles. Fuel consumption and greenhouse gas emissions are monitored regularly. A steady reduction in these emissions has been demonstrated with the changes to the fleet. GV Health's Energy and Waste Committee monitors environmental initiatives regularly.

## STRATEGIC PRIORITIES FOR 2009/2010

Strategic Priority	Deliverables	Achievements
1. Physical Environment	<p><i>Undertake:</i> Feasibility study for Stage 1 of Master Plan development</p> <p><i>Construct:</i> Cancer Care &amp; Research Centre</p> <p><i>Investigate:</i> Additional buildings to house Community Services</p>	<p>Feasibility Study, Business Case and Stage 1 Schematic Design has commenced and is scheduled to be completed by early December 2010.</p> <p>Design finalised. Tender responses due August 2010.</p> <p>Strategies being developed to meet growing demands</p>
2. Clinical	<p><i>Develop:</i></p> <ul style="list-style-type: none"> <li>▪ Surgical Services Strategic Plan</li> <li>▪ Stroke Service</li> </ul> <p><i>Expand:</i> Sub Acute service delivery capacity</p> <p><i>Reform:</i> CAMHS in accordance with the Victorian Mental Health Reform</p> <p><i>Construct:</i> Midwifery Model of Care</p>	<p>Surgical Services Review completed. Strategic Plan to be developed. Goulburn Valley Stroke Clinical Network established.</p> <p>Service developments/improvements:</p> <ul style="list-style-type: none"> <li>▪ Continence</li> <li>▪ Rehab in the Home</li> <li>▪ Video-urodynamics clinic</li> <li>▪ Chronic pain</li> <li>▪ Functional decline.</li> </ul> <p>Service developments include:</p> <ul style="list-style-type: none"> <li>▪ Regular program managers meetings established to discuss the development of GVAMHS youth platform.</li> <li>▪ Partnerships developed with Brayton Family Service and GVAMHS.</li> <li>▪ Development of newly funded Peri-Natal Emotional Health program.</li> <li>▪ Hume Early Psychosis program split into GVAMHS and NEVMHS.</li> </ul> <p>Model agreed. Planning well advanced to establish the service.</p>
3. Workforce	<p><i>Develop:</i> GV Health as a learning organisation</p> <p><i>Trial:</i> Options for use of Health Promotion Professionals in the workforce.</p>	<ul style="list-style-type: none"> <li>▪ Participation in Inter-professional Learning and Education projects with Northern Health and Deakin University. Project Officer appointed and monthly IPE Network established.</li> <li>▪ GVAMHS continues to develop lasting partnerships with St Vincent's MHS to support and prepare senior medical staff for their fellowship exams.</li> </ul> <p>Midway evaluation of workforce trial completed. Second round of trial settings commenced in Community Rehabilitation Centre and Care Co-ordination Team.</p>



4. Quality and Risk Management	<p><i>Develop:</i> Implementation plan for VHIMS</p> <p><i>Review:</i> Governance Framework</p>	<p>Plan established. GV Health implementation to commence in August 2010.</p> <p>Revised Governance structure proposal presented to the Executive and Board. Development work required.</p>
5. Financial	<p><i>Implement:</i> Oracle FMIS</p> <p><i>Maintain:</i> A healthy financial position whilst preserving a high level of quality service.</p>	<ul style="list-style-type: none"> <li>▪ Finance – implemented in December 2009.</li> <li>▪ Supply – yet to be implemented.</li> </ul> <p>Small deficit incurred in 2009/10 against a break even budget.</p> <p>Accreditation achieved:</p> <ul style="list-style-type: none"> <li>▪ Organisational wide 4 year</li> <li>▪ HACC</li> <li>▪ Mental Health</li> <li>▪ Residential Aged Care – 3 facilities accredited.</li> </ul>
6. Partnerships	<p><i>Maintain:</i></p> <ul style="list-style-type: none"> <li>▪ Rumbalara Aboriginal Co-operative Partnership</li> <li>▪ Hume Region Partnerships</li> </ul> <p><i>Reflect:</i></p> <ul style="list-style-type: none"> <li>• Our regional role</li> </ul>	<p>Progress report on the final year of the 3<sup>rd</sup> partnership agreement completed and initial discussion commenced with Rumbalara regarding development of the fourth partnership agreement between Rumbalara and GV Health.</p> <p>GV Health is lead agency/represented:</p> <ul style="list-style-type: none"> <li>▪ Hume Oral Health Partnership.</li> <li>▪ HumeRICS</li> <li>▪ Hume Rural Health Alliance.</li> <li>▪ Hume Sub-Acute and Continuing Care Partnership.</li> <li>▪ Hume Integrated Aged Care Partnership.</li> <li>▪ Hume Disability CEO's Network.</li> <li>▪ Hume Integrated Health Promotion Implementation Network.</li> <li>▪ West Hume Mental Health Alliance.</li> <li>▪ East Hume Health Alliance.</li> </ul> <p>Support of other agencies includes:</p> <ul style="list-style-type: none"> <li>▪ Regional leadership and development of the Transition Care Program.</li> <li>▪ GVAMHS CAMHS continues to deliver psychological support to bushfire affected areas.</li> <li>▪ Kyabram obstetric services.</li> <li>▪ Community Health in Nagambie.</li> <li>▪ Outreach services at Cobram including Dental.</li> </ul>

## Performance Priorities

### Quality and Safety

	2009/ 2010 Actual	2009/ 2010 Target
Health Service accreditation	*F/C	*F/C
Residential aged care accreditation	*F/C	*F/C
Cleaning standards (%)		
▪ Shepparton campus	97.1%	85%
▪ Tatura campus	99.7%	85%
▪ Waranga campus	97.7%	95%
Submission of data to VICNISS (%)	100%	100%
VICNISS Infection Clinical Indicators Type 1	No outlier	No outlier
VICNISS Infection Clinical Indicators Type 2	One Outlier	No Outlier
Staff compliance to measles immunity		
▪ Waranga Campus	77.30%	80%
▪ Tatura Campus	72.75%	80%
Hand Hygiene Program compliance (%)		
▪ July	64.6%	60%
▪ November	68.0%	60%
▪ March	64.4%	60%
Victorian Patient Satisfaction Monitor	75	73

### Maternity

Postnatal home care (%)	100%	90%
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### Mental Health

28 day readmission rate (%)	15.7%	14.0%
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### Access performance

Percentage of operating time on hospital bypass	0	0
Percentage of emergency patients admitted to an inpatient bed within 8 hours	81%	80%
Percentage of non-admitted emergency patients with length of stay less than 4 hours	84%	80%
Number of patients with length of stay in the emergency department greater than 24 hours	17	0
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 2 emergency patients seen within 10 minutes	82%	80%
Percentage of Triage Category 3 emergency patients seen within 30 minutes	77%	75%

## Service Performance

WIES activity performance	2009/ 2010 Actual	2009/ 2010 Target
WIES (public and private) performance to target (%)	101%	98 to 102%

### Elective Surgery

Elective surgery admissions Quarter 1	882	920
Elective surgery admissions Quarter 2	894	824
Elective surgery admissions Quarter 3	798	781
Elective surgery admissions Quarter 4	950	858

### Critical Care

ICU minimum operating capacity	4 beds	4 beds
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### Elective surgery

Percentage of Category 1 elective patients admitted within 30 days	100%	100%
Percentages of Category 2 elective surgery patients waiting less than 90 days	90%	80%
Percentage of Category 3 elective surgery patients waiting less than 365 days	100%	90%
Number of patients on the elective surgery waiting list	568	600
Number of Hospital Initiated Postponements (HiPs) per 100 scheduled admissions	8.9%	8.0%

### Non Admitted Patients

Emergency Department Presentations	32,572
Outpatients Services – occasions of services (VACS and Non VACS clinics)	143,571
Total occasions of service	176,143

\*F/C – Full compliance

## Activity and Funding

<b>Activity Weighted Inlier Equivalent Separations (WIES)</b>	<b>2009- 2010 Actual</b>	<b>2009- 2010 Target</b>	<b>Aged Care</b>		
			Aged Care Assessment Service	1,537	1,578
			Residential Aged Care	27,231	28,105
			<b>Community Health/ Primary Care</b>		
			Community Health Direct Care	10,996	11,858
WIES Public	12,883	13,177			
WIES Private	2,140	1,688			
Total WIES (Public and Private)	15,023	14,865			
WIES Renal	173	169			
WIES DVA	560	578			
WIES TAC	109	144			
WIES TOTAL	15,864	15,756			

### Sub Acute Inpatient

CRAFT	283	300
Rehab L2 (non DVA)	643	356
GEM (non DVA)	3,741	5,500
Palliative Care – Inpatient	530	592
Transition Care (non DVA) - bed day	3,868	6,138
Restorative Care	1,427	1,460
Rehab 2 – DVA	731	804
GEM – DVA	734	756
Palliative Care – DVA	45	43

### Ambulatory

Transition Care (non DVA) – Homeday	7,639	7,233
SACS – Non DVA	9,275	9,319
Post Acute Care	1,198	900
SACS – DVA	302	406
Post Acute Care - DVA	1,077	N/A

<b>Admitted Patient Separations</b>	<b>Acute</b>	<b>Sub- acute</b>	<b>Mental Health</b>	<b>Other</b>	<b>Total</b>
Same Day	11,815	0	6	39	11,860
Multi Day	11,584	785	386	0	12,755
<b>Total Separations</b>	<b>23,399</b>	<b>785</b>	<b>392</b>	<b>39</b>	<b>24,615</b>
Emergency	8,285	45	276	0	8,606
Elective	12,560	740	116	39	13,455
Other including Maternity	2,554	0	0	0	2,554
<b>Total Separations</b>	<b>23,399</b>	<b>785</b>	<b>392</b>	<b>39</b>	<b>24,615</b>
<b>Total WIES</b>	<b>15,863.75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,863.75</b>
<b>Total Bed Days</b>	<b>56,475</b>	<b>14,941</b>	<b>6,384</b>	<b>39</b>	<b>77,839</b>

## **DIRECTIONS OF THE MINISTER FOR FINANCE PART 9.1.3 (IV)**

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by GV Health and are available to the relevant Minister, Members of Parliament and the public on request

- (a) Declarations of pecuniary interests have been completed;
- (b) Details of shares held by senior officers as nominee or held beneficially;
- (c) Details of publications produced by the Department about the activities of the Health Service and where they can be obtained.
- (d) Details of changes in prices, fees, charges, rates, and levies charged by the Health Service;
- (e) Details of any major external reviews carried out on the Health Service;
- (f) Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations.
- (g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- (h) Details of major promotional public relations and marketing activities undertaken to develop community awareness of GV Health and its services;
- (i) Details of assessments and measures undertaken to improve occupational health and safety of GV Health employees;
- (j) General statement on industrial relations within GV Health and details of time lost through industrial accidents and disputes; and
- (k) A list of major committees sponsored by GV Health, the purpose of each committee and the extent to which the purposes have been achieved.

## **ATTESTATION OF DATA INTEGRITY**

I, Kerryn Margaret Healy certify that Goulburn Valley Health has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. Goulburn Valley Health has critically reviewed these controls and processes during the year.



**Kerryn Margaret Healy**  
**CHIEF EXECUTIVE OFFICER**  
June 2010

## **ATTESTATION OF COMPLIANCE WITH AUSTRALIAN/NEW ZEALAND RISK MANAGEMENT STANDARD**

I, Kerryn Margaret Healy certify that Goulburn Valley Health 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 executives to understand, manage and satisfactorily control risk exposures. The audit committee verifies this assurance and that the risk profile of Goulburn Valley Health has been critically reviewed within the last 12 months.



**Kerryn Margaret Healy**  
**CHIEF EXECUTIVE OFFICER**  
June 2010

**NOTES**



GOULBURN VALLEY  
**HEALTH**  
CARING FOR YOUR COMMUNITY

# **ANNUAL FINANCIAL REPORT**

## **JUNE 2010**

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& Factors Affecting Performance – Page 5**

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**Appendix 1 – Auditor General Report**

**Appendix 2 – Accountable Officer's declaration**

**Appendix 3 – Financial Statements at 30 June 2010  
including note to Financial Statements**

## DISCLOSURE INDEX

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

Legislation	Requirement	Page/Note Reference
<b>Ministerial Directions</b>		
<b>Report of Operations</b>		
<b>Charter and purpose</b>		
FRD 22B	Manner of establishment and the relevant Ministers	Report of Operations
FRD 22B	Objectives, functions, powers and duties	Report of Operations
FRD 22B	Nature and range of services provided	Report of Operations
<b>Management and structure</b>		
FRD 22B	Organisational structure	Report of Operations
<b>Financial and other information</b>		
FRD 10	Disclosure Index	Report of Operations
FRD 11	Disclosure of ex-gratia payments	Appendix 3 note 22
FRD 21A	Responsible person and executive officer disclosures	Appendix 3 note 20
FRD 22B	Application and operation of <i>Freedom of Information Act 1982</i>	Report of Operations
FRD 22B	Application and operation of <i>Whistleblowers Protection Act 2001</i>	Report of Operations
FRD 22B	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	Report of Operations
FRD 22B	Details of consultancies over \$100,000	Report of Operations
FRD 22B	Details of consultancies under \$100,000	Report of Operations
FRD 22B	Major changes or factors affecting performance	Page 5
FRD 22B	Occupational health and safety	Report of Operations
FRD 22B	Operational and budgetary objectives and performance against objectives	Page 5
FRD 22B	Significant changes in financial position during the year	Page 5
FRD 22B	Statement of availability of other information	Report of Operations
FRD 22B	Statement of merit and equity	Report of Operations
FRD 22B	Statement on National Competition Policy	Report of Operations
FRD 22B	Subsequent events	Page 5
FRD 22B	Summary of the financial results for the year	Page 4
FRD 22B	Workforce Data Disclosures	Report of Operations
FRD 25	Victorian Industry Participation Policy disclosures	Report of Operations
SD 4.2(j)	Report of Operations, Responsible Body Declaration	Appendix 2
SD 4.5.5	Attestation on Compliance with Australian/ New Zealand Risk Management Standard	Report of Operations
<b>Financial Statements</b>		
<b>Financial statements required under Part 7 of the FMA</b>		
SD 4.2(a)	Compliance with Australian accounting standards and other authoritative pronouncements	Appendix 3 note 1a
SD 4.2(b)	Comprehensive Operating Statement	Appendix 3
SD 4.2(b)	Balance Sheet	Appendix 3
SD 4.2(b)	Statement of Changes in Equity	Appendix 3
SD 4.2(b)	Cash Flow Statement	Appendix 3
SD 4.2(c)	Accountable officer's declaration	Appendix 2
SD 4.2(c)	Compliance with Ministerial Directions	Appendix 3 note 1a
SD 4.2(d)	Rounding of amounts	Appendix 3 note 1d

Legislation	Requirement	Page/Note Reference
<b>Legislation</b>		
<i>Freedom of Information Act 1982</i>		Report of Operations
<i>Whistleblowers Protection Act 2001</i>		Report of Operations
<i>Victorian Industry Participation Policy Act 2003</i>		Report of Operations
<i>Building Act 1993</i>		Report of Operations
<i>Financial Management Act 1994</i>		Report of Operations



## SUMMARY OF FINANCIAL RESULTS FOR THE YEAR

	2009-10 \$'000	2009-08 \$'000	2008-07 \$'000	2007-06 \$'000	2006-05 \$'000
Total Revenue	170,268	157,868	153,321	132,114	116,582
Total Expenses	178,215	161,045	143,927	130,626	117,087
<b>Operating Profit/(Deficit)</b>	<b>(7,947)</b>	<b>(3,177)</b>	<b>9,394</b>	<b>1,488</b>	<b>(505)</b>
Total Assets	130,795	140,894	110,871	94,774	85,297
Total Liabilities	41,296	43,448	36,120	28,743	24,058
<b>Net Assets</b>	<b>89,499</b>	<b>97,446</b>	<b>74,751</b>	<b>66,031</b>	<b>61,239</b>
Property, Plant & Equipment Revaluation Reserve	46,346	46,346	21,760	22,052	22,052
Available-For-Sale Revaluation Reserve	-	-	(1,286)	-	-
General Purpose Reserve	17,962	16,892	15,385	14,179	13,296
Restricted Purpose Reserve	5,256	5,256	4,326	2,888	2,119
Contributed Capital	46,821	46,821	46,821	45,929	42,625
Accumulated Deficits	(26,886)	(17,869)	(12,255)	(19,017)	(18,853)
<b>Total Equity</b>	<b>89,499</b>	<b>97,446</b>	<b>74,751</b>	<b>66,031</b>	<b>61,239</b>

Revenue Indicators	Average Days to Collect	
	2009/10	2008/09
Private Inpatients	95.52	87.69
Transport Accident Commission	233.75	117.81
Victorian Workcover Authority	118.06	96.78
All Other Patient Fees	141.45	96.07
Residential Aged Care (Exl. Commonwealth Benefits)	33.28	43.73

<b>Debtors Outstanding 30th June 2010</b>	<b>Under 30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>Over 90 Days</b>	<b>Total 30/06/2010</b>	<b>Total 30/06/2009</b>
Private Inpatients	389,455	109,952	44,969	272,465	816,842	775,544
Transport Accident Commission	68,754	19,411	7,939	48,101	144,205	92,348
Victorian Workcover Authority	95,494	26,960	11,026	66,808	200,288	113,986
All Other Patient Fees Residential Aged Care (Exl. Commonwealth Benefits)	149,703	42,265	17,286	104,733	313,986	318,634
	14,298	10,976	6,043	-	31,317	147,080
	717,704	209,564	87,263	492,107	1,506,638	1,447,592

### **SIGNIFICANT CHANGES IN FINANCIAL POSITION**

The cash assets of GV Health have decreased this financial year. Our operating grant cashflows from DH were not significantly higher than the previous year. This is due in part to the fact that we were cashflowed an excess in the previous financial year for which adjustment was made. This also impacted our payables liability as GV Health accrued to pay the excess cash back in the prior financial year. Employee entitlements payments were also higher, given the growing nature of our organisation, and the employment of more medical staff rather than contracting services in.

GV Health continues to struggle to reduce its amount of employee leave liabilities, a problem faced by many rural health service providers caused by difficulties in attracting replacement clinical and other professional staff. In addition to this, GV Health reviewed its Long Service Leave probability factors during the year which increased employee entitlements by in excess of \$1 million dollars, the majority of this amount being able to be taken up in the receivables amount as a DH debtor.

Equity has decreased during the year by the entity result for 2009-2010 of \$7.947m deficit, which compares to the \$3.177m deficit recorded during 2008-2009.

### **OPERATIONAL & BUDGETARY OBJECTIVES & FACTORS AFFECTING PERFORMANCE**

GV Health is a Public Health Service and is required to negotiate a Statement of Priorities with DH each year. This document is a key accountability agreement between GV Health and the Minister for Health and recognises that resources are limited and that the allocation of these scarce resources needs to be prioritised. The Statement incorporates both system-wide priorities set by Government and locally generated agency specific priorities.

The Board budgeted for a break even financial position before capital items and depreciation for the 2009-2010 year. The final result for the year was a deficit of \$0.466m before capital items and depreciation, \$0.466m worse than anticipated. Major factors contributing to this result included an increased requirement from the Government for productivity and efficiency savings (\$0.8m reduction in grant revenue), a failure to meet sub-acute inpatient targets due in part to being unable to attract a permanent Geriatrician (\$1.2m grant recall), and changes to organisational Long Service Leave probability factors (\$0.2m net adjustment).

This organisation and DH both focus on the result before capital and depreciation, as depreciation is not a funded item. Funding for capital redevelopment and major equipment purchases are sourced from DH and such funding is allocated according to need and after consideration of a supporting submission.

The Board of Directors again allocated funds from prior year surpluses to the purchase of equipment and minor improvements to facilities. The current year result is of concern as it is recognised that a surplus result equivalent to 2% of operating revenue is required to maintain a viable cash position and to allow the organisation to fund the replacement of medical and other equipment.

### **EVENTS SUBSEQUENT TO BALANCE DATE**

There have been no events subsequent to balance date that will have a significant effect on the operations of the health service in subsequent years.

## INDEPENDENT AUDITOR'S REPORT

### To the Board Members, Goulburn Valley Health

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2010 of Goulburn Valley Health which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the board member's, accountable officer's and chief finance & accounting officer's declaration, has been audited.

#### *The Board Members' Responsibility for the Financial Report*

The board members of Goulburn Valley Health 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*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

#### *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. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

## Independent Auditor's Report (continued)

### *Matters Relating to the Electronic Presentation of the Audited Financial Report*

This auditor's report relates to the financial report published in both the annual report and on the website of Goulburn Valley Health for the year ended 30 June 2010. The board members of the health service are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the health service's web site.

### *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.

### *Auditor's Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of Goulburn Valley Health as at 30 June 2010 and its financial performance and 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*.

MELBOURNE  
26 August 2010



D D R Pearson  
Auditor-General

## Goulburn Valley Health


### **Board Member's, Accountable Officer's and Chief Finance & Accounting Officer's Declaration**

We certify that the attached financial statements for Goulburn Valley Health have 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.

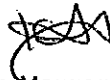
We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2010 and the financial position of Goulburn Valley Health at 30 June 2010.

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

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



Charles Clemens Murphy  
Board Chair



Kerry Margaret Healy  
Accountable Officer



Shaun Andrew Eldridge  
Chief Finance & Accounting  
Officer

Shepparton  
25<sup>th</sup> August 2010

Shepparton  
25<sup>th</sup> August 2010

Shepparton  
25<sup>th</sup> August 2010

**Goulburn Valley Health**  
**Comprehensive Operating Statement**  
**For the Year Ended 30 June 2010**

	Note	Total 2010 \$'000	Total 2009 \$'000
Revenue From Operating Activities	2	167,371	153,357
Revenue From Non-Operating Activities	2	936	1,613
Employee Benefits	3	(112,028)	(100,053)
Non Salary Labour Costs	3	(10,012)	(10,298)
Supplies and Consumables	3	(24,618)	(20,878)
Other Expenses From Continuing Operations	3	(22,115)	(21,857)
<b>Net Result Before Capital &amp; Specific Items</b>		<b>(466)</b>	<b>1,884</b>
Capital Purpose Income	2	1,961	2,898
Available-for-Sale Revaluation Reserve Loss Recognised	14a	-	(1,286)
Impairment of Financial Assets	3	-	(1,168)
Depreciation	4	(9,274)	(5,459)
Expenditure Using Capital Purpose Income	3	(168)	(46)
<b>Net Result for the Year</b>		<b>(7,947)</b>	<b>(3,177)</b>
<b>Other Comprehensive Income</b>			
Net Fair Value Gains On Available For Sale Financial Instruments		-	1,286
Net Fair Value Revaluation on Non Financial Assets		-	24,586
<b>Comprehensive Result For The Year</b>		<b>(7,947)</b>	<b>22,695</b>

This statement should be read in conjunction with the accompanying notes

**Goulburn Valley Health**

**Balance Sheet**

**As At 30 June 2010**

	Note	Total 2010 \$'000	Total 2009 \$'000
<b>Current Assets</b>			
Cash & Cash Equivalents	5	1,441	11,385
Receivables	6	4,687	4,140
Other Financial Assets	7	10,500	9,362
Inventories	8	1,595	1,422
Other Current Assets	9	1,035	543
<b>Total Current Assets</b>		<b>19,258</b>	<b>26,852</b>
<b>Non Current Assets</b>			
Receivables	6	1,989	1,027
Other Financial Assets	7	846	846
Property, Plant & Equipment	10	108,702	112,169
<b>Total Non Current Assets</b>		<b>111,537</b>	<b>114,042</b>
<b>TOTAL ASSETS</b>		<b>130,795</b>	<b>140,894</b>
<b>Current Liabilities</b>			
Payables	11	10,838	15,315
Employee Benefits and Related On-Costs Provisions	12	20,344	18,973
Other Liabilities	13	5,471	5,943
<b>Total Current Liabilities</b>		<b>36,653</b>	<b>40,231</b>
<b>Non Current Liabilities</b>			
Employee Benefits and Related On-Costs Provisions	12	4,643	3,217
<b>Total Non Current Liabilities</b>		<b>4,643</b>	<b>3,217</b>
<b>TOTAL LIABILITIES</b>		<b>41,296</b>	<b>43,448</b>
<b>NET ASSETS</b>		<b>89,499</b>	<b>97,446</b>
<b>EQUITY</b>			
Property, Plant and Equipment Revaluation Surplus	14a	46,346	46,346
General Purpose Reserve	14a	17,962	16,892
Restricted Specific Purpose Reserve	14a	5,256	5,256
Contributed Capital	14b	46,821	46,821
Accumulated Deficits	14c	(26,886)	(17,869)
<b>TOTAL EQUITY</b>		<b>89,499</b>	<b>97,446</b>
Contingent Assets and Contingent Liabilities	21		
Commitments for Expenditure	17		

This statement should be read in conjunction with the accompanying notes

**Goulburn Valley Health**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2010**

2010	Note	Equity at 1 July 2009 \$'000	Comprehensive Result \$'000	Equity at 30 June 2010 \$'000
<b>Accumulated Surplus/(Deficit)</b>		(17,869)	(7,947)	(25,816)
Transfer (To)/From General Reserve			(1,070)	(1,070)
		(17,869)	(9,017)	(26,886)
<b>Contribution by Owners</b>	14b	46,821	-	46,821
<b>Reserves</b>				
Property, Plant and Equipment Revaluation Surplus	14a	46,346	-	46,346
General Reserve	14a	16,892	1,070	17,962
Restricted Specific Purpose Reserve	14a	5,256	-	5,256
		68,494	1,070	69,564
<b>Total Equity at the End of the Financial Year</b>		97,446	(7,947)	89,499

2009	Note	Equity at 1 July 2008 \$'000	Comprehensive Result \$'000	Equity at 30 June 2009 \$'000
<b>Restated Accumulated Surplus</b>		(12,255)	(3,177)	(15,432)
Transfer (To)/From General Reserve			(1,507)	(1,507)
Transfer (To)/From Specific Purpose Reserve			(930)	(930)
		(12,255)	(5,614)	(17,869)
<b>Contribution by Owners</b>	14b	46,821	-	46,821
<b>Reserves</b>				
Property, Plant and Equipment Revaluation Surplus	14a	21,760	24,586	46,346
Available for Sale Investments Revaluation Reserve	14a	(1,286)	1,286	-
General Reserve	14a	15,385	1,507	16,892
Restricted Specific Purpose Reserve	14a	4,326	930	5,256
		40,185	28,309	68,494
<b>Total Equity at the End of the Financial Year</b>		74,751	22,695	97,446

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



**Goulburn Valley Health**  
**Cash Flow Statement**  
**For the Year Ended 30 June 2010**

	Note	Total 2010 \$'000	Total 2009 \$'000
<b>Cash Flows from Operating Activities</b>			
Operating Grants from Government		136,772	135,274
Patient and Resident Fees Received		5,692	4,395
Diagnostic Patient Fees Received		8,861	8,155
Private Practice Fees Received		1,142	659
Donations Received		370	91
Interest Received		940	1,606
Other Receipts		10,028	9,126
Employee Benefits Paid		(109,231)	(98,375)
Non Salary Labour Costs		(10,012)	(10,297)
Payments for Supplies, Consumables and Services		(52,941)	(48,070)
GST Received from/(Paid to) ATO		4,387	4,395
<b>Cash Generated from Operations</b>		<b>(3,992)</b>	<b>6,959</b>
Capital Grants from Government		1,002	1,412
Capital Donations Received		42	842
Other Capital Receipts		740	901
Expenditure Using Capital Purpose Income		(168)	(46)
<b>Net Cash Inflow from Operating Activities</b>	<b>15</b>	<b>(2,376)</b>	<b>10,068</b>
<b>Cash Flows from Investing Activities</b>			
Payments for Non Financial Assets		(6,102)	(9,497)
Proceeds from Sale of Non Financial Assets		268	560
Purchase of Investments		-	338
Proceeds from Sale of Investments		4,333	-
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(1,501)</b>	<b>(8,599)</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>(3,877)</b>	<b>1,469</b>
Cash & Cash Equivalents at Beginning of Period		4,979	3,510
<b>Cash &amp; Cash Equivalents at End of Period</b>	<b>5</b>	<b>1,102</b>	<b>4,979</b>

This statement should be read in conjunction with the accompanying notes

## **Note 1: Statement of Significant Accounting Policies**

### **a) Statement of compliance**

These financial statements are a general purpose financial report which have been prepared in accordance with the Financial Management Act 1994 and 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.

### **b) Basis of accounting preparation and measurement**

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010, and the comparative information presented in these financial statements for the year ended 30 June 2009.

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 going concern basis was used to prepare the financial statements. Goulburn Valley Health has secured a letter of comfort from the Department of Health dated 13th August 2010, which details that they will provide adequate cash flow support to enable the Health Service to meet its current and future obligations as and when they fall due for a period up to September 2011, should it be required.

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

The financial statements are prepared in accordance with the historical cost convention, except for 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;  
and
- Available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised.

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

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

In the application of AASs management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, 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.

**c) Reporting Entity**

The financial report includes all the controlled activities of Goulburn Valley Health.

Its principle address is:  
Graham Street  
Shepparton  
Victoria 3630

**d) Rounding Of Amounts**

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

Figures in the financial statements may not be equal due to rounding.

**e) Functional and Presentation Currency**

The presentation currency of Goulburn Valley Health is the Australian dollar, which has also been identified as the functional currency of the Health Service.

**f) 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 readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

**g) 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 raised where doubt as to collection exists. Bad debts are written off when identified.

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

**h) Inventories**

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

**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.

**i) Investments and Other Financial Assets**

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

Goulburn Valley Health 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.

Goulburn Valley Health 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.

**Held-to-maturity investments**

Where the entity has the positive intent and ability to hold investments to maturity, they are stated at amortised cost less impairment losses.

**Available-for-sale financial assets**

Other financial assets held by the entity are classified as being available-for-sale and are measured 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 16.

**j) Property, Plant and Equipment**

**Crown Land** is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply.

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

**Plant, Equipment and Vehicles** are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

**k) 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 every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

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

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

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

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

**l) Depreciation**

Assets with a cost in excess of \$1,000 (2008-09 and 2009-10) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives using the straight-line method, 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 non current assets on which the depreciation charges are based.

	<b>2010</b>	<b>2009</b>
Buildings	30 to 40 Years	30 to 40 Years
Plant & Equipment	10 Years	10 Years
Medical Equipment	5 Years	5 Years
Computers & Communications	3 Years	3 Years
Furniture & Fittings	5 Years	5 Years
Motor Vehicles	7 Years	7 Years

#### **m) Net Gain/(Loss) on Non-Financial Assets**

Net gain/(loss) on non-financial assets includes realised and unrealised gains and losses from revaluations, impairments and disposals of all physical assets.

#### **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 that time.

#### **Impairment of Non-Financial Assets**

Apart from intangible assets with indefinite useful lives, all other assets are assessed annually for indications of impairment, except for:

- inventories;
- assets arising from construction contracts.

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

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 inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

**n) Net Gain/(Loss) on Financial Instruments**

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

**Revaluations of Financial Instruments at Fair Value**

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets.

**Impairment of Financial Assets**

Financial Assets have been assessed for impairment in accordance with Australian Accounting Standards. Where a financial asset's fair value at balance date has reduced by 20 per cent 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 instrument is treated as impaired.

In order to determine an appropriate fair value as at 30 June 2010 for its portfolio of financial assets, Goulburn Valley Health obtained a valuation based on the best available advice using an estimated market value through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2010. These methodologies were critiqued and considered to be consistent with standard market valuation techniques.

Prices obtained from both sources were compared and were generally consistent with the full portfolio. The above valuation process was used to quantify the level of impairment on the portfolio of financial assets as at year end.

**o) Payables**

These amounts consist predominantly of liabilities for goods and services.

Payables are initially recognised at fair value, 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.



**p) Provisions**

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

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

**q) 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 recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

Commitments and contingent liabilities are presents on a gross basis

**r) 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, classified as current liabilities and measured at nominal values.

Those liabilities that the entity are not expected to be settled within 12 months are recognised in the provision for employee benefits as non 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 Goulburn Valley Health 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 Goulburn Valley Health does not expect to settle within 12 months; and

nominal value – component that Goulburn Valley Health expects to settle within 12 months.

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

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

## **Superannuation**

### ***Defined contribution plans***

Contributions to defined contribution superannuation plans are expensed 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 of the services of current health service staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

Employees of Goulburn Valley Health are entitled to receive superannuation benefits and Goulburn Valley Health contributes to both the defined benefit and defined contribution plans. The defined benefit 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 Goulburn Valley Health are as follows:

Fund	Contributions Paid or Payable for the year	
	2010	2009
	\$'000	\$'000
<b>Defined benefit plans:</b>		
Health Super – revised and new	480	428
Vic Super	8	53
<b>Defined contribution plans:</b>		
Health Super	6100	5810
Hesta	1919	1498
Other	125	62
<b>Total</b>	<b>8632</b>	<b>7851</b>

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

#### **Termination Benefits**

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

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

#### **On-Costs**

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

**s) Residential Aged Care Service**

Goulburn Valley Health's Residential Aged Care Service operations are an integral part of Goulburn Valley Health and share its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in note 19 to the financial statements.

Goulburn Valley Health's Residential Aged Care does not have a separate Committee of Management and is substantially funded from Commonwealth bed-day subsidies.

**t) Joint Ventures**

Interests in jointly controlled assets are accounted for by recognising in Goulburn Valley Health's financial statements, its share of assets, liabilities and any revenue and expenses of such joint ventures. Details of the joint venture are set out in note 18.

**u) Intersegment Transactions**

Transactions between segments within Goulburn Valley Health have been eliminated to reflect the extent of Goulburn Valley Health's operations as a group.

**v) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

***Finance Leases***

**Entity as lessor**

Goulburn Valley Health does not hold any finance lease arrangements with other parties.

**Entity as lessee**

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum lease payments are apportioned between reduction of the outstanding lease liability, and the periodic finance expense which is calculated using the interest rate implicit in the lease, and charged directly to the Comprehensive Operating Statement.

### **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 Comprehensive Operating Statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

### **Lease Incentives**

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

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

### **Leasehold Improvements**

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

## **w) Income Recognition**

Income is recognised in accordance with AASB 118 *Revenue* and is recognised as to the extent it is earned. Unearned income at reporting date is reported as Income received in advance.

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

### **Government Grants and other transfers of income (other than contributions by owners)**

Grants are recognised as income when the health service gains control of the underlying assets in accordance with AASB 1004 *Contributions*. For reciprocal grants, Goulburn Valley Health is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, Goulburn Valley Health 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 invoices are raised.

**Private Practice Fees**

Private practice fees are recognised as revenue at the time 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 the specific restricted purpose reserve.

**Interest Revenue**

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

**x) Fund Accounting**

Goulburn Valley Health operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Goulburn Valley Health's Capital and Specific Purpose Funds include unspent capital donations and receipts from fund-raising activities conducted solely in respect of these funds.

**y) 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* (Non HSA) are funded by the Health Service's own activities or local initiatives and/or the Commonwealth.

**z) Resources Provided and Received Free of Charge or for Nominal Consideration**

Resources provided or received 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 Health Service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchase if not donated.

**aa) Property, Plant & Equipment Revaluation Surplus**

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

**ab) Financial Asset 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 recognised in the Comprehensive Operating Statement.

**ac) General Reserves**

These are accumulated funds of surplus revenue over expenditure from fund raising activities, community support programs and private practice clinics.

**ad) 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.

**ae) Contributed Capital**

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

**af) Commitments**

Commitments are not recognised on the Balance Sheet. Commitments are disclosed at their nominal value and are inclusive of GST payable.

**ag) Net Result Before Capital & Specific Items**

The subtotal entitled 'Net result Before Capital & Specific Items' is included in the Comprehensive Operating Statement to enhance the understanding of the financial performance of Goulburn Valley Health. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, and items of an unusual nature and amount such as specific revenues and expenses. The exclusion of these items are 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 Goulburn Valley Health, 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 or plant and equipment. It also includes donations of plant and equipment (refer note 1 (z)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- ❖ Specific income/expense, comprises the following items, where material:
  - Voluntary departure packages
  - Write-down of inventories
  - Non-current asset revaluation increments/decrements
  - Diminution/Impairment of investments
  - Restructuring of operations (disaggregation/aggregation of health services)
  - Litigation settlements
  - Non-current assets lost or found
  - Reversals of provisions
  - Voluntary changes in accounting policies (which are not required by an accounting standard or other authoritative pronouncement of the Australian Accounting Standards Board)
- ❖ Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), which have been recognised in accordance with note 1(m) and (n)
- ❖ Depreciation, as described in note 1 (l)
- ❖ Assets provided or received free of charge, as described in note 1 (z)



- ❖ Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold (note 1 (I)), 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

#### **ah) Category Groups**

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

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

**Mental Health Services (Mental Health)** comprises all recurrent health revenue/expenditure on specialised mental health services (child and adolescent, general and adult, community and forensic) managed or funded by the state or territory health administrations, and includes: Admitted patient services (including forensic mental health), outpatient services, emergency department services (where it is possible to separate emergency department mental health services), community-based services, residential and ambulatory services.

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

**Emergency Department Services (EDS)** comprises all recurrent health revenue/expenditure on emergency department services that are available free of charge to public patients.

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

**Off Campus, Ambulatory Services (Ambulatory)** comprises all recurrent health revenue/expenditure on public hospital type services including palliative care facilities and rehabilitation facilities, as well as services provided under the following agreements: Services that are provided or received by hospitals (or area health services) but are delivered/received outside a hospital campus, services which have moved from a hospital to a community setting since June 1998, services which fall within the agreed scope of inclusions under the new system, which have been delivered within hospital's i.e. in rural/remote areas.

**Residential Aged Care including Mental Health (RAC incl. Mental Health)** referred to in the past as psychogeriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from DHS 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 (Other)**

***Excluded from Australian Health Care Agreement (AHCA)***

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 flexible support packages to people with a disability, Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also falls in this category group.

***Included in Australian Health Care Agreement (AHCA)***

Primary Care, which incorporates Community Health services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy.

**ai) New Accounting Standards and Interpretations**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting period. As at 30 June 2010, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2010. Goulburn Valley Health has not and does not intend to adopt these standards early.

<b>Standard/ Interpretation</b>	<b>Summary</b>	<b>Applicable for Annual Reporting periods beginning on</b>	<b>Impact on Health Services Financial Statements</b>
AASB 2009-5 Further amendments to Australian Accounting Standards arising from the annual improvements project [AASB 5, 8, 101, 117, 118, 136 and 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-9 Amendments to Australian Accounting Standards – additional exemption for first- time adopters [AASB 1]	Applies to Health Services adopting Australian Accounting Standards for the first time, to ensure Health Services will not face undue cost or effort in the transition process in particular situations.	Beginning 1 Jan 2010	No impact. Relates only to first time adopters of Australian Accounting Standards

<b>Standard/ Interpretation</b>	<b>Summary</b>	<b>Applicable for Annual Reporting periods beginning on</b>	<b>Impact on Health Services Financial Statements</b>
AASB 124 Related party disclosures (Dec 2009)	Government related Health Services have been granted partial exemption with certain disclosure requirements.	Beginning 1 Jan 2011	Preliminary assessment suggests that impact is insignificant. However, the Health Service is still assessing the detailed impact and whether to early adopt.
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 Health Services known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosure. This standard also makes numerous editorial amendments to other AASs.	Beginning 1 Jan 2011	AASB 8 does not apply to Health Services therefore no impact expected. Otherwise, only editorial changes arising from amendments to other standards, no major impact. Impacts of editorial amendments are not expected to be significant.
AASB 2009-14 Amendments to Australian Interpretation - Prepayments of a minimum funding requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of <i>Prepayments of a minimum funding requirement</i> .	Beginning 1 Jan 2011	Expected to have no significant impact.

<b>Standard/ Interpretation</b>	<b>Summary</b>	<b>Applicable for Annual Reporting periods beginning on</b>	<b>Impact on Health Services Financial Statements</b>
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 <i>Financial Instruments: recognition and measurement</i> (AASB 139 <i>financial Instruments: recognition and measurement</i> ).	Beginning 1 Jan 2013	Detail of impact is still being assessed.
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 gives effect to consequential changes arising from the issuance of AASB 9	Beginning 1 Jan 2013	Detail of impact is still being assessed.

**Note 2: Revenue**

	HSA 2010 \$'000	HSA 2009 \$'000	Non HSA 2010 \$'000	Non HSA 2009 \$'000	Total 2010 \$'000	Total 2009 \$'000
<b>Revenue from Operating Activities</b>						
<b>Government Grants</b>						
Department of Human Services	93,509	115,769	-	-	93,509	115,769
Department of Health	31,026	-	-	-	31,026	-
Dental Health Services Victoria	2,632	2,476	-	-	2,632	2,476
State Government - Other	481	332	-	-	481	332
Commonwealth Government:						
Commonwealth Grants	8,510	6,831	-	-	8,510	6,831
Residential Aged Care Subsidy	2,839	2,666	-	-	2,839	2,666
<b>Total Government Grants</b>	<b>138,997</b>	<b>128,074</b>	<b>-</b>	<b>-</b>	<b>138,997</b>	<b>128,074</b>
<b>Indirect Contributions by Department of Health</b>						
Insurance	2,091	1,889	-	-	2,091	1,889
Long Service Leave	954	794	-	-	954	794
<b>Total Indirect Contributions by Department of Health</b>	<b>3,045</b>	<b>2,683</b>	<b>-</b>	<b>-</b>	<b>3,045</b>	<b>2,683</b>
<b>Patient and Resident Fees</b>						
Patient & Resident Fees (Refer Note 2b)	4,538	3,929	-	-	4,538	3,929
Residential Aged Care (Refer Note 2b)	978	1,016	-	-	978	1,016
<b>Total Patient and Resident Fees</b>	<b>5,516</b>	<b>4,945</b>	<b>-</b>	<b>-</b>	<b>5,516</b>	<b>4,945</b>
<b>Business Units and Specific Purpose Funds</b>						
Private Practice Clinics	-	-	1,134	693	1,134	693
Laboratory Medicine	-	-	5,519	5,026	5,519	5,026
Diagnostic Imaging	-	-	3,642	3,029	3,642	3,029
Cafeteria and Catering	-	-	1,031	937	1,031	937
Patient Transport	-	-	-	1	-	1
Car Park	-	-	320	106	320	106
Property Income	-	-	-	29	-	29
Regional Services	-	-	2,498	2,484	2,498	2,484
Retail Aids & Equipment Outlet	-	-	256	456	256	456
Special Purpose Funds	-	-	53	1,072	53	1,072
<b>Total Business Units and Specific Purpose Funds</b>	<b>-</b>	<b>-</b>	<b>14,453</b>	<b>13,833</b>	<b>14,453</b>	<b>13,833</b>
Donations & Bequests	8	12	336	77	344	89
Recoupment Private Practice - Hospital Facilities	34	26	-	-	34	26
Other Revenue from Operating Activities	4,982	3,707	-	-	4,982	3,707
<b>Sub-Total Revenue from Operating Activities</b>	<b>152,582</b>	<b>139,447</b>	<b>14,789</b>	<b>13,910</b>	<b>167,371</b>	<b>153,357</b>
<b>Revenue from Non-Operating Activities</b>						
Interest	10	10	926	1,603	936	1,613
<b>Revenue from Capital Purpose Income</b>						
State Government Capital Grants:						
Targeted Capital Works and Equipment	-	-	1,002	1,375	1,002	1,375
Other Capital Grants	-	-	740	152	740	152
Commonwealth Government Capital Grants	-	-	-	101	-	101
Donations	-	-	-	842	-	842
Assets Received Free of Charge (Refer Note 2d)	-	-	20	184	20	184
Net Gain on Disposal of Non-Current Assets (Refer Note 2c)	-	-	(36)	76	(36)	76
Residential Accommodation Payments (Refer Note 2b)	-	-	235	168	235	168
<b>Sub-Total Revenue from Capital Purpose Income</b>	<b>-</b>	<b>-</b>	<b>1,961</b>	<b>2,898</b>	<b>1,961</b>	<b>2,898</b>
<b>Total Revenue (Refer Note 2a)</b>	<b>152,592</b>	<b>139,457</b>	<b>17,676</b>	<b>18,411</b>	<b>170,268</b>	<b>157,868</b>

**Indirect contributions by Department of Health:** Department of Health makes insurance and long service leave payments on behalf of Goulburn Valley Health. 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	Outpatients 2010 \$'000	EDS 2010 \$'000	Ambulatory 2010 \$'000	Mental Health 2010 \$'000	RAC Incl. Mental Health 2010 \$'000	Aged Care 2010 \$'000	Other 2010 \$'000	Total 2010 \$'000
<b>Revenue from Services Supported by Health Service Agreement</b>									
Government Grants	69,311	8,120	5,383	16,823	15,714	4,453	5,432	13,761	138,997
Indirect Contributions by Department of Health	2,652	-	-	-	197	12	96	88	3,045
Patient and Resident Fees (Refer Note 2b)	2,801	21	203	1,013	15	-	237	248	4,538
Residential Aged Care (Refer Note 2b)	-	-	-	-	-	978	-	-	978
Recoupment Private Practice - Hospital Facilities	-	34	-	-	-	-	-	-	34
Interest	-	-	-	-	-	-	-	10	10
Donations (Non Capital)	-	7	-	-	-	1	-	-	8
Property Income	-	-	-	-	-	-	-	688	688
Other	488	-	1	37	180	-	33	3,555	4,294
<b>Sub-Total Revenue From Services Supported By Health Service Agreement</b>	<b>75,252</b>	<b>8,182</b>	<b>5,587</b>	<b>17,873</b>	<b>16,106</b>	<b>5,444</b>	<b>5,798</b>	<b>18,350</b>	<b>152,592</b>
<b>Revenue from Services Supported by Hospital and Community Initiatives</b>									
Business Units & Specific Purpose Funds	-	-	-	-	-	-	-	14,453	14,453
Donations (Non Capital)	-	-	-	-	-	-	-	336	336
Interest	-	-	-	-	-	-	-	926	926
Capital Purpose Income (Refer Note 2)	-	-	-	-	-	-	-	1,961	1,961
<b>Sub-Total Revenue From Services Supported By Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,676</b>	<b>17,676</b>
<b>Total Revenue</b>	<b>75,252</b>	<b>8,182</b>	<b>5,587</b>	<b>17,873</b>	<b>16,106</b>	<b>5,444</b>	<b>5,798</b>	<b>36,026</b>	<b>170,268</b>

**Indirect contributions by Department of Health:** Department of Health makes insurance and long service leave payments on behalf of Goulburn Valley Health. 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 2009 \$'000	Outpatients 2009 \$'000	EDS 2009 \$'000	Ambulatory 2009 \$'000	Mental Health 2009 \$'000	RAC Incl. Mental Health 2009 \$'000	Aged Care 2009 \$'000	Other 2009 \$'000	Total 2009 \$'000
<b>Revenue from Services Supported by Health Service Agreement</b>									
Government Grants	63,512	7,442	5,523	15,001	14,669	4,143	4,895	12,889	128,074
Indirect Contributions by Department of Health	2,334	-	-	-	176	15	84	74	2,683
Patient and Resident Fees (Refer Note 2b)	2,170	22	204	995	-	-	190	348	3,929
Residential Aged Care (Refer Note 2b)	-	-	-	-	-	1,016	-	-	1,016
Recoupment Private Practice - Hospital Facilities	-	26	-	-	-	-	-	-	26
Interest	-	-	-	-	-	-	-	10	10
Donations (Non Capital)	-	8	-	-	1	-	-	3	12
Property Income	-	-	-	-	-	-	-	555	555
Other	413	9	21	48	290	1	14	2,356	3,152
<b>Sub-Total Revenue From Services Supported By Health Service Agreement</b>	<b>68,429</b>	<b>7,507</b>	<b>5,748</b>	<b>16,044</b>	<b>15,136</b>	<b>5,175</b>	<b>5,183</b>	<b>16,235</b>	<b>139,457</b>
<b>Revenue from Services Supported by Hospital and Community Initiatives</b>									
Business Units & Specific Purpose Funds	-	-	-	-	-	-	-	13,833	13,833
Donations	-	-	-	-	-	-	-	77	77
Interest	-	-	-	-	-	-	-	1,603	1,603
Capital Purpose Income (Refer Note 2)	-	-	-	-	-	-	-	2,898	2,898
<b>Sub-Total Revenue From Services Supported By Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,411</b>	<b>18,411</b>
<b>Total Revenue</b>	<b>68,429</b>	<b>7,507</b>	<b>5,748</b>	<b>16,044</b>	<b>15,136</b>	<b>5,175</b>	<b>5,183</b>	<b>34,646</b>	<b>157,868</b>

**Indirect contributions by Department of Health:** Department of Health makes insurance and long service leave payments on behalf of Goulburn Valley Health. 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**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Patient and Resident Fees Raised</b>		
<b>Recurrent:</b>		
<b>Acute:</b>		
Inpatients	2,817	2,170
Sub Acute	935	955
Outpatients	242	266
<b>Residential Aged Care:</b>		
Generic	727	772
Mental Health	251	244
Mental Health	-	-
Other	544	538
<b>Total Recurrent</b>	<u>5,516</u>	<u>4,945</u>
<b>Capital Purpose:</b>		
Residential Accommodation Payments	<u>235</u>	<u>168</u>

**Note 2c: Net Gain on Disposal of Non-Current Assets**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Proceeds from Disposals of Non Current Assets</b>		
Computers & Communication	10	-
Hume Rural Health Alliance Assets	2	-
Medical Equipment	-	6
Motor Vehicles	258	652
<b>Total Proceeds from Disposal</b>	<u>270</u>	<u>658</u>
<b>Written Down Value of Non-Current Assets Disposed</b>		
Computers & Communication	6	-
Hume Rural Health Alliance Assets	3	-
Medical Equipment	43	32
Motor Vehicles	248	550
Plant & Equipment	6	-
<b>Total Written Down Value of Non-Current Assets Disposed</b>	<u>306</u>	<u>582</u>
<b>Net Gains/(Losses) on Disposal of Non-Current Assets</b>	<u>(36)</u>	<u>76</u>

**Note 2d: Assets Received Free of Charge**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
During the reporting period the fair value of assets received free of charge was as follows:		
Operating Assets and Liabilities from HumeNet Ltd.	-	132
Plant & Equipment	20	52
	<u>20</u>	<u>184</u>

During the year Goulburn Valley Health received a share of net assets from HumeNET Ltd.

	HSA 2010 \$'000	HSA 2009 \$'000	Non HSA 2010 \$'000	Non HSA 2009 \$'000	Total 2010 \$'000	Total 2009 \$'000
<b>Note 3: Expenses</b>						
<b>Employee Benefits</b>						
Salaries & Wages	89,957	80,041	9,301	9,123	99,258	89,164
Long Service Leave	3,026	2,128	424	241	3,450	2,369
Superannuation	7,760	7,054	796	799	8,556	7,853
Workcover Premium	564	512	53	58	617	570
Departure Packages	106	62	41	35	147	97
<b>Total Employee Benefits</b>	<b>101,413</b>	<b>89,797</b>	<b>10,615</b>	<b>10,256</b>	<b>112,028</b>	<b>100,053</b>
<b>Non Salary Labour Costs</b>						
Fees for Visiting Medical Officers	6,167	6,896	2,027	1,754	8,194	8,650
Agency Costs - Nursing	1,238	1,154	-	-	1,238	1,154
Agency Costs - Other	573	494	7	-	580	494
<b>Total Non Salary Labour Costs</b>	<b>7,978</b>	<b>8,544</b>	<b>2,034</b>	<b>1,754</b>	<b>10,012</b>	<b>10,298</b>
<b>Supplies &amp; Consumables</b>						
Drug Supplies	5,180	4,503	39	-	5,219	4,503
Drug Supplies - S100	1,392	1,073	-	-	1,392	1,073
Medical, Surgical Supplies and Prosthesis	7,677	6,241	3,136	1,804	10,813	8,045
Pathology Supplies	160	279	46	166	206	445
Food Supplies	1,034	948	667	405	1,701	1,353
Patient and Client Services	5,283	5,455	4	4	5,287	5,459
<b>Total Supplies &amp; Consumables</b>	<b>20,726</b>	<b>18,499</b>	<b>3,892</b>	<b>2,379</b>	<b>24,618</b>	<b>20,878</b>
<b>Other Expenses From Continuing Operations</b>						
Transfer Pricing	4,944	4,477	(4,944)	(4,477)	-	-
Insurance Cost Funded by DHS	2,091	1,889	-	-	2,091	1,889
Administrative Expenses	7,932	7,014	714	1,882	8,646	8,896
Domestic Services	1,587	1,514	220	159	1,807	1,673
Fuel, Light, Power and Water	1,451	1,170	6	5	1,457	1,175
Motor Vehicle Expenses	666	632	81	92	747	724
Repairs and Maintenance	1,289	1,956	502	418	1,791	2,374
Maintenance Contracts	663	650	607	548	1,270	1,198
Patient Transport	1,454	1,213	-	-	1,454	1,213
Bad & Doubtful Debts	11	52	29	23	40	75
Lease Expenses	2,030	1,790	579	655	2,609	2,445
Statements	49	43	-	-	49	43
Audit Fees - Other	153	152	1	-	154	152
<b>Total Other Expenses From Continuing Operations</b>	<b>24,320</b>	<b>22,552</b>	<b>(2,205)</b>	<b>(695)</b>	<b>22,115</b>	<b>21,857</b>
Equipment Purchases	-	-	168	46	168	46
Impairment of Financial Assets	-	-	-	1,168	-	1,168
Available-for-Sale Revaluation Reserve Loss Recognised (Refer Note 14(a) )	-	-	-	1,286	-	1,286
Depreciation and Amortisation (Refer Note 4)	-	-	9,274	5,459	9,274	5,459
<b>Total Expenses</b>	<b>154,437</b>	<b>139,392</b>	<b>23,778</b>	<b>21,653</b>	<b>178,215</b>	<b>161,045</b>

**Note 3a: Analysis of Expenses by Source**

	Admitted				Mental	RAC Incl.	Aged		Total
	Patients	Outpatients	EDS	Ambulatory	Health	Mental	Care	Other	Total
	2010	2010	2010	2010	2010	2010	2010	2010	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Services Supported By Health Service Agreement</b>									
Employee Benefits	33,573	1,200	8,644	7,579	11,775	5,458	5,367	27,817	101,413
Non Salary Labour Costs	6,431	148	240	173	645	27	13	301	7,978
Supplies & Consumables	5,895	1,624	461	1,574	89	238	2,860	7,985	20,726
Other Expenses from Continuing Operations	4,029	83	879	1,008	2,396	317	407	10,257	19,376
Transfer Pricing	12,482	2,987	5,763	3,655	1,519	1,728	1,085	(24,275)	4,944
<b>Sub-Total Expenses from Services Supported by Health Service Agreement</b>	<b>62,410</b>	<b>6,042</b>	<b>15,987</b>	<b>13,989</b>	<b>16,424</b>	<b>7,768</b>	<b>9,732</b>	<b>22,085</b>	<b>154,437</b>
<b>Services Supported By Hospital &amp; Community Initiatives</b>									
Employee Benefits	-	-	-	-	-	-	-	10,615	10,615
Non Salary Labour Costs	-	-	-	-	-	-	-	2,034	2,034
Supplies & Consumables	-	-	-	-	-	-	-	3,892	3,892
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	2,739	2,739
Transfer Pricing	-	-	-	-	-	-	-	(4,944)	(4,944)
<b>Sub-Total Expenses from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,336</b>	<b>14,336</b>
<b>Expenditure Using Capital Purpose Income</b>									
Equipment Purchases	-	-	-	-	-	-	-	168	168
Depreciation	-	-	-	-	-	-	-	9,274	9,274
<b>Total Expenses</b>	<b>62,410</b>	<b>6,042</b>	<b>15,987</b>	<b>13,989</b>	<b>16,424</b>	<b>7,768</b>	<b>9,732</b>	<b>45,863</b>	<b>178,215</b>

**Note 3a: Analysis of Expenses by Source**

	Admitted				Mental	RAC Incl.	Aged	Other	Total
	Patients	Outpatients	EDS	Ambulatory	Health	Mental	Care		
	2009	2009	2009	2009	2009	2009	2009	2009	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Services Supported By Health Service Agreement</b>									
Employee Benefits	29,536	1,071	7,664	6,718	10,732	4,682	3,559	25,835	89,797
Non Salary Labour Costs	7,132	140	265	105	547	19	27	309	8,544
Supplies & Consumables	5,705	1,289	417	970	105	216	679	9,118	18,499
Other Expenses from Continuing Operations	3,603	85	742	830	2,064	341	341	10,069	18,075
Transfer Pricing	18,201	3,054	5,705	3,423	1,662	1,934	371	(29,873)	4,477
<b>Sub-Total Expenses from Services Supported by Health Service Agreement</b>	<b>64,177</b>	<b>5,639</b>	<b>14,793</b>	<b>12,046</b>	<b>15,110</b>	<b>7,192</b>	<b>4,977</b>	<b>15,458</b>	<b>139,392</b>
<b>Services Supported By Hospital &amp; Community Initiatives</b>									
Employee Benefits	-	-	-	-	-	-	-	10,256	10,256
Non Salary Labour Costs	-	-	-	-	-	-	-	1,754	1,754
Supplies & Consumables	-	-	-	-	-	-	-	2,379	2,379
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	3,782	3,782
Transfer Pricing	-	-	-	-	-	-	-	(4,477)	(4,477)
<b>Sub-Total Expenses from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,694</b>	<b>13,694</b>
<b>Expenditure Using Capital Purpose Income</b>									
Equipment Purchases	-	-	-	-	-	-	-	46	46
Impairment of Financial Assets	-	-	-	-	-	-	-	2,454	2,454
Depreciation (Refer Note 4)	-	-	-	-	-	-	-	5,459	5,459
<b>Total Expenses</b>	<b>64,177</b>	<b>5,639</b>	<b>14,793</b>	<b>12,046</b>	<b>15,110</b>	<b>7,192</b>	<b>4,977</b>	<b>37,111</b>	<b>161,045</b>

**Note 3b: Analysis of Expenses by Internal and Restricted**

<b>Specific Purpose Funds for Services Supported by Hospital and Community Initiatives</b>	<b>Expenses</b>	<b>Transfer Pricing</b>	<b>Total</b>	<b>Total</b>
	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Private Practice Fees	462	(2)	460	294
Laboratory Medicine	8,347	(2,318)	6,029	5,353
Diagnostic Imaging	6,169	(2,513)	3,656	2,866
Cafeteria and Catering Services	1,170	65	1,235	1,192
Patient Transport	68	(125)	(57)	(89)
Car Park	53	15	68	5
Regional Services	2,599	(66)	2,533	2,411
Retail Medical Outlet	236	25	261	445
	<u>19,104</u>	<u>(4,919)</u>	<u>14,185</u>	<u>12,477</u>
<b>Other Activities</b>				
Fund Raising & Community Support	176	(25)	151	1,218
<b>Total</b>	<u>19,280</u>	<u>(4,944)</u>	<u>14,336</u>	<u>13,695</u>

**Note 4: Depreciation**

	<b>Total</b>	<b>Total</b>
	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
Buildings	6,165	2,400
Computers & Communications	600	608
Furniture & Fittings	54	67
Medical Equipment	1,460	1,410
Motor Vehicles	688	691
Plant & Equipment	302	267
Hume Rural Health Alliance Equipment	5	16
<b>Total</b>	<u>9,274</u>	<u>5,459</u>

**Note 5. Cash and Cash Equivalents**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash 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.

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
Cash on Hand	35	32
Cash at Bank	1,406	5,410
Funds Held In Trust at Bank	-	5,943
<b>Total</b>	<b>1,441</b>	<b>11,385</b>
<b>Represented by:</b>		
Cash for Health Service Operations (as per Cash Flow Statement)	1,102	4,979
Hume Rural Health Alliance	339	463
<b>Monies Held In Trust:</b>		
Patient Monies Held In Trust	-	17
Refundable Entrance Fees	-	3,398
Regional Programs Monies	-	2,403
Other Monies Held in Trust	-	125
<b>Total Monies In Trust</b>	<b>-</b>	<b>5,943</b>
<b>Total</b>	<b>1,441</b>	<b>11,385</b>

<b>Note 6: Receivables</b>	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Current</b>		
<b>Contractual</b>		
Trade Debtors	1,251	1,121
Patient Fees - Health Service Agreement	1,507	1,448
Patient Fees - Hospital & Community Initiatives	920	799
Patient Fees - Private Practice	106	120
Accrued Investment Income	21	25
Other Accrued Revenue	225	-
Capital Debtors	-	83
	<hr/>	<hr/>
	4,030	3,596
<b>Less Allowance for Doubtful Debts</b>		
Trade Debtors	44	44
Patient Fees	134	135
Patient Fees - Hospital & Community Initiatives	57	57
<b>Total Current Contractual Receivables</b>	<hr/>	<hr/>
	3,795	3,360
<b>Statutory</b>		
Dental Health Services Victoria Accrued Grants	323	207
Commonwealth Government Grants	9	-
GST Receivable	560	573
<b>Total Current Statutory Receivables</b>	<hr/>	<hr/>
	892	780
<b>Total Current Receivables</b>	<hr/>	<hr/>
	4,687	4,140
<b>Non Current</b>		
<b>Contractual</b>		
Debtor - Residential Tenancy Board	74	66
<b>Statutory</b>		
Debtor - Department Human Services Long Service Leave	1,915	961
<b>Total Non Current Receivables</b>	<hr/>	<hr/>
	1,989	1,027
<b>Total Receivables</b>	<hr/>	<hr/>
	6,676	5,167
<b>Note 6(a): Movement in the Allowances for Doubtful Debts</b>		
Balance at Beginning of Year	236	236
Increase/(Decrease) in Allowance Recognised in Profit or Loss	(1)	-
<b>Balance at End of Year</b>	<hr/>	<hr/>
	235	236

**Note 6(b): Ageing Analysis of Receivables**

Please refer to note 16(b) for the ageing analysis of receivables

**Note 6(c): Nature and Extent of Risk Arising from Receivables**

Please refer to note 16(b) for the nature and extent of risk arising from receivables

**Note 7: Other Financial Assets**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Current</b>		
<b>Available-for-Sale Financial Assets</b>		
Australian Dollar Term Deposits	5,029	9,362
Australian Dollar Term Deposits - Monies In Trust	5,471	-
<b>Total</b>	<u>10,500</u>	<u>9,362</u>
<b>Non Current</b>		
<b>Available-for-Sale Financial Assets</b>		
Floating Rate Subordinated Debt	846	846
<b>Total Non Current</b>	<u>846</u>	<u>846</u>
<b>Total Other Financial Assets</b>	<u>11,346</u>	<u>10,208</u>
<b>Represented by:</b>		
Health Service Investments	5,875	10,208
<b>Monies Held In Trust:</b>		
Patient Monies Held In Trust	15	-
Refundable Entrance Fees	3,227	-
Regional Programs Monies	2,229	-
<b>Total Monies In Trust</b>	<u>11,346</u>	<u>10,208</u>

**(b): Ageing Analysis of Other Financial Assets**

Please refer to note 16(b) for the ageing analysis of Other Financial Assets

**(c): Nature and Extent of Risk Arising from Other Financial Assets**

Please refer to note 16(b) for the nature and extent of risk arising from Other Financial Assets

<b>Note 8 : Inventories</b>	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Current (at cost)</b>		
Main Store	359	336
Theatre	395	321
Pathology	216	248
Engineering	55	55
Pharmaceuticals	525	421
Cafeteria Supplies	11	9
Retail Outlet Medical Equipment	34	32
<b>Total Inventories</b>	<u>1,595</u>	<u>1,422</u>

<b>Note 9: Other Assets</b>	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
Prepayments	<u>1,035</u>	<u>543</u>



**Note 10: Property, Plant & Equipment**

	Total 2010 \$'000	Total 2009 \$'000
<b>Land at Valuation</b>	8,351	8,351
<b>Land at Cost</b>	165	-
<b>Buildings at Valuation</b>	197,468	197,468
Less Accumulated Depreciation	114,256	108,091
<b>Total Buildings at Valuation</b>	83,212	89,377
<b>Buildings at Cost</b>	5,081	-
<b>Buildings Under Construction at Cost</b>	204	2,019
<b>Plant &amp; Equipment at Fair Value</b>	1,870	1,374
Less Accumulated Depreciation	300	-
<b>Total Plant &amp; Equipment at Fair Value</b>	1,570	1,374
<b>Motor Vehicles at Fair Value</b>	3,317	2,997
Less Accumulated Depreciation	642	-
<b>Total Motor Vehicles at Fair Value</b>	2,675	2,997
<b>Medical Equipment at Fair Value</b>	7,280	6,190
Less Accumulated Depreciation	1,459	-
<b>Total Medical Equipment at Fair Value</b>	5,821	6,190
<b>Computers &amp; Communication at Fair Value</b>	2,038	1,650
Less Accumulated Depreciation	589	-
<b>Total Computers &amp; Communication at Fair Value</b>	1,449	1,650
<b>Furniture &amp; Fittings at Fair Value</b>	204	197
Less Accumulated Depreciation	54	-
<b>Total Furniture &amp; Fittings at Fair Value</b>	150	197
<b>Rural Health Alliance - Share of Plant and Equipment at Fair Value</b>	24	14
<b>Total at Cost</b>	5,450	2,019
<b>Total at Valuation</b>	91,563	97,728
<b>Total at Fair Value</b>	11,689	12,422
<b>Total Property, Plant and Equipment</b>	108,702	112,169

**Note 10: Property, Plant & Equipment (Continued)**

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

	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communic'n	Furniture & Fittings	Motor Vehicles	Hume Rural Health Alliance	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2008</b>	6,284	58,669	1,177	6,510	1,235	226	2,658	-	7,258	84,017
Additions	1,080	150	464	1,122	1,023	38	1,548	10	4,120	9,555
Disposals	-	-	-	(32)	-	-	(518)	(32)	-	(582)
Work in Progress Transferred	-	9,359	-	-	-	-	-	-	(9,359)	-
Assets Received Free of Charge	-	-	-	-	-	-	-	52	-	52
Revaluation increments/(decrements)	987	23,599	-	-	-	-	-	-	-	24,586
Depreciation (note 4)	-	(2,400)	(267)	(1,410)	(608)	(67)	(691)	(16)	-	(5,459)
<b>Balance at 1 July 2009</b>	<b>8,351</b>	<b>89,377</b>	<b>1,374</b>	<b>6,190</b>	<b>1,650</b>	<b>197</b>	<b>2,997</b>	<b>14</b>	<b>2,019</b>	<b>112,169</b>
Additions	165	-	492	1,128	404	7	612	19	3,266	6,093
Disposals	-	-	(7)	(44)	(5)	-	(246)	(4)	-	(306)
Work in Progress Transferred	-	5,081	-	-	-	-	-	-	(5,081)	-
Assets Received Free of Charge	-	-	13	7	-	-	-	-	-	20
Depreciation (note 4)	-	(6,165)	(302)	(1,460)	(600)	(54)	(688)	(5)	-	(9,274)
<b>Balance at 30 June 2010</b>	<b>8,516</b>	<b>88,293</b>	<b>1,570</b>	<b>5,821</b>	<b>1,449</b>	<b>150</b>	<b>2,675</b>	<b>24</b>	<b>204</b>	<b>108,702</b>

**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 their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be replaced using depreciated replacement cost. The valuation was based on independent assessments. The effective date of valuation was 30th June 2009.

**Plant and Equipment carried at fair value**

An independent valuation of the Health Service's major medical equipment was performed by the Dominion Group to determine their fair value. An independent valuation was also performed on motor vehicles by the Health Service's fleet manager Webfleet Management Services to determine their fair value. The valuations, 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 valuation was 30th June 2010.

**Note 11: Payables**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Current</b>		
<b>Contractual</b>		
Trade Creditors	5,469	7,448
Capital Creditors	23	117
Accrued Expenses	1,452	1,741
Income In Advance - Other	80	130
	<hr/> <b>7,024</b>	<hr/> <b>9,436</b>
<b>Statutory</b>		
GST Payable	130	126
FBT Payable	32	-
DHS Car Park Advance	1,800	1,800
Income In Advance - DHS	1,852	3,923
Commonwealth Government Grants Prepaid	-	30
	<hr/> <b>3,814</b>	<hr/> <b>5,879</b>
<b>TOTAL</b>	<hr/> <b>10,838</b>	<hr/> <b>15,315</b>

**Note 12: Employee Benefits and Related On-Costs Provisions**

	Total 2010 \$'000	Total 2009 \$'000
<b>Current Provisions</b>		
<b>Employee Benefits</b>		
- unconditional and expected to be settled within 12 months	10,716	9,977
- unconditional and expected to be settled after 12 months	8,172	7,554
	<u>18,888</u>	<u>17,531</u>
<b>Provisions related to employee benefit on-costs</b>		
Unconditional and expected to be settled within 12 months (nominal value)	1,207	1,197
Unconditional and expected to be settled after 12 months (present value)	249	245
	<u>1,456</u>	<u>1,442</u>
<b>Total Current Provisions</b>	<u><b>20,344</b></u>	<u><b>18,973</b></u>
<b>Non-Current Provisions</b>		
Employee Benefits	4,236	2,919
Provisions related to employee benefit on-costs	407	298
<b>Total Non Current Provisions</b>	<u><b>4,643</b></u>	<u><b>3,217</b></u>
<b>Current Employee Benefits</b>		
Accrued Salaries & Wages	2,331	2,286
Accrued Days Off	311	266
Annual Leave Entitlements	8,557	7,901
Unconditional Long Service Leave Entitlements	7,689	7,078
<b>Non Current Employee Benefits</b>		
Conditional Long Service Leave Entitlements (present value)	4,236	2,919
<b>Total Employee Benefits</b>	<u><b>23,124</b></u>	<u><b>20,450</b></u>
<b>On-Costs</b>		
Current On-Costs	1,456	1,442
Non-Current On-Costs	407	298
<b>Total On-Costs</b>	<u><b>1,863</b></u>	<u><b>1,740</b></u>
<b>Total Employee Benefits and Related on-Costs</b>	<u><u><b>24,987</b></u></u>	<u><u><b>22,190</b></u></u>
	Total	Total
	2010	2009
	\$'000	\$'000
<b>Movement in Long Service Leave:</b>		
<b>Balance at start of year</b>	11,016	9,782
Provision made during the year		
- Expense recognising employee service	3,450	2,369
Settlement made during the year	(1,401)	(1,135)
<b>Balance at end of year</b>	<u><b>13,065</b></u>	<u><b>11,016</b></u>
<b>Note 13: Other Liabilities</b>		
	Total	Total
	2010	2009
	\$'000	\$'000
<b>Current</b>		
<b>Monies Held in Trust</b>		
Patient Monies Held in Trust	15	17
Accommodation Bonds (Refundable Entrance Fees)	3,227	3,398
Regional Program's Monies	2,229	2,403
Community Initiative Program	-	125
<b>Total Current</b>	<u><b>5,471</b></u>	<u><b>5,943</b></u>
<b>Total Monies Held in Trust</b>		
<b>Represented by the following assets:</b>		
Australian Dollar Term Deposits	5,471	-
Cash at Bank	-	5,943
<b>Total</b>	<u><b>5,471</b></u>	<u><b>5,943</b></u>

**Note 14: Equity & Reserves**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>(a) Reserves</b>		
<b>Property, Plant and Equipment Revaluation Reserve (1)</b>		
Balance at the Beginning of the Reporting Period	46,346	21,760
Increase in the Value of Land	-	987
Increase in the Value of Buildings	-	23,599
Balance at the End of the Reporting Period	<u>46,346</u>	<u>46,346</u>
<b>Represented by:</b>		
Land	5,218	5,218
Buildings	41,128	41,128
<b>Total</b>	<u>46,346</u>	<u>46,346</u>
<b>Available-For-Sale Revaluation Reserve (2)</b>		
Balance at the Beginning of the Reporting Period	-	(1,286)
Cumulative Loss Transferred to Operating Statement on Impairment of Financial Assets	-	1,286
Balance at the End of the Reporting Period	<u>-</u>	<u>-</u>
<b>General Purpose Reserve</b>		
Balance at the Beginning of the Reporting Period	16,892	15,385
Transfer to and from Accumulated Deficit	1,070	1,507
Balance at the End of the Reporting Period	<u>17,962</u>	<u>16,892</u>
<b>Restricted Specific Purpose Reserve</b>		
Balance at the Beginning of the Reporting Period	5,256	4,326
Transfer to and from Accumulated Deficit	-	930
Balance at the End of the Reporting Period	<u>5,256</u>	<u>5,256</u>
<b>Total Reserves</b>	<u>69,564</u>	<u>68,494</u>
<b>(b) Contributed Capital</b>		
Balance at the Beginning of the Reporting Period	46,821	46,821
Capital Contributions received from Victorian Government	-	-
Balance at the End of the Reporting Period	<u>46,821</u>	<u>46,821</u>
<b>(c) Accumulated (Deficit)</b>		
Balance at the Beginning of the Reporting Period	(17,869)	(12,255)
Net Result for the Year	(7,947)	(3,177)
Transfers to and from General Reserves	(1,070)	(1,507)
Transfers to and from Restricted Purpose Reserves	-	(930)
Balance at the End of the Reporting Period	<u>(26,886)</u>	<u>(17,869)</u>
<b>(d) Total Equity At End Of Financial Year</b>	<u>89,499</u>	<u>97,446</u>

(1) The property, plant and equipment asset revaluation reserve arises on the revaluation of property, plant and equipment.

(2) The financial assets available-for-sale revaluation reserve 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 the financial asset, and is effectively realised, is recognised in the profit and loss. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognised in profit and loss.

**Note 15: Reconciliation of Net Result for the Year to Net Cash Inflows from Operating Activities**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Net Result for the Year</b>	(7,947)	(3,177)
Depreciation	9,274	5,459
Assets Received Free of Charge - DHS Capital	-	(62)
Rural Health Alliance Operating Non-Cash Transactions	-	(511)
Assets Received Free of Charge - Other	(20)	
Impairment of Financial Assets	-	2,454
Provision for Doubtful Debts	(1)	-
Net (Profit)/Deficit from the Sale of Property, Plant & Equipment	36	(76)
<b>Change in Operating Assets and Liabilities, Net of Effect of Restructuring</b>		
Increase/(Decrease) in Payables	(4,383)	5,338
Increase/(Decrease) in Other Liabilities	(472)	770
Increase/(Decrease) in Employee Benefits	2,797	1,231
(Increase)/Decrease in Monies In Trust	-	(770)
(Increase)/Decrease in Inventory	(173)	(240)
(Increase)/Decrease in Other Assets	596	(76)
(Increase)/Decrease in Prepayments	(492)	-
(Increase)/Decrease in Receivables	(1,591)	(272)
<b>Net Cash Inflow/Outflow from Operating Activities</b>	<u>(2,376)</u>	<u>10,068</u>

**Note 16: Financial Instruments****16(a) Financial Risk Management Objectives and Policies**

Goulburn Valley Health'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 Goulburn Valley Health's financial risks within the government policy parameters.

**Categorisation of Financial Instruments**

Details of each categories in accordance with AASB 139, shall be disclosed either on the face of the balance sheet or in the notes.

	Carrying Amount 2010 \$'000	Carrying Amount 2009 \$'000
<b>Financial Assets</b>		
Cash and Cash Equivalents	1,441	11,385
Loans and Receivables	3,869	3,426
Available for Sale	11,346	10,208
<b>Total Financial Assets</b>	<u>16,656</u>	<u>25,019</u>
<b>Financial Liabilities</b>		
At Amortised Cost	<u>12,495</u>	<u>15,379</u>

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

	Carrying Amount 2010 \$'000	Carrying Amount 2009 \$'000
<b>Financial Assets</b>		
Cash & Cash Equivalents	327	477
Loans and Receivables	-	-
Available for Sale	609	(1,318)
<b>Total Financial Assets</b>	<u>936</u>	<u>(841)</u>
<b>Financial Liabilities</b>		
At Amortised Cost	<u>-</u>	<u>-</u>

**Note 16: Financial Instruments (continued)****16(b) Credit Risk**

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

**Ageing Analysis of Financial Assets as at 30 June**

	Carrying Amount \$'000	Not Past Due and Not Impaired \$,000	Past Due but Not Impaired		
			1-3 Months \$'000	3 Months - 1 Year \$'000	1 - 5 Years \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	1,441	1,441	-	-	-
Receivables:					
Debtors and Patient Fees	3,623	1,766	991	830	36
Accrued Revenue	246	246	-	-	-
Other Financial Assets					
Australian Dollar Term Deposits	10,500	10,500	-	-	-
Floating Rate Subordinated Debt	846	846	-	-	-
<b>Total Financial Assets</b>	<b>16,656</b>	<b>14,799</b>	<b>991</b>	<b>830</b>	<b>36</b>
<b>2009</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	11,385	11,385	-	-	-
Receivables:					
Debtors and Patient Fees	3,401	1,658	930	779	34
Accrued Revenue	25	25	-	-	-
Other Financial Assets					
Australian Dollar Term Deposits	9,362	9,362	-	-	-
Floating Rate Subordinated Debt	846	846	-	-	-
<b>Total Financial Assets</b>	<b>25,019</b>	<b>23,276</b>	<b>930</b>	<b>779</b>	<b>34</b>

**Note 16: Financial Instruments (continued)****16(c) Liquidity Risk**

The following table discloses the contractual maturity analysis for Goulburn Valley Health's financial liabilities.

**Maturity Analysis of Financial Liabilities as at 30 June**

	Carrying Amount \$'000	Contractual Cash Flows \$,000	Maturity Dates		
			1-3 Months \$'000	3 Months - 1 Year \$'000	1 - 5 Years \$'000
<b>2010</b>					
<b>Financial Liabilities</b>					
Payables	7,024	7,024	7,024	-	-
Other Financial Liabilities					
- Accommodation Bonds	3,227	3,227	-	3,227	-
- Other	2,244	2,244	-	2,244	-
<b>Total Financial Liabilities</b>	<b>12,495</b>	<b>12,495</b>	<b>7,024</b>	<b>5,471</b>	<b>-</b>
<b>2009</b>					
<b>Financial Liabilities</b>					
Payables	9,436	9,436	9,436	-	-
Other Financial Liabilities					
- Accommodation Bonds	3,398	3,398	-	3,398	-
- Other	2,545	2,545	-	2,545	-
<b>Total Financial Liabilities</b>	<b>15,379</b>	<b>15,379</b>	<b>9,436</b>	<b>5,943</b>	<b>-</b>



**Note 16: Financial instruments (continued)****16(d) Market Risk**

Goulburn Valley Health'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**

Goulburn Valley Health 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 time-frame between commitment and settlement.

**Interest Rate Risk**

Exposure to interest rate risk might arise primarily through the Goulburn Valley Health's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the hospital mainly undertakes financial liabilities with relatively even maturity profiles.

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

	Weighted Average Effective Interest Rate (%)	Carrying Amount \$'000	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non Interest Bearing \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	3.28%	1,441	-	1,406	35
Receivables:					
Patient Fees and Trade Debtors	-	3,623	-	-	3,623
Other Receivables	-	246	-	-	246
Other Financial Assets:					
Term Deposits	5.62%	5,029	-	5,029	-
Shares in Other Entities	6.29%	846	-	846	-
<b>Total Financial Assets</b>		<b>11,185</b>	<b>-</b>	<b>7,281</b>	<b>3,904</b>
<b>Financial Liabilities</b>					
Payables	-	7,024	-	-	7,024
Other Financial Liabilities					
- Accommodation Bonds	-	3,227	-	-	3,227
- Other	-	2,244	-	-	2,244
<b>Total Financial Liabilities</b>		<b>12,495</b>	<b>-</b>	<b>-</b>	<b>12,495</b>
<b>2009</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	2.93%	11,385	-	11,353	32
Receivables:					
Patient Fees and Trade Debtors	-	3,401	-	-	3,401
Other Receivables	-	25	-	-	25
Other Financial Assets:					
Term Deposits	3.95%	9,362	-	9,362	-
Shares in Other Entities	5.95%	846	-	846	-
<b>Total Financial Assets</b>		<b>25,019</b>	<b>-</b>	<b>21,561</b>	<b>3,458</b>
<b>Financial Liabilities</b>					
Payables	-	9,436	-	-	9,436
Other Financial Liabilities					
- Accommodation Bonds	-	3,398	-	-	3,398
- Other	-	2,545	-	-	2,545
<b>Total Financial Liabilities</b>		<b>15,379</b>	<b>-</b>	<b>-</b>	<b>15,379</b>

**Note 16: Financial Instruments (continued)****(d) Market Risk (continued)****Sensitivity Disclosure Analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Goulburn Valley Health 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 markets Interest rates (AUD) from year-end rates of 6%;

- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%;

The following table discloses the impact on net operating result and equity for each category of financial instrument held by Goulburn Valley Health at year end as presented to key management personnel, if changes in the relevant risk occur.

	Carrying Amount \$'000	Interest Rate Risk			
		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	1,441	(14)	(14)	14	14
Receivables					
- Trade Debtors	3,623	-	-	-	-
- Other Receivables	246	(2)	(2)	2	2
Other Financial Assets					
- Term Deposits	10,500	(105)	(105)	105	105
- Shares in other Entities	846	(8)	(8)	8	8
<b>Financial Liabilities</b>					
Payables	7,024	-	-	-	-
Other Financial Liabilities					
- Accomodation Bonds	3,227	-	-	-	-
- Other Financial Liabilities	2,244	-	-	-	-
		(129)	(129)	129	129
<b>2009</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	11,385	(114)	(114)	114	114
Receivables					
- Trade Debtors	3,401	-	-	-	-
- Other Receivables	25	-	-	-	-
Other Financial Assets					
- Term Deposits	9,362	(94)	(94)	94	94
- Shares in other Entities	846	(8)	(8)	8	8
<b>Financial Liabilities</b>					
Payables	9,436	-	-	-	-
Other Financial Liabilities					
- Accomodation Bonds	3,398	-	-	-	-
- Other Financial Liabilities	2,545	-	-	-	-
		(216)	(216)	216	216

**Note 16: Financial Instruments (continued)****16(e) Fair Value**

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

-the fair value of financial instrument assets and liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;

and

-the fair value of other financial instrument assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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**

	Carrying Amount 2010	Fair Value 2010	Carrying Amount 2009	Fair Value 2009
<b>2010</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	1,441	1,441	11,385	11,385
Receivables:				
Patient Fees and Trade Debtors	3,623	3,848	3,401	3,401
Other Receivables	246	21	25	25
Other Financial Assets:				
- Term Deposits	10,500	10,500	9,362	9,362
- Shares in other Entities	846	846	846	846
<b>Total Financial Assets</b>	<b>16,656</b>	<b>16,656</b>	<b>25,019</b>	<b>25,019</b>
<b>Financial Liabilities</b>				
Payables	7,024	7,024	9,436	9,436
Other Financial Liabilities				
- Accommodation Bonds	3,227	3,227	3,398	3,398
- Other	2,244	2,244	2,545	2,545
<b>Total Financial Liabilities</b>	<b>12,495</b>	<b>12,495</b>	<b>15,379</b>	<b>15,379</b>

**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
<b>2010</b>				
<b>Financial Assets Measured at Fair Value Through Profit and Loss</b>				
Available for Sale Financial Assets				
- Equities and Managed Funds	846	846	-	-
<b>Total Financial Assets</b>	<b>846</b>	<b>846</b>	<b>-</b>	<b>-</b>
<b>2009</b>				
<b>Financial Assets Measured at Fair Value Through Profit and Loss</b>				
Available for Sale Financial Assets				
- Equities and Managed Funds	846	846	-	-
<b>Total Financial Assets</b>	<b>846</b>	<b>846</b>	<b>-</b>	<b>-</b>

<b>Note 17: Commitments for Expenditure</b>	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Capital Expenditure Commitments</b>		
<b>Buildings</b>		
Car Park Upgrade	-	1,353
Medical Staff Office Accommodation	-	319
Rushworth Medical Clinic	-	330
<b>Total Building Commitments</b>	<u>-</u>	<u>2,002</u>
<b>Buildings</b>		
Commitments due not later than one year	<u>-</u>	<u>2,002</u>
<b>Lease Commitments</b>		
<b>Operating Lease Commitments</b>		
Major Medical Equipment	1,764	1,334
Non Medical Equipment	1,115	1,540
Motor Vehicles	178	212
<b>Total Lease Commitments</b>	<u>3,057</u>	<u>3,086</u>
<b>Lease Commitments</b>		
Not later than one year	1,316	1,178
Later than one year and not later than 5 years	1,741	1,908
Later than 5 years	-	-
<b>Total Lease Commitments</b>	<u>3,057</u>	<u>3,086</u>
<b>Total Commitments for Expenditure (Inclusive of GST)</b>	3,057	5,088
Less GST Recoverable from the Australian Taxation Office	(278)	(463)
<b>Total Commitments for Expenditure (Exclusive of GST)</b>	<u><u>2,779</u></u>	<u><u>4,625</u></u>

**Note 18: Jointly Controlled Operations and Assets**

Goulburn Valley Health controls 20% share of the Hume Rural Health Alliance, whose principal activity is to provide information systems to Health Service Providers in the Department of Human Services' Hume region. Interests in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the financial statements under their respective asset categories.

	Ownership Interest	
	2010 20.24%	2009 21.96%
	Total 2010 \$'000	Total 2009 \$'000
<b>Current Assets</b>		
Cash and Cash Equivalents	339	463
Receivables	244	257
Other Assets	12	10
<b>Total Current Assets</b>	<u>595</u>	<u>730</u>
<b>Non Current Assets</b>		
Plant and Equipment	<u>24</u>	<u>14</u>
<b>Current Liabilities</b>		
Payables	160	211
<b>Total Liabilities</b>	<u>160</u>	<u>211</u>
Goulburn Valley Health's interest in revenue and expenses resulting from jointly controlled operations and assets is detailed below		
<b>Revenues</b>		
Government Grants	-	313
Operating Revenue	336	241
Non Operating Revenue	10	-
<b>Total Revenue</b>	<u>346</u>	<u>554</u>
<b>Expenses</b>		
Non Salary Labour Costs	192	116
Operating Expenses	550	565
Depreciation	5	
Capital Expenditure	68	33
<b>Total Expenses</b>	<u>815</u>	<u>714</u>

**Note 19: Segment Reporting**

	Residential Aged Care Services		Other HSA & Non HSA Services		Total	Total
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>REVENUE</b>						
<b>Total Revenue (External Segment Revenue)</b>	5,445	5,175	163,887	151,080	169,332	156,255
<b>EXPENSES</b>						
External Segment Expenses	6,041	5,256	172,174	155,789	178,215	161,045
Intersegment Expenses	1,728	1,734	(1,728)	(1,734)	-	-
<b>Total Expenses</b>	7,769	6,990	170,446	154,055	178,215	161,045
<b>Net Result From Ordinary Activities</b>	(2,324)	(1,815)	(6,559)	(2,975)	(8,883)	(4,790)
Interest Income	-	-	936	1,613	936	1,613
<b>Net Result for Year</b>	(2,324)	(1,815)	(5,623)	(1,362)	(7,947)	(3,177)
<b>Other Information</b>						
Segment Assets	33	163	-	-	33	163
Unallocated Assets	-	-	130,762	140,731	130,762	140,731
<b>Total Assets</b>	33	163	130,762	140,731	130,795	140,894
Segment Liabilities	13	14	-	-	13	14
Unallocated Liabilities	-	-	41,283	43,434	41,283	43,434
<b>Total Liabilities (Unallocated)</b>	13	14	41,283	43,434	41,296	43,448
Acquisition of property, plant and equipment	-	-	6,113	9,607	6,113	9,607
Depreciation	-	-	9,274	5,459	9,274	5,459
Non Cash expenses other than Depreciation	-	-	-	2,454	-	2,454

**The major services from which the above segments derive income are:**

Residential Aged Care Services

Other HSA &amp; Non HSA Services - Acute and Community Services

Pricing between inter-segments is at cost

Goulburn Valley Health operates predominantly in Shepparton, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Shepparton, Victoria.

**Note 20a: Responsible Person Related Disclosures**

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

	Period	
	From	To
<b>Responsible Ministers:</b>		
The Honourable Daniel Andrews, MLA, Minister for Health	01/07/2009	30/06/2010
<b>Board of Directors</b>		
Mr. C.C. Furphy	01/07/2009	30/06/2010
Mr. C. Hazelman	01/07/2009	30/06/2010
Mr. N. Maughan	01/07/2009	30/06/2010
Dr. P. Dalgliesh	01/07/2009	30/06/2010
Ms. L. Torres	01/07/2009	30/06/2010
Ms. R. Woolstencroft	01/07/2009	30/06/2010
Mr. B. Gurry	01/07/2009	30/06/2010
Mr. I. McKinnon	01/07/2009	30/06/2010
Ms R. Knaggs	16/02/2010	30/06/2010
<b>Accountable Officers</b>		
Ms. K. M. Healy		

**Remuneration of Responsible Persons**

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

Income Band	2010	2009
	No.	No.
0 - \$9,999	1	1
\$10,000 - \$19,999	7	7
\$30,000 - \$39,999	0	1
\$40,000 - \$49,999	1	0
\$70,000 - \$79,999	0	1
\$240,000 - \$249,999	0	1
\$270,000 - \$279,999	1	0
<b>Total Numbers</b>	<b>10</b>	<b>11</b>
	<b>Total</b>	<b>Total</b>
	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b>	<b>445</b>	<b>493</b>

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

**Note 20b: Executive Officer Disclosures****Executive Officers' Remuneration**

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands.

The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

	ENTITY			
	Total Remuneration		Base Remuneration	
	2010 No.	2009 No.	2010 No.	2009 No.
\$130,000 - \$139,999	1	-	2	-
\$140,000 - \$149,999	1	-	-	2
\$150,000 - \$159,999	-	2	2	-
\$160,000 - \$169,999	2	1	-	1
\$170,000 - \$179,999	1	-	1	1
\$180,000 - \$189,999	-	2	-	1
\$190,000 - \$199,999	-	-	2	-
\$200,000 - \$209,999	2	-	-	-
\$240,000 - \$249,999	-	-	-	1
\$260,000 - \$269,999	-	1	1	-
\$270,000 - \$279,999	1	-	-	-
<b>Total</b>	<b>8</b>	<b>6</b>	<b>8</b>	<b>6</b>
<b>Total Remuneration \$'000</b>	<b>1,471</b>	<b>1,109</b>	<b>1,415</b>	<b>1,064</b>



**Note 21: Contingent Assets and Liabilities**

There are no known contingent liabilities or assets at the date of this report.

**Note 22: Ex-gratia Payments**

There were no ex-gratia payments made by Goulburn Valley Health during the 2009/2010 financial year



## GOULBURN VALLEY HEALTH CAMPUS CONTACTS

### Goulburn Valley Health Shepparton Campus

Graham Street, Shepparton, Victoria, 3630      Tel:(03) 5832 2322      Fax:(03) 5821 1648

### Mental Health Campus

Monash Street, Shepparton, Victoria, 3630      Tel:(03) 5832 2111      Fax(03) 5832 2100

### Tatura Campus

64-68 Park Street, Tatura, Victoria, 3630      Tel:(03) 5824 8400      Fax(03) 5824 8444

### Waranga Campus

Coyle Street, Rushworth, Victoria, 3630      Tel:(03) 5851 8000      Fax(03) 5856 1916

### UNA House Campus

Corio Street, Shepparton, Victoria 3630      Tel:(03) 5823 6555      Fax(03) 5822 2584

### Centre Against Sexual Assault Campus

Nixon Street, Shepparton, Victoria, 3630      Tel:(03) 5831 2343      Fax(03) 5831 1996

### Centre for Older Person's Health Campus

80 Orr Street, Shepparton, Victoria      Tel:(03) 5823 6000      Fax(03) 5831 8500

## ASSOCIATED HOSPITALS

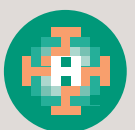
### Nathalia District Hospital

Elizabeth Street, Nathalia, Victoria, 3638      Tel:(03) 5866 9444      Fax(03) 5866 2042

### Yea & District Memorial Hospital

Station Street, Yea, Victoria, 3717      Tel:(03) 5736 0400      Fax(03) 5797 2391

Website: [www.gvhealth.org.au](http://www.gvhealth.org.au)



GOULBURN VALLEY  
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