GOULBURN VALLEY HEALTH

annual report 2013/14

Vision

Healthy communities

Mission

Goulburn Valley Health will:

- provide the highest quality care and service in prevention, diagnosis and treatment of injury, disease and other clinical conditions;
- support integrated healthcare;
- drive innovation in healthcare provision;
- work in partnership with others to promote healthy communities;
- provide leadership in healthcare to the region;
- provide opportunities for teaching, training and research in health care;
- attract health care professionals as an employer of choice.

Values

COMPASSION
We are caring and considerate in our dealings with others.

RESPECT
We acknowledge, value, and protect the diversity of beliefs, and support the rights of others in delivering health services.

EXCELLENCE
We act with professionalism to bring the highest quality of care to meet the needs of our patients.

ACCOUNTABILITY
We will be responsible for the care and patient outcomes provided by GV Health, and the consequences of our actions.

TEAMWORK
We work constructively and collaboratively within GV Health as well as with external partners to deliver integrated care to our patients.

ETHICAL BEHAVIOUR
We act with integrity, professionalism, transparency, honesty and fairness to earn the trust of those we care for.

Together we CREATE our future

Priorities

- Empowering your health
- Strengthening services
- Developing staff
- Working with partners

GOULBURN VALLEY HEALTH

ANNUAL REPORT 2013/14

Contents

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 2014.

Peter Ryan
Chair – Board of Directors

5 August 2014

Annual Reporting

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

Relevant Ministers

The responsible Ministers during the reporting period were:

- The Honourable David Davis, MLC, Minister for Health and Ageing
- The Honourable Mary Wooldridge, MLA, Minister for Mental Health

GV Health Strategic Plan 2014-2018

The GV Health Strategic Plan 2014-2018 will guide the future development of services for the community. It demonstrates our commitment to leadership and best practice, and to ensuring high quality, patient-focused care.

The plan focuses on four key areas:

1. Empowering your health
Improving the general health status of the population and supporting individuals to better manage their health.

2. Strengthening services
Continuing to deliver and improve the range of primary, secondary and tertiary level health services expected of a regional health service.

3. Developing staff
Investing in our people and fostering a vibrant and positive work culture.

4. Working with partners
Actively embracing formal and informal collaborative working relationships with health and other service providers to meet our strategic objectives.

Our service priorities

- Emergency department
- Acute inpatient – internal medicine
- Acute inpatient – surgical services
- Clinical support services
- Sub-acute services
- Maternity and children's services
- Specialist ambulatory services
- Mental health services
- Primary care and community health
- Aged care services

About GV Health

GV Health is a designated Public Health Service under the *Health Services Act*. Our role is to be the main referral health service for people in the Goulburn Valley. To fulfil this role, GV Health employs more than 2,000 staff.

The objectives, functions, powers and duties of GV Health are described in the Operational Practices and By-laws of the organisation.

GV Health is a multi-campus facility providing a broad range of hospital and community-based health care services throughout the region. GV Health provides acute and sub-acute care across three key campuses.

The main campus is located at Graham Street, Shepparton, providing the Emergency Department, Intensive Care, Outpatients, Medical, Surgical, Paediatric, Obstetric, Dental, Palliative, Oncology, Mental Health, Aged Cared, Rehabilitation and related Allied Health and Community health care services.

A new community health facility in Corio Street, Shepparton provides a range of wellbeing programs aimed at preventative and community-based care including: Community Health, Community Interlink, Health Promotion, Pathology Collection, Rural Allied Health, Self Management Support and Home Nursing Services (District Nursing Services, Hospital in the Home and Regional Continence Service).

The Tatura Campus of GV Health includes the Tatura Hospital and Parkvilla Aged Care. The Rushworth Campus includes Waranga Memorial Hospital, Waranga Aged Care Hostel and the Waranga Medical Centre.

GV Health provides administrative assistance to Yea and District Memorial Hospital, and the Nathalia District Hospital. Community programs also operate from outreach offices in Seymour, Cobram, Benalla and Wodonga.

GV Health also has an important role in teaching, training and research, and strong affiliations with Melbourne, Latrobe, Deakin, Monash and Charles Sturt universities.

Population Profile Overview

GV Health serves a catchment population of approximately 120,000 people drawn principally from the local government areas of City of Greater Shepparton, and the Shires of Moira, Strathbogie and Campaspe, and increasingly from southern New South Wales. Mental health and some community services cover an expanded catchment, including the Shires of Mitchell and Murrindindi, including the Wallan growth corridor.

While the region's population is mainly concentrated in Shepparton, many people served by GV Health live in smaller townships in the surrounding region, and in more isolated wheat, sheep, dairy and stone-fruit farming areas. Population numbers increase by an estimated 10,000 itinerant workers during the fruit harvest season from December to March.

The community is characterised by a rapidly growing and ageing population. The prevalence of chronic illness such as respiratory disease, cancers, cardiovascular disease, diabetes and mental illness is increasing as our population ages. A relatively high incidence of road accidents, skin cancer, farm injuries and work-related accidents also occur in our region, a characteristic shared with other rural communities.

The catchment is more culturally and linguistically diverse compared with other rural communities due to the post World War II migration principally from southern European countries, and a second wave of migrants more recently from the Middle East and the Horn of Africa.

The region is home to a large and well-established Aboriginal population. This is an important consideration for GV Health given the poor state of health experienced by many Aboriginal people.

Future Challenges

Delivering the range and complexity of health services that meets the current and future demand from the community will continue to be a challenge. We understand that the increase in health expenditure is occurring at a rate greater than the national economy is growing. Funding demands will only increase as the population ages and places further strains on the economy. The challenge will be to change the way health services are delivered. The increased use of technology and new models of care, different workforce configurations and changing community expectations will all be required to meet future demand.

Closer to home, GV Health faces challenges relating to 'growing pains', including population growth, ageing and diversity, and those who may be more reliant on public sector services, the development of more specialist services, a more significant role in workforce teaching and training, stronger clinical governance systems and processes, and increasing community expectations of comprehensive care.

The Service Model

The service model for GV Health is shaped by our role, vision and values. As the designated regional referral health service, the service model has three essential elements, which are directly aligned with the policy direction of government.

GV Health will:

1. Deliver patient-centred care to enhance the patient experience of their care/treatment. The patient/client will be involved in decisions about their care and treatment, and in collaboration with health professionals, will receive the right service, at the right time, in the right place.
2. Operate collaboratively with other health and community service providers; with clear roles, based on clinical capability; and with services and systems that are well integrated to ensure the seamless transition of care for patients.
3. Demonstrate well-developed clinical governance and leadership supported by strong structures and processes.

Total number of beds

	2012/13	2013/14
Acute includes Tatura and Waranga	174	173
Acute includes Shepparton Campus	154	153
Aged Care Residential	77	77
Mental Health Acute	20	20
Mental Health Community Based Beds (PARC & SRRP)	20	20
Sub-Acute	40	44

GV Health Chair and CEO Report

The 2013/14 financial year, has seen many achievements across the organisation. The highlight for the year was the successful organisational accreditation across four key areas; National Standards, Disability, Home and Community Care and Mental Health. Excelling as a quality assured organisation is at the cornerstone of GV Health's mission. The successful accreditation outcomes highlights that GV Health is an organisation focused on safety and quality for our patients.

The year also saw the development of the new Strategic Plan 2014-2018 for GV Health. The plan, developed in consultation with staff, partners and consumers, reflects the current and future needs of our community. It introduces new values, a new vision, mission and priorities. The Plan focuses on 4 key organisational priorities; empowering your health, strengthening services, developing staff and working with partners, which collectively will shape the direction of GV Health into the future.

Ensuring that our capacity to deliver great health services with staff, equipment and modern facilities remains an ongoing challenge for GV Health.

The opening of the Community Health @ GV Health service by the Minister for Health during the year was the culmination of an extraordinary project, involving the iconic WB Hunter site and GV Health. This service has brought together a number of community-based programs, under the same roof, and is delivering on our strategic goals of bringing services to the community.

The organisation finished the year with a solid operating surplus and improvements across the board in a range of clinical indicators. With funding support, the elective waiting list fell to 519, a reduction during the year of almost 300 patients. This achievement was made possible through a collaborative surgical effort across GV Health and across a range of partner health services. Our emergency department continued to see substantial activity throughout the year, with the greatest growth recorded for the highest category patients. Overall performance within emergency care continued to improve against this backdrop of growth, across all indicators of timely performance.

Mr Dale Fraser
Chief Executive Officer

Mr Peter Ryan
Chair - Board of Directors

The organisation finalised a new organisational structure during the year, which saw the appointment of Ms Fiona Brew as Executive Director of Innovation and Performance, and Chief Nurse and Midwifery Officer. This role aims to further embed quality and innovation within everyday practice at GV Health. An increased focus on workforce saw the creation of the role of Director, People and Organisational Development, with the appointment of Ms Joanne Matsoukas to this position. This role recognises the extraordinary contribution that staff make to the success of GV Health, and aligns specifically to our strategic plan.

We celebrated the hard work and achievements this year of our staff and presented 131 staff service awards, for 10 years through to an incredible 35 years of service. The awards recognised a combined effort of more than 2,375 years. The organisation also awarded two inaugural excellence awards, recognising staff who best exemplify our values and outstanding customer service. The winners, Jessica Orr (CEO Values award) and Dr Suresh Jayasundera (Board Chair Customer Service award), were very worthy recipients of these awards for their continued efforts for GV Health.

Thanks must be paid to the incredible support that the organisation has received from the many generous donors and volunteers, who selflessly give to GV Health. These supporters have been associated with GV Health for many years, and continue to give their time and money, to ensure that our health service is best equipped to meet our ever increasing needs.

Sadly, the year also recorded the untimely death of Dr Richard Horton. Richard was an outstanding Orthopaedic Surgeon, leader and mentor, who made a significant contribution to the lives of many people in the Goulburn Valley; he leaves a lasting legacy.

The Board composition also changed at the end of the year, with Mr Barry Smith standing down from the Board. Barry made a considerable contribution to the success of GV Health during his 3 years as a Director, and leaves the organisation with many achievements.

Finally, we would like to thank our Board members, management team, Department of Health and most importantly, our staff. The commitment of all will enable GV Health to deliver our vision - Healthy Communities.

Mr Dale Fraser
Chief Executive Officer

Mr Peter Ryan
Chair – Board of Directors

Executive Reports

A number of achievements were made across each division of GV Health during the year.

Clinical Services

- GV Health has had no 24-hour stays in the emergency department since February 2013, which indicates improved patient care and therefore improved capacity.
- The amount of time that ambulances are waiting with patients at the GV Health emergency department has improved, ensuring ambulances are more available to respond to community needs.
- New digital radiography equipment was installed in the emergency department; providing safer, high quality digital x-rays, enabling patients to receive the right treatment, in the right place, faster than ever before.

- A sponsorship agreement with Tatura Milk was secured, which supports the development of a mental health scholarship program, helping recruit new graduates to work in GV Health mental health services.
- The elective admission area was relocated to a purpose-built, easy-to-access zone, to provide patients with improved privacy.

- Patient hand-over documentation was improved, thanks to the development and introduction of an innovative, secure electronic system, which ensures an effective, documented and consistent approach to handover within the organisation and with GPs following discharge home.

- The Mary Coram sub-acute unit was expanded to add capacity for beds and provide dedicated exercise and treatment space for patients.

- GV Health has been able to reduce the waiting list for elective surgery by using off-site operating theatres for surgery, thanks to an innovative partnership agreement. Surgeries are being performed at hospitals in Kyabram, Cobram, Benalla and Shepparton Private Hospital.

- The Shepparton Child and Youth Mental Health Service has responded to a number of complaints regarding the length of time on the waiting list and access to services. By implementing the Choice and Partnership Approach model of care, along with considerable planning and staff training, the waiting list has been reduced from almost 12 months to within three months of the model of care being implemented.

Planning and Resources

- After thorough research and consultation, a new patient television, phone and nurse-on-call system was installed throughout the organisation.

- The 2014-2018 strategic planning process commenced in September 2013 and was progressed with significant input from all key GV Health internal and external stakeholders.
- The service participated in the statewide People Matter Survey process in May 2014 and the survey was very positively received by staff. A total of 974 out of 2,124 staff completed the survey (45.86%). A report of the results was received in June 2014 from the State Services Authority, with a strategic process to ensure communication and follow up on the results.
- The Aboriginal Employment Plan was launched, which highlights the ongoing high priority for GV Health to continue to invest in the development of its staffing resources. The plan was the result of extensive input and consultation from all key stakeholders both internal and external.

- Board members, Executive and Quality and Risk staff attended a strategic risk assessment workshop in March 2014, facilitated by our internal auditors, to assess and refresh the current system. The outcome from the session will result in refinements to the local Risk Management Framework process, with appropriate risk owners, actions and follow up.
- Compliance was achieved with the relevant legislative cleaning standards and the requirements of the food safety program, as per the external and internal review processes conducted throughout the year. The clean state of the physical environment and food quality standards are a top priority as they effectively support the provision of high quality and safe patient care.
- Ongoing quarterly monitoring and reporting against the targets continued as part of the Environmental Management Plan. The plan was prepared in accordance with legislative requirements and data continues to be collected on energy, water, waste, fleet and CO2 emissions. The plan is subject to ongoing and regular refinement.

- The service continued to invest heavily in infrastructure throughout the year notably air conditioning chillers, fire and safety improvements, extensions to the Mary Coram Unit, significant refurbishment of the newly leased Community Health building in Shepparton and ongoing security system improvements. Investment was made in a range of information technology and communications service infrastructure improvements to support the ever-increasing technological demands required to support patient care.

- A new MRI and CT Scanner have been ordered and are due for delivery later in 2014.

- Investment planning also continues to be progressed for significant refurbishments to Medical Imaging and the Emergency Department. Planning has commenced to co-locate Women's Health Services with Obstetrics, Family Planning, Gynaecology and Midwifery Services, a Maternal and Fetal Assessment Unit (MAFU) as well as Colposcopy services for ease of access. As a result of this planned re-location of women's health services, local capacity will also be expanded for the Specialist Consulting Suites.

- While there was increased patient demand and ongoing cost pressures, GV Health was able to meet the targets set in the Statement of Priorities. This result was notably achieved in tandem with the activity performance targets set for the year. Ongoing refinements to clinical support processes and ongoing education initiatives resulted in enhanced levels of clinical documentation and more effective data and information outputs being evident throughout the service.

Community and Integrated Care

- The range of community-based programs continues to grow across the Hume region and Riverina Murray, NSW. Consumer engagement has been vital across all services in leading the way toward more patient and consumer-directed care.
- Consumers have assisted with the process of accreditation and participation on various committees, such as the:
    - Consumer and Community Engagement Committee
    - Health Literacy Committee
    - Movement Disorder Nurse Demonstration Project Advisory Group
    - Primary Care and Population Health Committee
    - Consumer Advisory Committee
- A new Community Health facility was opened in the historic W.B. Hunter building on the corner of Corio and Edward Streets in Shepparton. The new community health hub co-locates a range of health and wellbeing services and information in one central, easy-to-access location.

Services based at the new community health precinct include: Alcohol and drug treatment services; Community Interlink; Health promotion; Home nursing services; Hospital in the Home; Pathology Collection; Regional continence service; Rural allied health team and Self management support service.

- Waiting lists for public dental services were reduced dramatically following a commonwealth funding boost that enabled additional clinics to be conducted and more patients to be treated through GV Health's dental services in Shepparton and Cobram.
- Goulburn Valley Health's Dental Service was awarded the University of Melbourne Vice-Chancellor's Staff Engagement Excellence Award in October 2013. The award recognised GV Health's work in providing placement experience for undergraduate dental students from the University of Melbourne's School of Dental Sciences.
- GV Health's Community Interlink program was awarded a further five places under Victoria's Early Childhood Intervention program, bringing the total number of places operated by GV Health in the Hume region to 40. The service provides support to children with a disability or developmental delay, and their families, to reach their developmental goals. A total of 160 families were supported during the year.
- Drug and alcohol liaison services commenced in the Emergency Department during the year.
- GV Health now has an endorsed Nurse Practitioner in Rural Sexual Health. Suzanne Wallis is one of only three endorsed Sexual Health Nurse practitioners in Victoria. This is a five-year initiative in partnership with the University of Melbourne Centre for Excellence in Rural Sexual Health.
- GV Health participated as a pilot site in the Department of Health's "Supporting patients to be smokefree: An ABCD approach in Victorian Health Services" initiative. The pilot program introduced a systematic approach to identifying the smoking status of every patient entering the service and supporting those who smoke to become smoke-free. The pilot was undertaken with elective surgery patients admitted to GV Health's Surgical Unit, and included staff education.
- The Wurreker Awards program, established by the Victorian Aboriginal Education Association Incorporated, celebrates achievements in the field of Koorie education and training. GV Health was one of three finalists in the Public Sector Employer award category, winning this year's award in recognition of our long and successful history in supporting and developing Aboriginal Liaison and more recently, Transition Officer roles in health.

Chief Medical Officer

A number of achievements were made during the year:

- A collaborative regional research group was set up and is headed by GV Health.
- Clinical trials in breast and colon cancer were successfully launched and are ongoing in the GV Oncology Department.
- National standards ACHS accreditation was achieved (100% of core items) and commendation was made on extensive work undertaken to improve handover and clinical systems within the hospital.
- Accreditation with the Royal Australian and New Zealand College of Obstetricians and Gynaecologists was achieved in May 2014 for four years, to undertake advanced training and with accredited positions for Registrars.
- Individual Basic Physician Training accreditation was achieved (100%).
- An Orthopedic Senior Registrar (Year 5) was added to the pool of rotating Registrars to GV Health.
- Community liaison with Medicare Locals and GPs was undertaken.
- The Women's and Children's Health Division reduced major events and complications, and reduced patient transfers to metropolitan areas via ambulance and helicopter.
- Mortality and morbidity in the areas of childbirth, neonatal trauma and ectopic pregnancy have been significantly reduced.
- The Division has introduced high levels of expertise and skill-based surgeries since 2012, and now has the capacity to provide up to RANZCOG level 6 laparoscopic advanced gynaecological surgery locally in Shepparton, instead of needing to transfer patients to Melbourne. Previously all gynaecological surgery was classified up to level 3.
- A diabetes clinic for pregnant women was introduced in July 2013 with dedicated specialists and midwives on board to address the issue of gestational diabetes.
- GV Health held a Forum on "Mothers and Babies In the First Year of Life" in March 2014, bringing together local service organisations, government and non-profits to provide information on the work being conducted for the care and support of women and children.

Innovation and Performance

- GV Health was the first Australian health service to undertake the following surveys through the Australian Council on Healthcare Standards, simultaneously:
  - the National Safety and Quality Health Service Standards
  - the National Standards for Mental Health Services
  - the Community Care Common Standards
  - the Victorian Department of Human Services Standards
- The successful outcomes of all four surveys highlight the significant commitment of our staff to best practice and innovative systems, processes and practices, ensuring high standards of safety and quality in patient care and service delivery are the priority.
- Consumers also participated in various surveys, including aged care, post acute care, disability support, home nursing and early childhood, with high levels of consumer satisfaction recorded.
- GV Health's commitment to ongoing education is reflected in the Graduate nurse program. GV Health employs a total of 24 graduate nurses and supports an additional 5 graduates from Cobram and Nathalia. Graduates participate in study days and are offered clinical experience within the acute setting at GV Health.
- GV Health has participated in and provided a range of regional education opportunities for nursing and midwifery. A total of 127 local and regional education sessions/workshops were provided with 1,954 participants attending at 22 different sites around Hume.

Board Members

Board Chair

Mr Peter Ryan
Appointed: 2011
Term Expires: 30 June 2014

Committees:
- Audit and Risk
- Facilities and Infrastructure
- Quality
- Remuneration (Chair)

Director

Mr Bryan Gurry
Appointed: 2008
Term expires: 30 June 2015

Committees:
- Audit and Risk
- Facilities and Infrastructure
- Quality
- Remuneration

Director

Mr Rod Schubert
Appointed: 2012
Term expires: 30 June 2015

Committees:
- Audit and Risk
- Primary Care and Population Health
- Remuneration

Deputy Chair

Mr Bill Parsons
Appointed: 2011
Term expires: 30 June 2014

Committees:
- Consumer Consultative
- Facilities and Infrastructure (Chair)
- Finance
- Remuneration

Director

Ms Roslyn Knaggs
Appointed: 2010
Term expires: 30 June 2014

Committees:
- Consumer Consultative
- Quality (Chair)
- Remuneration

Director

Mr Barry Smith
Appointed: 2011
Term expires: 30 June 2014

Committees:
- Consumer Consultative
- Facilities and Infrastructure
- Primary Care and Population Health

Director

Ms Barbara Evans
Appointed: 2012
Term expires: 30 June 2015

Committees:
- Audit and Risk
- Finance (Chair)

Director

Mr Ian McKinnon
Appointed: 2009
Term expires: 30 June 2015

Committees:
- Finance
- Primary Care and Population Health (Chair)
- Quality

Director

Mr Fezi Shaholli
Appointed: 2013
Term expires: 30 June 2016

Committees:
- Audit and Risk (Chair)
- Consumer Consultative
- Finance

Attendance at board meetings

Name	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Attendance
Ms B Evans	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr B Gurry	A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	A	83%
Ms R Knaggs	A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	92%
Mr I McKinnon	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr W Parsons	A	✓	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	83%
Mr P Ryan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr F Shaholli	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Mr R Schubert	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	✓	✓	92%
Mr B Smith	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Ms J Williams * (Minister's Delegate)	✓	✓	✓										100%

✓ - In Attendance A - Absent

* Ms J Williams ceased her role as Minister's delegate on 30 September 2013.

Senior Officers

Chief Executive Officer

Mr Dale Fraser
MBA, FCPA, B. Bus, FHSM

The Chief Executive Officer 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.

Executive Director Community and Integrated Care

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

The Executive 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. This role 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 Improvement Network and Diversity and Inclusion Committee.

Executive Director Clinical Operations

Ms Donna Sherringham
RN, Dip App Sci, Bach Nursing, Master Health Administration, FACSHM

The Executive Director Clinical Services manages the clinical operations of GV Health, including medical, surgical, critical care, women's and children's, mental health, pathology, pharmacy and radiology at all campuses. This role is responsible for clinical operations at Tatura and Rushworth. This role also provides strategic and operational direction and support to the clinicians to provide high quality care.

Executive Director Planning and Resources

Mr Bill Morfis
BHA (UNSW), MCom(UNSW), CPA

The Directorate of Planning and Resources includes Financial Services, Corporate Services, Human Resources, Information and Technology Services, Health Information Systems, Biomedical Engineering, Capital and Engineering Services.

Executive Director Innovation and Performance and Chief Nurse and Midwifery Officer

Ms Fiona Brew
RN, Perioperative Cert., Grad Dip Acute Care, MBA, MACN, GAICD

This position has overall professional responsibility and leadership accountability for:

- Safety
- Quality and risk
- Innovation and performance
- Education and learning
- Nursing and midwifery
- Yea and District Memorial Hospital

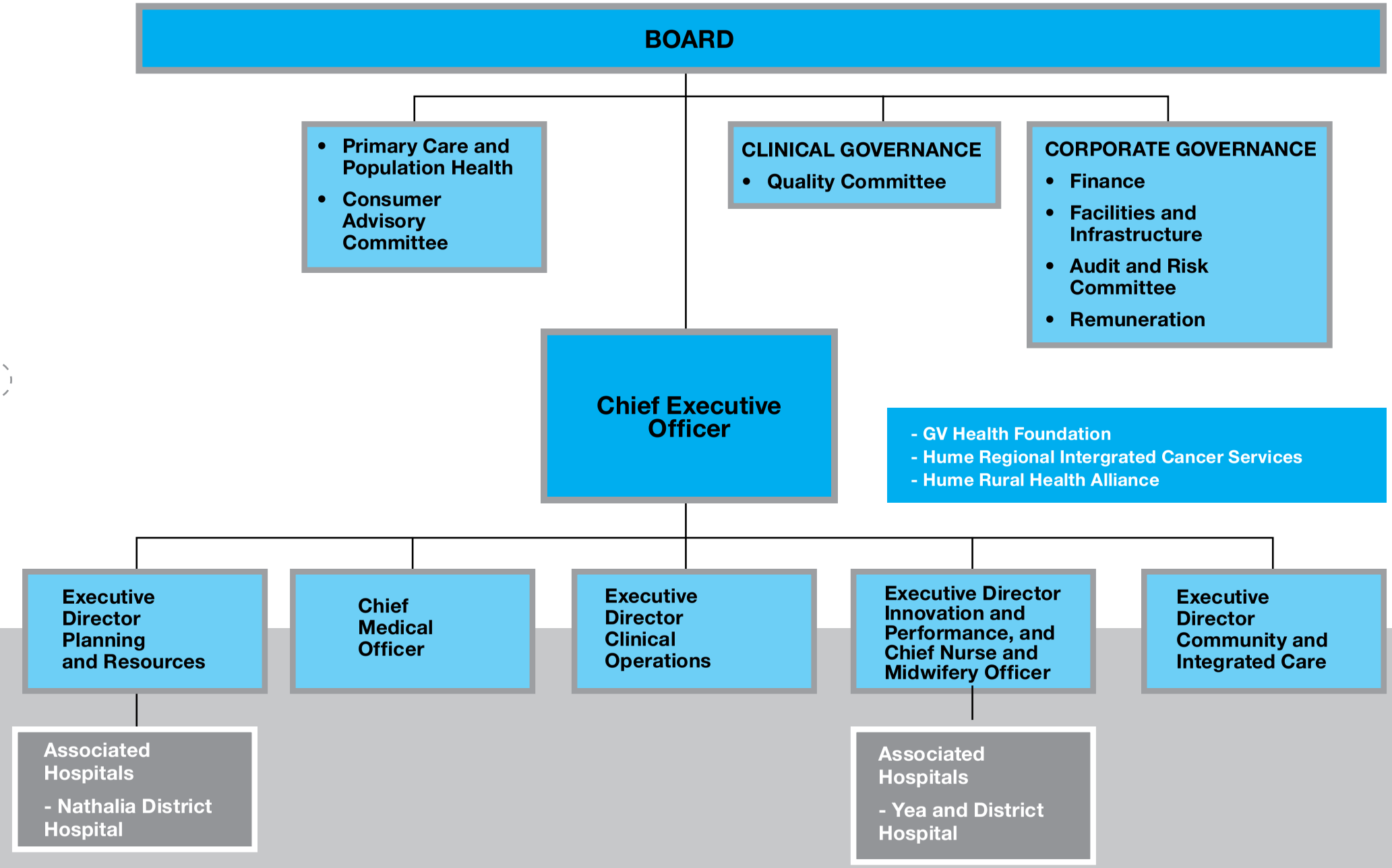
This Executive position is responsible for developing and maintaining an active organisation-wide program of innovation to maximise value for money, effectiveness and safety.

Chief Medical Officer

Dr Vasudha Iyengar
MBBS, FRANZCOG, FRCOG

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. The Chief Medical Officer also oversees medical credentialing, clinical research, university relationships and clinical risk.

GV Health Organisational Structure - Operational Reporting Lines



Workforce Data

GV Health has policies and procedures in place to promote a high standard of employment and conduct principles. These include policies on employment and HR practices, and are complemented by a Code of Conduct which provides more detailed guidance on the rights, responsibilities, accountabilities and delegations as well as matters of ethics and transparency expected of employees and representatives of the Health Service.

The Health Service upholds and adheres to the Code of Conduct of Public Sector Employees issued by the Public Sector Standard Commissioner made under the *Public Administration Act 2004.*

Labour Category	June Current Month FTE		June YTD FTE	
	2013	2014	2013	2014
Nursing	**603.79**	**611.40**	**603.42**	**608.18**
Casual	29.17	26.83	34.82	28.41
Part-Time	418.84	441.59	408.45	429.73
Full-Time	155.78	142.98	160.15	150.04
Administration and Medical Support	**386.22**	**439.79**	**388.98**	**435.47**
Casual	7.85	9.15	10.28	10.21
Part-Time	172.72	196.27	170.81	189.91
Full-Time	205.65	234.36	207.89	235.35
Hotel and Allied Services	**134.60**	**148.95**	**138.83**	**145.30**
Casual	14.94	18.85	16.94	17.17
Part-Time	80.96	89.13	81.91	87.46
Full-Time	38.70	40.97	39.98	40.67
Medical Staff	**154.70**	**164.66**	**150.77**	**159.66**
Casual	0.58	0.99	0.51	1.33
Part-Time	6.99	10.03	5.84	7.47
Full-Time	147.13	153.64	144.42	150.86
Allied Health	**135.64**	**100.90**	**130.05**	**89.22**
Casual	0.68	3.46	1.08	2.97
Part-Time	54.01	41.46	50.54	37.65
Full-Time	80.95	55.97	78.43	48.60
Grand Total	**1,414.95**	**1,465.70**	**1,412.05**	**1,437.83**

Statutory Requirements

Occupational Health and Safety

GV Health's Occupational Health and Safety (OH&S) department has developed an Occupational Health and Safety Strategic and Operation Plan, which outlines the strategic objectives and overarching directions of the unit for the next three years.

For this financial year, the OH&S department has concentrated on raising awareness of both management accountabilities and OH&S systems to meet the requirements of the *Occupational Health and Safety Act 2004* and *AS/NZ standard 4801:2001*. This first step of the strategic plan will cement a sustainable and effective management system for occupational health and safety within the organisation.

GV Health has focused on the following specific Occupational Health and Safety priority areas during 2013-2014:

- enhancing and extending processes to reliably monitor organisational legislative compliance and Occupational Health and Safety performance
- reporting on performance to the Board of Directors and Management
- ensuring processes are in place to identify changes in Occupational Health and Safety requirements or practice that have the potential to impact upon GV Health's operations
- developing and improving strategies for identifying and managing higher Occupational Health and Safety risks and building internal capability to address complex or technically specialised hazard management or incident investigation tasks
- ensuring that consistent and legally compliant hazard controls and risk mitigation strategies are applied across GV Health

Emergency management involves mandatory fire and emergency procedure training delivered to all staff on an annual basis.

99.2%

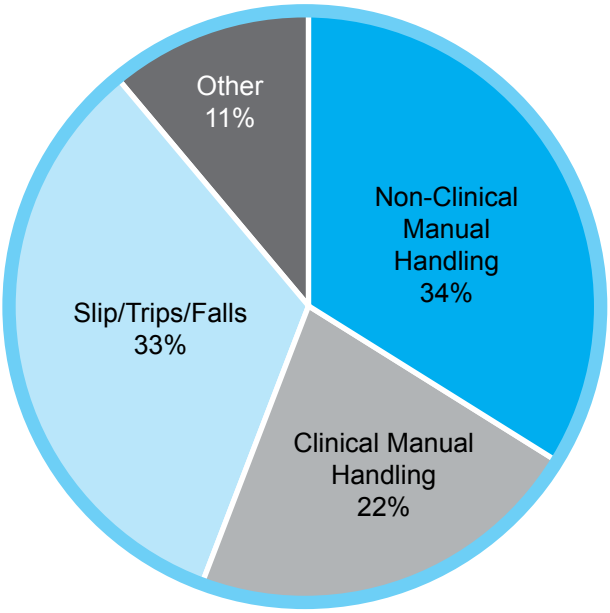
of current employees completed Fire and Emergency training for the 2013/2014 period.

As part of the Emergency Management portfolio of the OH&S department, GV Health Tatura Campus held a full evacuation drill. External agencies such as the local Country Fire Authority, police and ambulance plus GV Health staff were involved in this very successful exercise.

In 2013/14 Goulburn Valley Health continued to adopt a proactive approach to managing workplace injuries and improving the health and safety of the workplace. There has been a significant increase in the reporting of workplace incidents over the past 12 months due to the delivery of additional occupational health and safety training for managers.

Goulburn Valley Health maintained a three-year performance rating of 0.578%, which is 42.18% better than the industry performance average of 1.24%.

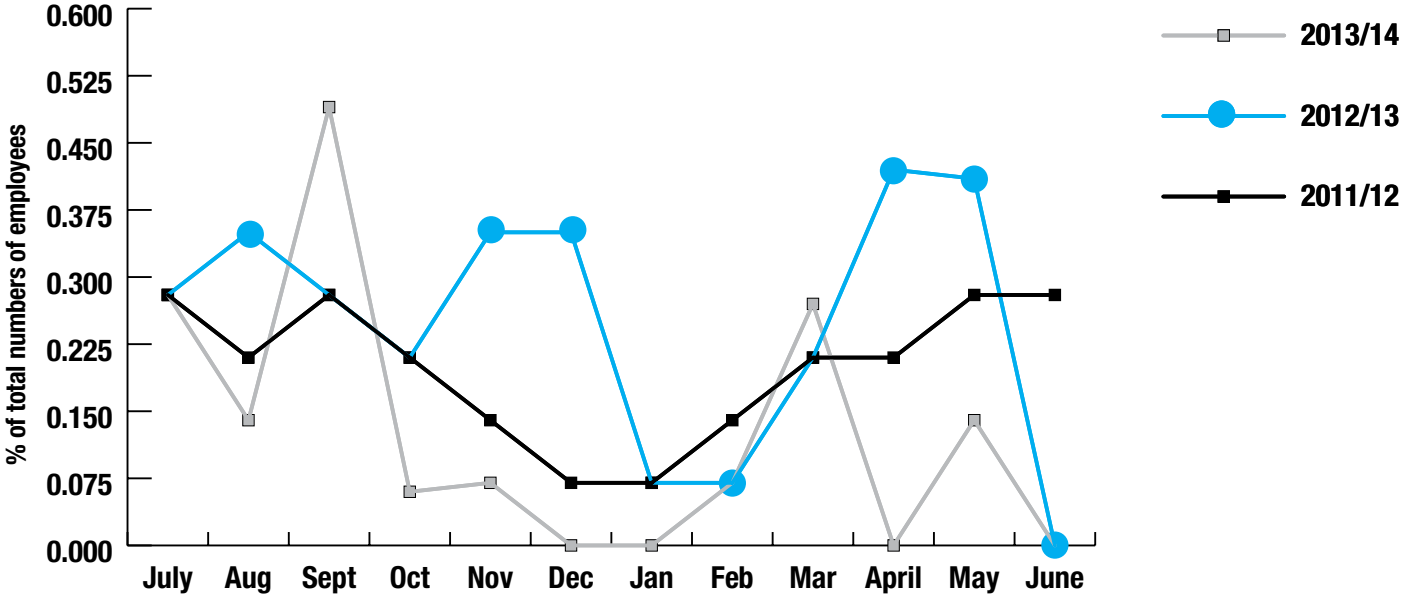
Total Work Cover Claims by Type



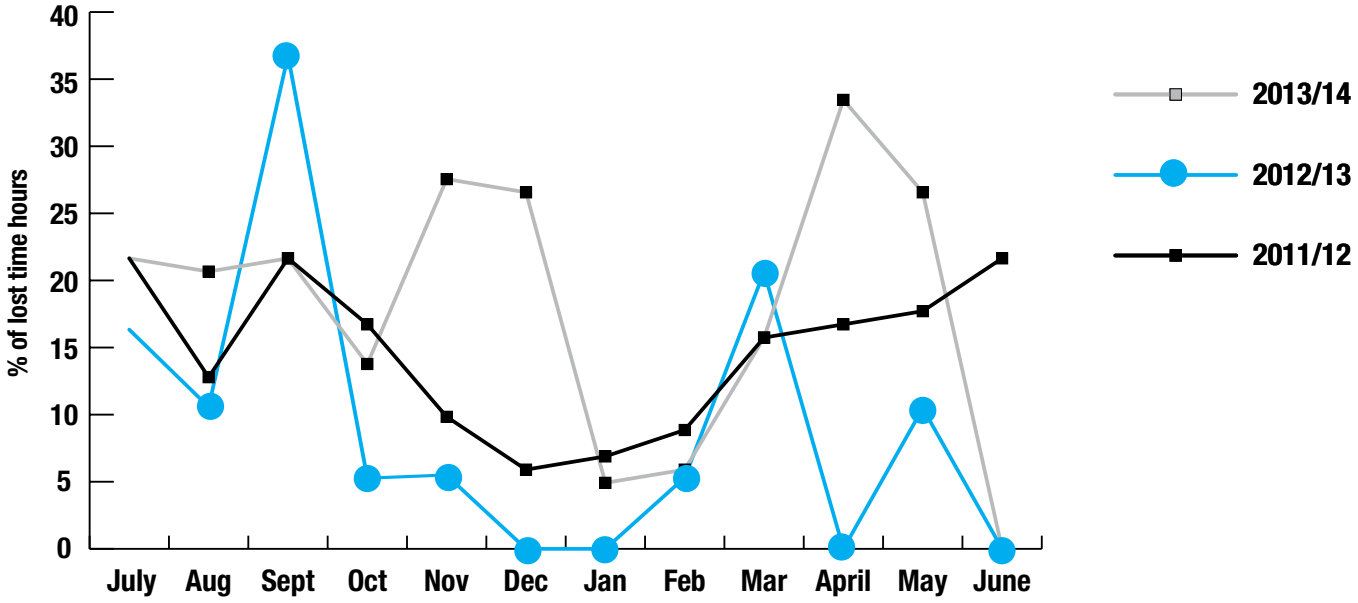
Work Related Stress
0%

Motor Vehicle
0%

Lost Time Injury Comparison



Lost Time Frequency Rate Comparison



Statutory Requirements *continued*

Counselling Services

GV Health actively promotes the provision of confidential professional short term counselling for up to two sessions per calendar year for employees. This service is provided by independent providers and is accessible through the Staff Support Consultant.

113 accessed 2012/2013

117 accessed 2013/2014

In addition to counselling services, GV Health also offers access to many services available in the community to assist staff with specific needs; a list of these is currently accessible on the intranet.

Compliance with Building Act

GV Health complied fully with the building and maintenance provisions of the *Building Act 1993 – Guidelines*, issued by the Minister for Finance for publicly owned buildings.

Occupancy permits and certificates of final inspection

GV Health Occupancy Permits and Certificates of Final Inspection are all current.

A permit of occupancy was issued this year for:

- the Community Health @ GV Health, Corio Street, Shepparton
- the Mary Coram Unit extension
- the palliative care room in the medical ward, Shepparton

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 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

All buildings are compliant with the fire safety standards.

Building Works

A variety of building works were conducted this year, with the assistance of the engineering department, including:

- the replacement of the 880kVA emergency generator with two 1600 kVA generators, which are capable of generating electrical supply to the whole Shepparton site.
- installation of an emergency generator at Tatura campus.
- installation of an emergency generator at Waranga campus.
- alterations to ensuites at Tatura campus.
- replacement of the 392 kwr chiller at the Shepparton campus with an 800 kwr chiller, to enhance the cooling of the buildings.
- completion of the Mary Coram extension.
- refurbishment of the palliative care room in the medical ward.
- completion of the Community Health @ GV Health building in Corio Street, Shepparton.
- upgrade to the fire detection system.
- installation of an Emergency Warning and Intercommunication System.
- alterations to the previous oncology area to house a new CT machine and improve patient flow.
- alterations to relocate the Electro-Diagnostic Unit.
- improvements to the Edward Street storage facility.
- improvements to the exit and emergency lighting systems in surgical, midwifery, birth suite and the day procedure unit.
- Replacement of electrical switchboards in finance department and clinical governance areas.
- Supply and installation of uninterruptible power supply in dialysis to prevent power disruption to dialysing while testing generators.

Building works proposed for the next year include:

- new MRI and CT equipment to be installed.
- Rosewood building works to accommodate women's health services.
- renovations to the emergency department ambulance bays and offices.

Statutory Requirements *continued*

Freedom of Information Requests

GV Health is an agency subject to the *Freedom of Information Act (Victoria) 1982*.

A total of 309 formal requests for information were received from individuals and one from another hospital, under the Act in 2013/14.

A legislated fee of $25.70 per application is charged and a charge is applicable as a search fee.

Competitive Neutrality

GV Health complied with all the government policies regarding competitive neutrality.

Victorian Industry Participation Policy Act 2003

GV Health has no items relevant to the Act.

Consultancies

In 2013/14, GV Health engaged three consultancies where the total fees payable to the consultants were less than $10,000, with a total expenditure of $17,779.

GV Health engaged four consultancies where the total fees payable to the consultants were more than $10,000.

Consultant	Purpose of Consultancy	Start Date	End Date	Total approved project (excl GST)	Expenditure 2013-2014 (excl GST)	Future expenditure (excl GST)
Lake Young and Associates Pty Ltd	Fire Safety Audit	Jun-13	Jul-13	29,400	29,400	-
Paul Scown	GVH Waranga Campus	Aug-13	Aug-13	29,500	29,500	-
Aspex Consulting	GVH Strategic Plan	Feb-14	Feb-14	29,508	29,508	-
Votar Partners	HRHA Strategic Review	Jan-14	Feb-14	90,000	90,000	-

The Protected Disclosures Act 2012

Goulburn Valley Health is subject to the *Protected Disclosure Act 2012* that replaced the former *Whistleblowers Protection Act 2001*. The Act came into effect on 10 February 2013 with a purpose to facilitate disclosures of improper conduct by public officers, public bodies and to provide the appropriate level of protection for people who make disclosures without fear of reprisal. Goulburn Valley Health adheres to the *Protected Disclosures Act 2012* through incorporating the protected disclosure requirements of the Act into the Goulburn Valley Health Whistleblowers Procedure.

Carers Recognition Act

In accordance with the *Carers Recognition Act 2012* GV Health Service has complied with the provisions through ensuring that all staff and volunteers respect and recognise carers, support them as individuals, recognise their efforts and dedication, take into account their views and cultural identity, recognise their social wellbeing and provide due consideration of the effect of being a carer on matters of employment and education.

Environmental Sustainability Report

We aim to find ways to reduce our impact on the environment, such as reducing our carbon footprint, reducing our water usage and reducing waste.

Greenhouse gas emissions (tonnes CO_2e)

	2010/11	2011/12	2012/13	2013/14
Scope 1 (lpg+gas+diesel)	872.01	821.47	843.76	806.67
Scope 2 (energy+cogeneration)	13,189.31	13,476.91	13,297.98	13,560.00

Energy consumption (Gj)

	2010/11	2011/12	2012/13	2013/14
Electricity	30,399	31,265	30,760	30,636
Natural gas and LPG	41,446	40,912	41,004	40,409
Diesel	0.08	0.08	0.10	0.18

Water consumption (kl)

	2010/11	2011/12	2012/13	2013/14
Total water consumption	70,882	79,000	78,200	93,941
Potable water	1,500	1,650	1,700	1,700
Re-used/recycled water	72,382	80,650	79,900	95,641

Waste generation and disposal (tonnes)

	2010/11	2011/12	2012/13	2013/14
General	195.84	196.38	200.10	221.27
Recycled	80.24	88.55	89.06	195.78
Clinical	54.629	57.365	48.067	58.68

** There are data discrepancies between 2013/14 data and data from previous years as there has been a broader capture of data in activities. Also, due to the timing of the repost, some data was not yet available for inclusion.*

Financial and Service Performance Reporting

Part A - Strategic Priorities 2013/14

The Victorian Government's priorities and policy directions are outlined in the *Victorian Health Priorities Framework 2012-2022*.

In 2013/14 Goulburn Valley Health contributed to the achievement of these priorities by:

Priority	Action	Deliverable	Achievements
Developing a system that is responsive to people's needs.	• Implement formal advance care planning structures and processes that provide patients with opportunities to develop, review and have their expressed preferences for future treatment and care enacted.	• Develop Advance Care Planning (ACP) throughout GV Health and the catchment through direct contact with patients and clients and through partnership with Medicare Local and other providers.	• Working group formed with clinical input to guide GV Health systems and processes for receiving and responding to ACP. • Clinical Practice Guidelines finalised and adopted. • GP engagement commenced via meeting held with GP representatives and Goulburn Valley Medicare Local was invited to participate in the workgroup. • Respecting Patient Choices facilitator training undertaken. • Medical workforce education plan commenced.
	• Configure and distribute services to address the health needs of the local population.	• Work with Mitchell Shire Council to improve youth services in the Wallan/Kilmore growth corridor.	• Mitchell Municipal Shire Youth Action plan currently being implemented with multi-agency participation.

Priority	Action	Deliverable	Achievements
	• Work and plan with key partners and service providers to respond to issues of distance and travel time experienced by some rural and regional Victorians.	• Introduce radiotherapy clinics at GV Health. • Investigate partnership with Kyabram Health for day oncology services.	• Fortnightly clinics with Peter MacCallum Cancer Centre and Radiation Oncology Victoria. • Third Oncologist currently being recruited to facilitate regional clinics.
Improving every Victorian's health status and experiences.	• Improve 30-day unplanned re-admission rates.	• Reduce re-admission rate by 10% in 30 day re-admissions and 10% in emergency department re-admits.	• GVH re-admission rates amongst the best in Victoria as reported via departmental Dr Foster project.
	• Identify service users who are marginalised or vulnerable to poor health, and develop interventions that improve their outcomes relative to other groups. For example, Aboriginal people, people affected by mental illness, people at risk of elder abuse, refugees and asylum seekers.	• Work with Rumbalara's Guawa Place (emotional and spiritual wellbeing centre) to improve outcomes for people with mental health or dual diagnosis conditions. • Participate in the Hume Region Closing the Health Gap strategy, including further development of the Client Journey pilot program, and trial of the Cultural Competence audit tool.	• Further four years funding has been allocated to extend the role of the Aboriginal Health Transition Officer with a stronger focus on chronic illness. • GV Health is a participating agency in the Hume Department of Health Koolin Balit strategy.
	• Consider new models of care and more coordinated services to respond to the specific needs of people with priority clinical conditions.	• Expand the Hospital Tours for Refugees and Newly Arrived Migrants Program to include translated materials developed in consultation with participant groups.	

Priority	Action	Deliverable	Achievements
		• Through partnership with Headspace build service capacity and health literacy within the youth population.	• In progress with further work required to effectively engage males 18-25, Aboriginal people and culturally and linguistically diverse communities.
	• Use consumer feedback to improve person and family centred care, and patient experience.	• Increase patients, families and carers involved in health service management through committee and working party membership, process re-design, design of new facilities, bedside handover and medication management review.	• Successful submission for philanthropic funding received to enable production of the *My Health in Shepparton* resource for newly arrived refugees and migrants. A range of partners have contributed and signed up for dissemination of the resource.
	• Contribute to the provision of additional dental services to achieve the targets, milestones and objectives of the *National Partnership on Treating More Public Dental Patients.*	• Expand GV Health's Dental Service to provide increased centre-based and outreach services.	• Additional clinics provided during the year enabled a significant reduction in waiting lists. • Child Dental Benefits Scheme introduced May 2014 with good take-up.
Expanding service, workforce and system capacity.	• Build workforce capability and sustainability by supporting formal and informal clinical education and training for staff and health students, in particular inter-professional learning.	• Explore an e-learning system for staff at GV Health with a view to implementing.	• Under development for implementation in 2014/15.

Priority	Action	Deliverable	Achievements
		• Establish two new specialist clinical placements for mental health registrars in partnership with relevant training colleges.	• Established in headspace and Child and Youth Mental Health Service.
		• Establishment of an occupational therapist post graduate position in child and youth mental health service.	• This has been achieved - position maintained.
	• Implement the Credentialing and Scope of Practice policy and 'Partnering for Performance' framework for senior clinicians.	• Review of current system compliance with policy and ensure performance reviews and Senior Medical Officer peer assessments are undertaken.	• Senior Medical Officer peer reviews and performance reviews process in place.
Increasing the system's financial sustainability and productivity.	• Reduce variation in health service administrative costs.	• Implement best practice benchmarks to reduce administrative expenses as a proportion of revenue.	• Administrative costs have been reduced and GVH is currently under the December 2013 Regional average of 9.45%.
		• Review reporting systems, timelines and accountability frameworks.	• Reporting timelines have reduced considerably.
		• Implement changes to the financial accountability framework.	• Enhancements to the reporting system are currently being made to improve quality and access to financial and non-financial information. Education is now regularly provided to new and existing managers on financial accountability.

Priority	Action	Deliverable	Achievements
Implementing continuous improvements and innovation.	• Develop and implement improvement strategies that optimise access, patient flow, system coordination and the quality and safety of hospital services.	• Undertake mid-way evaluation of the movement disorder nurse - rural demonstration model developed through GV Health's health independence programs in partnership with Parkinson's Victoria and the local Parkinson's Support group.	• Evaluation framework developed in consultation with the Movement Disorder Advisory Committee.
	• Support change and innovation in practice where it is proven to deliver more effective and efficient health care.	• Establish a streaming process in the emergency department to facilitate earlier identification of care type/destination of the patient.	• Under development.
		• Review service structure, function and model of care across the adult mental health service and interface with other mental health services and Psychiatric Disability Rehabilitation and Support (PDRS) services.	• In progress with Mental Health Community Support Service. North East Border Triage service review. Box Hill Child and Youth Mental Health Service inpatient referral process review has improved post discharge follow up times.
Increasing accountability and transparency.	• Prepare for commencement of proposed new mental health legislation in 2014.	• Develop and implement policies procedures and other identified requirements to comply with new *Mental Health Act.*	• Implemented on 1 July 2014 with new *Mental Health Act* implementation date.

Priority	Action	Deliverable	Achievements
	• Prepare for the National Safety and Quality Health Service Standards, as applicable.	• Implement policies and processes to progress towards Australian Council of Healthcare Standards (ACHS) Survey compliance (core criteria) with National Safety and Quality Health Service Standards in 2014.	• GVH is the first ACHS member to undertake four surveys simultaneously: The National Safety and Quality Health Service Standards, the National Standards for Mental Health Services, the Community Care Common Standards as well as the Victorian Department of Human Services Standards. • Review of Governance framework under review. • Processes and policies implemented to meet compliance. • Achieved Mental Health accreditation during 2013 - 2014.
	• With the support of Government, develop Board capability to ensure all Board members are well equipped to effectively discharge their responsibilities and deliver against the outcomes articulated in the Victorian Health Priorities Framework.	• The Board will identify any skills base gaps of Directors and subscribe to the Australian Centre for Healthcare Governance, including the completion of annual assessment surveys.	• Reviewed Board governance arrangements. Delivered Board governance training. Completed Australian Centre for Healthcare Governance self-assessment and action plans developed.
Improving utilisation of e-health and communications technology.	• Maximise the use of health Information and Communications Technology infrastructure.	• Complete a review of GVH's Information and Communications Technology Plan and Strategy.	• Review commenced and in the process of finalisation.

Part B - Performance Priorities 2013/14

Financial performance

Operating Result	Target	2013/14 actuals
Annual Operating result ($m)	$1m	$1.78m
WIES activity performance	**Target**	**2013-14 actuals**
Percentage of WIES (public and private) performance to target	100	100
Cash management	**Target**	**2013-14 actuals**
Creditors	<60 days	30
Debtors	<60 days	52

Access performance

Emergency Care	Target	2013/14 actuals
Percentage of operating time on hospital bypass	3%	0%
Percentage of ambulance transfers within 40 minutes	90%	90%
NEAT – Percentage of emergency presentations to physically leave the emergency department for admissions to hospital, be referred to another hospital for treatment, or be discharged within four hours (July – December 2013)	75%	67%
NEAT – Percentage of emergency presentations to physically leave the emergency department for admissions to hospital, be referred to another hospital for treatment, or be discharged within four hours (January – June 2014)	81%	65%
Number of patients with length of stay in the emergency department greater than 24 hours	0	0
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended times	80%	72%

Part B - Performance Priorities 2013/14 *continued*

Financial performance

Elective Surgery	Target	2013/14 actuals
Percentage of Urgency Category 1 elective patients treated within 30 days	100%	100%
NEST – Percentage of Urgency Category 2 elective surgery patients treated within 90 days (July – December 2013)	80%	75%
NEST – Percentage of Urgency Category 2 elective surgery patients treated within 90 days (January – June 2014)	88%	79%
NEST – Percentage of Urgency Category 3 elective surgery patients treated within 365 days (July – December 2013)	94.5%	94.4%
NEST – Percentage of Urgency Category 3 elective surgery patients treated within 365 days (January – June 2014)	97%	96.3%
Number of patients on the elective surgery waiting list	469	519
Number of Hospital Initiated Postponements per 100 scheduled admissions	8.0	7.4

Note: *waiting list as at 30 June 2014*

Service Performance

Elective Surgery	Target	2013/14 actuals
Number of patients admitted from the elective surgery waiting list -quarter 1	870	866
Number of patients admitted from the elective surgery waiting list -quarter 2	900	852
Number of patients admitted from the elective surgery waiting list -quarter 3	790	854
Number of patients admitted from the elective surgery waiting list -quarter 4	990	939

Critical Care	Target	2013/14 actuals
Number of days operating below agreed Adult ICU minimum operating capacity	0	19

Quality and Safety	Target	2013/14 actuals
Health service accreditation	Full compliance	Full compliance
Residential aged care accreditation	Full compliance	Full compliance
Cleaning standards (Overall)	Full compliance	Full compliance
Cleaning standards (AQL-A)	90%	94.6%
Cleaning standards (AQL-B)	85%	97.2%
Cleaning standards (AQL-C)	85%	97.9%
Health care worker immunisation - influenza	60%	66.68%
Submission of data to VICNISS	Full compliance	Full compliance
Hospital acquired infection surveillance	No outliers	No outliers
Hand Hygiene (rate)	70%	72.7%
SAB rate per occupied bed days	<2/10,000	0.9/10,000
People Matter Survey	Full compliance	Full compliance

Part B - Performance Priorities 2013/14 *continued*

Financial performance

Maternity	Target	2013/14 actuals
Percentage of women with prearranged postnatal home care	100	100

Mental Health	Target	2013/14 actuals
Mental Health 28 day readmission rate - percentage	14%	14%
Adult Mental Health Post-discharge follow-up rate - percentage	75%	87%
Adult Mental Health Seclusion rate per occupied bed days	<15/1,000	10
Aged Mental Health Post-discharge follow-up rate- percentage	75%	82%
Aged Mental health Seclusion rate per occupied bed days	<15/1,000	0
CAMHS Post-discharge follow-up rate – percentage	75%	89%
CAMHS Seclusion rate per occupied bed days	<15/1,000	0

Part C - Activity and Funding 2013/14

Funding type Acute Admitted	2013/14 Activity Achievement
WIES Public	14,170
WIES Private	2454
Total PPWIES (Public and Private)	16,624
WIES DVA	353
WIES TAC	134
WIES TOTAL	17,464
Sub Acute and Non Acute Admitted	
GEM DVA	794
GEM Private	1,640
GEM Public	12,346
Palliative Care DVA	20
Palliative Care Private	55
Palliative Care Public	487
Rehab DVA	428
Rehab Private	1,889
Rehab Public	8,246
Transition Care - Bed days	9,828
Transition Care - Home days	14,542

Part C - Activity and Funding 2013/14 *continued*

Aged Care	
Residential Aged Care	19,292
HACC	36,564
Mental Health and Drug Services	
Mental Health Inpatient	5,953
Mental Health Ambulatory	27,905
Mental Health Residential	7,250
Mental Health Sub acute	2,675
Primary Health	
Community Health / Primary Care Programs	12,069

Goulburn Valley Health

Summary of Financial Results

For the Financial Year Ended 30 June 2014

	2014 $'000	2013 $'000	2012 $'000	2011 $'000	2010 $'000
Total Revenue	216,581	206,609	194,209	185,564	170,268
Total Expenses	218,672	210,585	203,174	194,019	178,215
Net Result for the Year (Incl. Capital and Specific Items)	(2,091)	(3,976)	(8,965)	(8,455)	(7,947)
Total Assets	136,296	117,893	120,071	123,202	130,795
Total Liabilities	52,638	49,790	47,992	42,158	41,296
Net Assets	83,658	68,103	72,079	81,044	89,499
Property, Plant & Equipment Revaluation Surplus	63,992	46,346	46,346	46,346	46,346
General Purpose Surplus	18,557	18,526	18,538	18,753	17,962
Restricted Purpose Surplus	5,419	5,363	5,392	5,324	5,256
Contributed Capital	46,821	46,821	46,821	46,821	46,821
(Accumulated Deficits)	(51,131)	(48,953)	(45,018)	(36,200)	(26,886)
Total Equity	83,658	68,103	72,079	81,044	89,499

Additional Information

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.Details of changes in prices, fees, charges, rates and levies charged by the Health Service.

d. Details of any major external reviews carried out on the Health Service.

e. 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.

f. Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.

g. Details of major promotional, public relations and marketing activities undertaken to develop community awareness of GV Health and its services.

h. Details of assessments and measures undertaken to improve occupational health and safety of GV Health employees.

i. General statement on industrial relations within GV Health and details of time lost through industrial accidents and disputes.

j. A list of major committees sponsored by GV Health, the purpose of each committee and the extent to which the purposes have been achieved.

k. Details of all consultancies and contractors, including consultants/contractors engaged, services provided and expenditure committed for each engagement.

Attestation of Data Integrity

I, Dale Fraser, certify that GV Health has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. GV Health has critically reviewed these controls and processes during the year.

Dale Fraser
Chief Executive Officer

5 August 2014

Attestation for compliance with the Ministerial Standing Direction 4.5.5.1 – Insurance

I, Dale Fraser, certify that GV Health has complied with Ministerial Direction 4.5.5.1 – Insurance.

Dale Fraser
Chief Executive Officer

5 August 2014

Attestation of Compliance with Australian/New Zealand Risk Management Standard

I, Dale Fraser, certify that GV Health has risk management processes in place consistent with the AS/NZS ISO 3100:2009 (or an equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The audit committee verifies this assurance and that the risk profile of GV Health has been critically reviewed with the last 12 months.

Dale Fraser
Chief Executive Officer

5 August 2014

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Report of Operations
Charter and purpose

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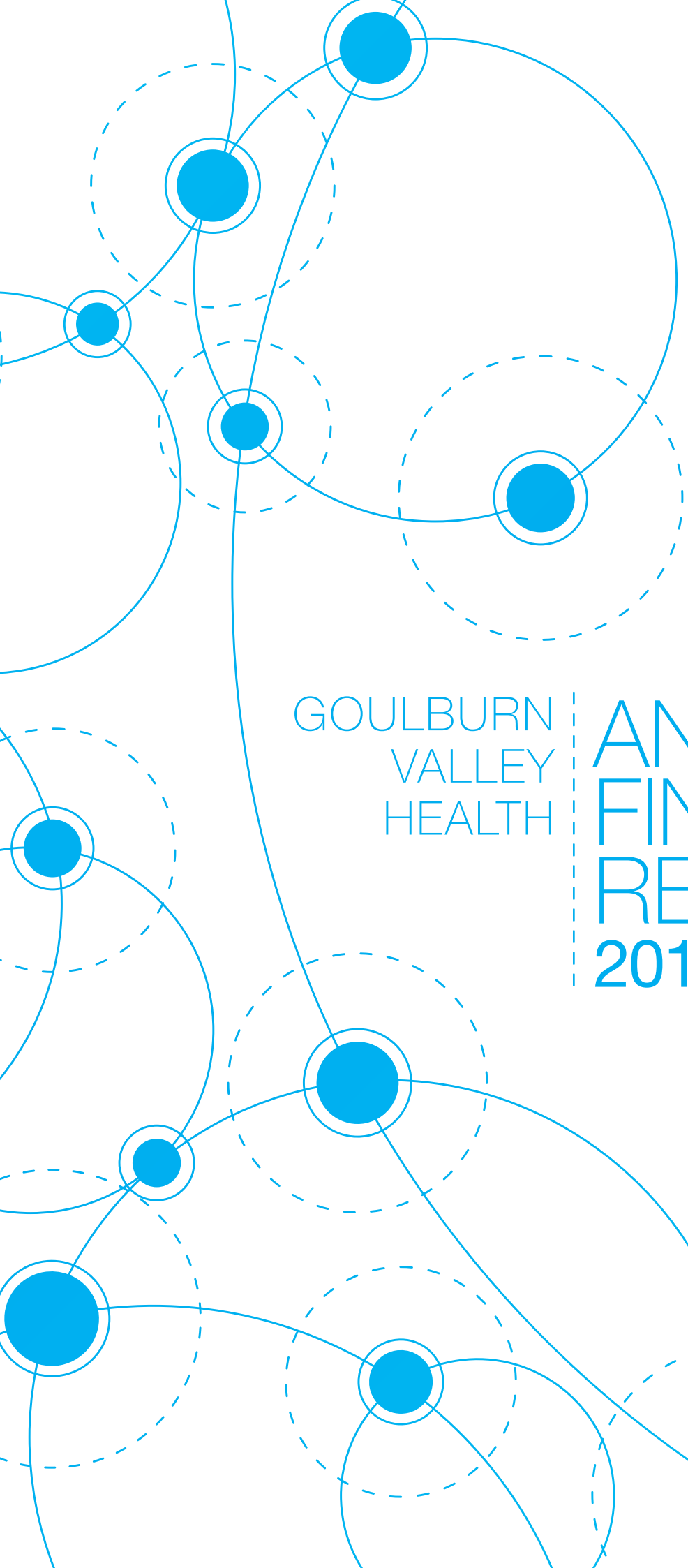

GOULBURN VALLEY HEALTH

ANNUAL FINANCIAL REPORT 2013/14

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Significant Changes in Financial Position

Our Cash and Cash Equivalent balance increased during the year primarily as a reflection of the operating surplus achieved coupled with increased employee benefit provisions. Property Plant and Equipment increased significantly during the year as a result of the five year cyclic revaluation of Land and Buildings which resulted in an increase of $17.6m over net book value. Provisions for non-current and current employee related benefits have increased mainly due to increases in the long service leave liability. Equity has increased along with the land and building revaluation partially offset by the entity deficit of $2.091m ((2012/13 $3.976m deficit) which includes non operating items and depreciation.

Operational and Budgetary Objectives and Factors Affecting Performance

As a public health service, GV Health is required to negotiate a Statement of Priorities with the Department of Health each year. This document is a key accountability agreement between GV Health and the Minister of Health. It 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 the Government and locally generated agency-specific priorities.

The Board budgeted for a $1.6m surplus (Statement of Priorities was for a $1m surplus) in financial position before capital items and depreciation for the 2013/14 year. The final result for the year was a surplus of $1.78m before capital items and depreciation. This represents an improvement over last year's result by $0.7m.

Both this organisation and the Department of Health 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 the Department of Health; such funding is allocated according to need and after consideration of a supporting submission.

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.

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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Goulburn Valley Health

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of Goulburn Valley Health which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration has been audited.

The Board Members' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Goulburn Valley Health as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Goulburn Valley Health for the year ended 30 June 2014 included both in Goulburn Valley Health's annual report and on the website. The Board Members of Goulburn Valley Health are responsible for the integrity of Goulburn Valley Health's website. I have not been engaged to report on the integrity of Goulburn Valley Health's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
8 August 2014

John Doyle
Auditor-General

Goulburn Valley Health

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

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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2014 and the financial position of Goulburn Valley Health at 30 June 2014.

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

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

Peter Ryan
Board Chair

Shepparton
5 August 2014

Dale Fraser
Accountable Officer

Shepparton
5 August 2014

Bill Morfis
Chief Finance &
Accounting Officer

Shepparton
5 August 2014

Goulburn Valley Health

Comprehensive Operating Statement

For the Financial Year Ended 30 June 2014

	Note	Total 2014 $'000	Total 2013 $'000
Revenue From Operating Activities	**2**	210,185	200,677
Revenue From Non-Operating Activities	**2**	628	615
Employee Expenses	**3**	(138,938)	(133,888)
Non-Salary Labour Costs	**3**	(9,255)	(9,908)
Supplies and Consumables	**3**	(35,567)	(29,816)
Other Expenses	**3**	(25,277)	(26,602)
Net Result Before Capital & Specific Items		**1,776**	**1,078**
Capital Purpose Income	**2**	5,768	5,317
Depreciation and Amortisation	**4**	(8,593)	(9,411)
Finance Costs	**5**	(8)	(28)
Expenditure Using Capital Purpose Income	**3**	(897)	(855)
Specific Expenses	**3 (c)**	(128)	-
Share Adjustments in Joint Venture	**3**	(9)	(77)
NET RESULT FOR THE YEAR		**(2,091)**	**(3,976)**
Other Comprehensive Income Items that will not be Reclassified to Net Result			
Changes in Physical Asset Revaluation Surplus	**15**	17,646	-
Comprehensive Result		**15,555**	**(3,976)**

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

Goulburn Valley Health
Balance Sheet
For the Financial Year Ended 30 June 2014

	Note	Total 2014 $'000	Total 2013 $'000
Current Assets			
Cash & Cash Equivalents	**6**	13,327	10,964
Receivables	**7**	6,105	5,179
Inventories	**8**	2,282	1,880
Other Assets	**9**	699	778
Total Current Assets		**22,413**	**18,801**
Non-Current Assets			
Receivables	**7**	5,894	5,284
Property, Plant & Equipment	**10**	107,989	93,808
Total Non-Current Assets		**113,883**	**99,092**
TOTAL ASSETS		**136,296**	**117,893**
Current Liabilities			
Payables	**11**	10,736	9,585
Provisions	**12**	29,493	27,322
Other Current Liabilities	**14**	3,577	4,962
Total Current Liabilities		**43,806**	**41,869**
Non-Current Liabilities			
Provisions	**12**	8,832	7,921
Total Non-Current Liabilities		**8,832**	**7,921**
TOTAL LIABILITIES		**52,638**	**49,790**
NET ASSETS		**83,658**	**68,103**
EQUITY			
Property, Plant and Equipment Revaluation Surplus	**15a**	63,992	46,346
General Purpose Surplus	**15a**	18,557	18,526
Restricted Specific Purpose Surplus	**15a**	5,419	5,363
Contributed Capital	**15b**	46,821	46,821
Accumulated Deficits	**15c**	(51,131)	(48,953)
TOTAL EQUITY		**83,658**	**68,103**
Contingent Assets and Contingent Liabilities	**21**		
Commitments	**18**		

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

Goulburn Valley Health

Statement of Changes in Equity

For the Financial Year Ended 30 June 2014

	Note	Property, Plant & Equipment Revaluation Surplus $'000	General Purpose Surplus $'000	Restricted Specific Purpose Surplus $'000	Contributions by Owners $'000	Accumulated Surpluses/ (Deficits) $'000	Total $'000
Balance at 1 July 2012		**46,346**	**18,538**	**5,392**	**46,821**	**(45,018)**	**72,079**
Net Result for the Year		-	-	-	-	(3,976)	(3,976)
Transfer to Accumulated Surplus	15(a), (c)	-	(12)	(29)	-	41	-
Balance at 30 June 2013		**46,346**	**18,526**	**5,363**	**46,821**	**(48,953)**	**68,103**
Net Result for the Year		-	-	-	-	(2,091)	(2,091)
Transfer to Accumulated Surplus	15(a), (c)	-	31	56	-	(87)	-
Other Comprehensive Income for the Year	15(a)	17,646	-	-	-	-	17,646
Balance at 30 June 2014		**63,992**	**18,557**	**5,419**	**46,821**	**(51,131)**	**83,658**

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

Goulburn Valley Health

Cash Flow Statement

For the Financial Year Ended 30 June 2014

	Note	Total 2014 $'000	Total 2013 $'000
Cash Flows from Operating Activities			
Operating Grants from Government		178,350	169,143
Patient and Resident Fees Received		7,147	7,183
Diagnostic Patient Fees Received		9,290	9,347
Private Practice Fees Received		2,660	2,583
Donations Received		424	173
Interest Received		672	629
Other Receipts		12,385	12,586
GST Received from ATO		5,607	4,963
Total Receipts		**216,535**	**206,607**
Employee Expenses Paid		(135,860)	(132,117)
Non-Salary Labour Costs		(9,214)	(9,909)
Payments for Supplies, Consumables and Services		(67,249)	(62,020)
Total Payments		**(212,323)**	**(204,046)**
Cash Generated from Operations		**4,212**	**2,561**
Capital Grants from Government		5,090	4,016
Capital Donations Received		295	68
Other Capital Revenue		180	-
Expenditure Using Capital Purpose Income		(897)	(855)
Impaired Investment Recoveries Received		-	976
Net Cash Inflow from Operating Activities	**16**	**8,880**	**6,766**
Cash Flows from Investing Activities			
Payments for Non Financial Assets		(5,209)	(4,426)
Proceeds from Sale of Non Financial Assets		77	309
Net Cash Inflow/(Outflow) from Investing Activities		**(5,132)**	**(4,117)**
Net Increase/(Decrease) in Cash and Cash Equivalents Held		**3,748**	**2,649**
Cash & Cash Equivalents at Beginning of Financial Year		6,002	3,353
Cash & Cash Equivalents at End of Financial Year	**6**	**9,750**	**6,002**

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These annual financial statements represent the audited general purpose financial statements for Goulburn Valley Health for the period ending 30 June 2014. The purpose of the report is to provide users with information about the Health Services' stewardship of resources entrusted to it.

a. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements.*

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

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

The annual financial statements were authorised for issue by the Board of Goulburn Valley Health on 5th August 2014.

b. Basis of accounting preparation and measurement

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014, and the comparative information presented in these financial statements for the year ended 30 June 2013.

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

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

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

The financial statements are prepared in accordance with the historical cost convention, except for:

- non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values; and
- the fair value of assets other than land is generally based on their depreciated replacement value.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

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

Consistent with AASB 13 *Fair Value Measurement,* Goulburn Valley Health determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, and for non-recurring fair value

measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant FRDs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Goulburn Valley Health has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Goulburn Valley Health determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Goulburn Valley Health's independent valuation agency.

Goulburn Valley Health in conjunction with VGV monitors the changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

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

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

c. Reporting entity

The financial statements include all the controlled activities of Goulburn Valley Health. Its principal address is:

Graham Street
Shepparton
Victoria 3630.

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

Objectives and funding

Goulburn Valley Health's overall objective is:

Healthy Communities, as well as improve the quality of life to Victorians.

Goulburn Valley Health is predominantly funded by accrual based grant funding for the provision of outputs.

d. Principles of consolidation

Intersegment Transactions

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

Jointly controlled assets or operations

Interests in jointly controlled assets or operations are not consolidated by Goulburn Valley Health, but are accounted for in accordance with the policy outlined in Note 1(k) Assets.

e. Scope and presentation of financial statements

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.

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

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

Residential Aged Care Service

Goulburn Valley Health's Residential Aged Care Service operations are an integral part of the entity and shares its resources. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2a and 3a 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.

Comprehensive operating statement

The comprehensive operating statement includes the subtotal entitled 'net result before capital & specific items' to enhance the understanding of the financial performance of Goulburn Valley Health. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, expenditure using capital purpose income and items of an unusual nature and amount such as specific income and expenses. The exclusion of these items is made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The 'net result before capital and specific items' is used by the management of Goulburn Valley Health, the Department of Health and the Victorian Government to measure the ongoing operating performance of Health Services.

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

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works or plant and equipment. It also includes donations of plant and equipment (refer Note 1 (g)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Depreciation and amortisation, as described in Note 1 (h);
- Finance costs which comprises interest payments payable on the refund of accommodation bonds for residents who have departed the entity's Residential Aged Care Facilities.
- Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold or does not meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

Balance sheet

Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered/ settled more than 12 months after reporting period), are disclosed in the notes where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

Rounding

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

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

f. Changes in Accounting Policy

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when a Health Service is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. The Health Service has considered the specific requirements relating to highest and best use, valuation premise, and principal (or most advantageous) market. The methods, assumptions, processes and procedures for determining fair value were revised and adjusted where applicable. In light of AASB 13, the Health Service has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

AASB 13 has predominantly impacted the disclosures of the Health Service. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 *Financial Instruments: Disclosures.*

The disclosure requirements of AASB 13 apply prospectively and need not to be provided for comparative periods, before initial application. Consequently, comparatives of these disclosures have not been provided for 2012-13, except for financial instruments, of which the fair value disclosures are required under AASB 7 *Financial Instruments Disclosures.*

AASB 119 Employee Benefits

In 2013-14, the Health Service has applied AASB 119 *Employee Benefits (Sep 2011, as amended),* and related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the State's defined benefit liabilities in its financial statements, changes in defined benefit obligations and plan assets will have limited impact on the Health Service.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within 12 months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis.

The change of measurement for annual leave had no significant impact on Goulburn Valley Health's Financial Statements for 2013-14 and no restatement of the comparitive amounts for the 2012-13 year was necessary.

g. Income from transactions

Income is recognised in accordance with AASB 118 Revenue and is recognised as to the extent that it is probable that the economic benefits will flow to Goulburn Valley Health and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

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

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

In accordance with AASB 1004 Contributions, government grants and other transfers of income (other than contributions by owners) are recognised as income when the Health Service gains control of the underlying assets irrespective of whether conditions are imposed on the Health Service's use of the contributions.

Contributions are deferred as income in advance when the Health Service has a present obligation to repay them and the present obligation can be reliably measured.

Indirect Contributions from the Department of Health

- Insurance is recognised as revenue following advice from the Department of Health.
- Long Service Leave (LSL) – Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 05/2013 (update for 2012-13).

Patient and Resident Fees

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

Private Practice Fees

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

Revenue from commercial activities

Revenue from commercial activities such as commercial laboratory medicine is recognised at the time invoices are raised.

Donations and Other Bequests

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

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset, which allocates interest over the relevant period.

Fair value of assets and services received free of charge or for nominal consideration

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

h. Expense recognition

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

Cost of goods sold

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

Employee expenses

Employee expenses include:

- wages and salaries;
- annual leave;
- sick leave;
- long service leave; and
- superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Defined contribution superannuation plans

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

Defined benefit superannuation plan

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

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 provides 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 disclosed in Note 13: *Superannuation*.

Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives, residual value and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the

Department of Health. Assets with a cost in excess of $1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

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

	2014	2013
Buildings	30 to 40 Years	30 to 40 Years
Plant & Equipment	10 Years	10 Years
Medical Equipment	5-8 Years	5-8 Years
Computers & Communications	3 Years	3 Years
Furniture & Fittings	5 Years	5 Years
Motor Vehicles	7 Years	7 Years

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

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred.

Finance costs include:

- Interest on the refund of Residential Aged Care accommodation bonds.

Grants and other transfers

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies and personal benefit payments made in cash to individuals.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include:

Supplies and consumables

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

Bad and Doubtful Debts

Refer to Note 1 (k) Impairment of financial assets.

i. Other comprehensive income

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

Net gain/(loss) on non-financial assets

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

Revaluation gains/(losses) of non-financial physical assets

Refer to Note 1(k) *Revaluations of non-financial physical assets.*

j. Financial instruments

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

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

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Receivables

Receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method, less any impairment.

Receivables category includes cash and deposits (refer to Note 1(k)), trade receivables, and other receivables, but not statutory receivables.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of the Health Service's contractual payables, deposits held and advances received.

k. Assets

Cash and Cash Equivalents

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

Receivables

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services and accrued investment income and
- statutory receivables, which includes predominantly amounts owing from the Victorian Government and Goods and Services Tax ("GST") input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

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

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.

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

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

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

Property, plant and equipment

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/ machinery of government are transferred at their carrying amount.

More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 10 *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 physical 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. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

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

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

Leasehold improvements

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

Revaluations of non-current physical assets

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

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

Revaluation decrements are recognised in 'other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment.

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

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

In accordance with FRD 103 E, Goulburn Valley Health's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required and did not identify any significant movement that would require a re-valuation.

Prepayments

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

Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised in the comprehensive operating statement. Refer to Note 1(h) – 'comprehensive income'.

Impairment of non-financial assets

All non-financial 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 same class of asset.

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

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Investments in jointly controlled assets and operations

In respect of any interest in jointly controlled assets, Goulburn Valley Health recognises in the financial statements:

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

For jointly controlled operations Goulburn Valley Health recognises:

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

Impairment of financial assets

At the end of each reporting period Goulburn Valley Health assesses whether there is objective evidence that a financial asset or group of financial asset is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as written off and allowances for doubtful receivables are expensed. Bad debt written off by mutual consent and the allowance for doubtful debts are classified as 'other comprehensive income' in the net result.

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

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

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

I. Liabilities

Payables

Payables consist of:

- contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the Health Service prior to the end of the financial year that are unpaid, and arise when the Health Service becomes obliged to make future payments in respect of the purchase of those goods and services. The normal credit terms for accounts payable are usually Nett 30 days.
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

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

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

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

Employee benefits

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

Wages and salaries, annual leave, sick leave and accrued days off

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accrued days off are all recognised in the provision for employee benefits as 'current liabilities', because the Health Service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- Undiscounted value – if the Health Service expects to wholly settle within 12 months; or
- Present value – if the Health Service does not expect to wholly settle within 12 months.

Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the Health Service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- Undiscounted value – if the Health Service expects to wholly settle within 12 months; and
- Present value – if the Health Service does not expect to wholly settle within 12 months.

Conditional LSL 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. This non-current LSL liability is measured at present value.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

The Health Service recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

On-costs

Provision for on-costs, such as workers compensation and superannuation are recognised together with provisions for employee benefits.

Superannuation liabilities

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

m. Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

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

For service concession arrangements, the commencement of the lease term is deemed to be the date the asset is commissioned.

All other leases are classified as operating leases.

Finance leases

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

Operating leases

Entity as a Lessee

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

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.

n. Equity

Contributed capital

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

Property, plant & equipment revaluation surplus

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

General purpose surplus

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

Specific restricted purpose surplus

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

Commitments for Expenditure

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

o. Contingent assets and contingent liabilities

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

p. Goods and Services Tax ("GST")

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

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

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

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

q. AASs issued that are not yet effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2014 reporting period. DTF assesses the impact of all these new standards and advises the Health Service of their applicability and early adoption where applicable.

As at 30 June 2014, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Goulburn Valley Health has not and does not intend to adopt these standards early.

AASs issued that are not yet effective (continued)

Standard/ Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 9 *Financial Instruments*	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement* (AASB 139 *Financial Instruments: Recognition and Measurement)*.	1 Jan 2017	The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 10 *Consolidated Financial Statements*	This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.	1 Jan 2014 (not-for-profit entities)	For the public sector, AASB 10 builds on the control guidance that existed in AASB 127 and Interpretation 112 and is not expected to change which entities need to be consolidated. Ongoing work is being done to monitor and assess the impact of this standard.
AASB 11 *Joint Arrangements*	This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	1 Jan 2014 (not-for-profit entities)	Based on current assessment, entities already apply the equity method when accounting for joint ventures. It is anticipated that there would be no material impact. Ongoing work is being done to monitor and assess the impact of this standard.

AASs issued that are not yet effective (continued)

Standard/ Interpretation	***Summary***	***Applicable for annual reporting periods beginning on***	***Impact on public sector entity financial statements***
AASB 12 *Disclosure of Interests in Other Entities*	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 *Separate Financial Statements* and AASB 131 *Interests in Joint Ventures.*	1 Jan 2014 (not-for-profit entities)	The new standard is likely to require additional disclosures and ongoing work is being done to determine the extent of additional disclosure required.
AASB 127 *Separate Financial Statements*	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 Jan 2014 (not-for-profit entities)	Current assessment indicates that there is limited impact on Victorian Public Sector entities. Ongoing work is being done to monitor and assess the impact of this standard.
AASB 128 *Investments in Associates and Joint Ventures*	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1 Jan 2014 (not-for-profit entities)	Current assessment indicates that there is limited impact on Victorian Public Sector entities. Ongoing work is being done to monitor and assess the impact of this standard.

In addition to the new standards above, the AASB has issued a list of amending standards that are not effective for the 2013-14 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting. The AASB Interpretation in the list below is also not effective for the 2013-14 reporting period and is considered to have insignificant impacts on public sector reporting.

- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).*
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards.*
- 2013-1 *Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements.*
- 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.*
- 2013-4 *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting.*
- 2013-5 *Amendments to Australian Accounting Standards – Investment Entities*
- 2013-6 *Amendments to AASB 136 arising from Reduced Disclosure Requirements*
- 2013-7 *Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policy holders*
- 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*
- AASB Interpretation 21 *Levies.*

r. 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.

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

Off Campus, Ambulatory Services (Ambulatory) comprises all recurrent health revenue/expenditure on public hospital type services including palliative care facilities and rehabilitation facilities, as well as services provided under the following agreements: Services that are provided or received by hospitals (or area 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 psycho-geriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from DH under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health funded community care units (CCUs) and secure extended care units (SECs).

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

NOTE 2: REVENUE

Revenue from Operating Activities	HSA 2014 $'000	HSA 2013 $'000	H&CI 2014 $'000	H&CI 2013 $'000	Total 2014 $'000	Total 2013 $'000
Government Grants						
Department of Health	45,808	55,471	-	-	45,808	55,471
Victorian Health Funding Pool	104,559	86,533	-	-	104,559	86,533
Department of Human Services	1,825	1,813	-	-	1,825	1,813
Dental Health Services Victoria	4,257	3,004	-	-	4,257	3,004
State Government - Other	1,164	865	-	-	1,164	865
Commonwealth Government:						
Commonwealth Grants - Other	17,036	15,033	-	-	17,036	15,033
Commonwealth Grants - Health Network Funding Adjustment	-	1,850	-	-	-	1,850
Residential Aged Care Subsidy	3,139	3,230	-	-	3,139	3,230
Total Government Grants	**177,788**	**167,799**	**-**	**-**	**177,788**	**167,799**
Indirect Contributions by Department of Health						
Insurance	122	779	-	-	122	779
Long Service Leave	597	1,497	-	-	597	1,497
Total Indirect Contributions by Department of Health	**719**	**2,276**	**-**	**-**	**719**	**2,276**
Patient and Resident Fees						
Patient & Resident Fees (Refer Note 2b)	6,157	5,815	-	-	6,157	5,815
Residential Aged Care (Refer Note 2b)	1,287	1,231	-	-	1,287	1,231
Total Patient and Resident Fees	**7,444**	**7,046**	**-**	**-**	**7,444**	**7,046**
Commercial Activities and Specific Purpose Funds						
Private Practice and Other Patient Activity Fees	-	-	2,613	2,505	2,613	2,505
Laboratory Medicine	-	-	5,590	5,662	5,590	5,662
Diagnostic Imaging	-	-	4,047	3,994	4,047	3,994
Cafeteria and Catering	-	-	1,240	1,177	1,240	1,177
Car Park	-	-	538	512	538	512
Regional Services	-	-	3,461	1,178	3,461	1,178
Retail Aids & Equipment Outlet	-	-	319	430	319	430
Special Purpose Funds	-	-	22	21	22	21
Total Commercial Activities and Specific Purpose Funds	**-**	**-**	**17,830**	**15,479**	**17,830**	**15,479**
Donations & Bequests	29	25	396	147	425	172
Recoupment Private Practice - Hospital Facilities	56	58	-	-	56	58
Other Revenue from Operating Activities	5,923	7,847	-	-	5,923	7,847
Total Revenue from Operating Activities	**191,959**	**185,051**	**18,226**	**15,626**	**210,185**	**200,677**

NOTE 2: REVENUE (Continued)

	HSA 2014 $'000	HSA 2013 $'000	H&CI 2014 $'000	H&CI 2013 $'000	Total 2014 $'000	Total 2013 $'000
Revenue from Non-Operating Activities						
Interest	3	5	625	610	628	615
Capital Purpose Income						
State Government Capital Grants:						
Targeted Capital Works and Equipment	-	-	5,015	3,490	5,015	3,490
Other Capital Grants	-	-	-	302	-	302
Commonwealth Government Capital Grants	-	-	75	225	75	225
Donations	-	-	295	68	295	68
Net Gain/(Loss) on Disposal of Non-Financial Assets (Refer Note 2c)	-	-	(41)	(4)	(41)	(4)
Reversal of Impairment Loss on Financial Assets	-	-	-	976	-	976
Other Capital Revenue	-	-	180	-	180	-
Residential Accommodation Payments (Refer Note 2b)	-	-	244	260	244	260
Total Capital Purpose Income	**-**	**-**	**5,768**	**5,317**	**5,768**	**5,317**
Total Revenue (Refer Note 2a)	**191,962**	**185,056**	**24,619**	**21,553**	**216,581**	**206,609**

Indirect contributions by Department of Health: Department of Health makes certain 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 2014 $'000	Outpatients 2014 $'000	EDS 2014 $'000	Ambulatory 2014 $'000	Mental Health 2014 $'000	RAC Incl. Mental Health 2014 $'000	Aged Care 2014 $'000	Other 2014 $'000	Total 2014 $'000
Revenue from Services Supported by Health Services Agreement									
Government Grants	82,027	8,497	8,118	25,727	20,284	4,696	11,579	16,860	177,788
Indirect Contributions by Department of Health	42	-	-	-	39	3	20	615	719
Patient and Resident Fees (Refer Note 2b)	4,130	49	271	1,102	11	1,287	276	318	7,444
Recoupment Private Practice - Hospital Facilities	-	56	-	-	-	-	-	-	56
Donations (Non Capital)	-	-	-	-	7	-	-	22	29
Interest	-	-	-	-	-	-	-	3	3
Other Revenue from Operating Activities	897	7	1	262	358	8	13	4,377	5,923
Total Revenue From Services Supported By Health Services Agreement	87,096	8,609	8,390	27,091	20,699	5,994	11,888	22,195	191,962
Revenue from Services Supported by Hospital and Community Initiatives									
Commercial Activities & Specific Purpose Funds	-	-	-	-	-	-	-	17,830	17,830
Donations (Non Capital)	-	-	-	-	-	-	-	396	396
Interest	-	-	-	-	-	-	-	625	625
Capital Purpose Income (Refer Note 2)	-	-	-	-	-	-	-	5,768	5,768
Total Revenue From Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	24,619	24,619
Total Revenue	**87,096**	**8,609**	**8,390**	**27,091**	**20,699**	**5,994**	**11,888**	**46,814**	**216,581**

Indirect contributions by Department of Health: Department of Health makes certain 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 (Continued)

	Admitted Patients 2013 $'000	Outpatients 2013 $'000	EDS 2013 $'000	Ambulatory 2013 $'000	Mental Health 2013 $'000	RAC Incl. Mental Health 2013 $'000	Aged Care 2013 $'000	Other 2013 $'000	Total 2013 $'000
Revenue from Services Supported by Health Service Agreement									
Government Grants	79,307	8,107	7,878	23,569	18,763	4,783	11,178	14,214	167,799
Indirect Contributions by Department of Health	649	-	-	-	63	4	33	1,527	2,276
Patient and Resident Fees (Refer Note 2b)	3,477	31	313	1,379	5	1,231	270	340	7,046
Recoupment Private Practice - Hospital Facilities	-	58	-	-	-	-	-	-	58
Donations (Non Capital)	-	-	-	-	2	-	-	23	25
Interest	-	-	-	-	-	-	-	5	5
Other Revenue from Operating Activities	561	31	7	140	469	2	21	6,616	7,847
Sub-Total Revenue From Services Supported By Health Service Agreement	83,994	8,227	8,198	25,088	19,302	6,020	11,502	22,725	185,056
Revenue from Services Supported by Hospital and Community Initiatives									
Commercial Activities & Specific Purpose Funds	-	-	-	-	-	-	-	15,479	15,479
Donations	-	-	-	-	-	-	-	147	147
Interest	-	-	-	-	-	-	-	610	610
Capital Purpose Income (Refer Note 2)	-	-	-	-	-	-	-	5,317	5,317
Sub-Total Revenue From Services Supported By Hospital and Community Initiatives	-	-	-	-	-	-	-	21,553	21,553
Total Revenue	**83,994**	**8,227**	**8,198**	**25,088**	**19,302**	**6,020**	**11,502**	**44,278**	**206,609**

Indirect contributions by Department of Health: Department of Health makes certain 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 RAISED

	Total 2014 $'000	Total 2013 $'000
Patient and Resident Fees		
Acute:		
Inpatients	5,153	4,848
Outpatients	322	348
Residential Aged Care:		
Generic	951	910
Mental Health	336	321
Mental Health	11	5
Other	671	614
Total Patient and Resident Fees	7,444	7,046
Capital Purpose Income:		
Residential Accommodation Payments	244	260

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

	Total 2014 $'000	Total 2013 $'000
Proceeds from Disposals of Non-Financial Assets		
Plant & Equipment	-	1
Motor Vehicles	43	340
Medical Equipment	2	-
Hume Rural Health Alliance Non-Financial Assets	-	4
Total Proceeds from Disposals of Non-Financial Assets	45	345
Written Down Value of Non-Financial Assets Disposed		
Plant & Equipment	5	2
Motor Vehicles	60	325
Computers & Communication	-	4
Medical Equipment	21	13
Hume Rural Health Alliance Non-Financial Assets	-	5
Total Written Down Value of Non-Current Assets Disposed	86	349
Net Gains/(Loss) on Disposal of Non-Financial Assets	(41)	(4)

NOTE 3: EXPENSES

	HSA 2014 $'000	HSA 2013 $'000	H&CI 2014 $'000	H&CI 2013 $'000	Total 2014 $'000	Total 2013 $'000
Employee Expenses						
Salaries & Wages	112,943	109,199	10,577	9,185	123,520	118,384
Long Service Leave	3,405	4,195	256	226	3,661	4,421
Superannuation	9,734	9,272	887	773	10,621	10,045
Workcover Premium	757	577	69	48	826	625
Departure Packages	214	378	96	35	310	413
Total Employee Expenses	**127,053**	**123,621**	**11,885**	**10,267**	**138,938**	**133,888**
Non-Salary Labour Costs						
Fees for Visiting Medical Officers	4,411	4,450	2,799	2,520	7,210	6,970
Agency Costs - Nursing	340	343	-	-	340	343
Agency Costs - Other	1,586	2,313	119	282	1,705	2,595
Total Non-Salary Labour Costs	**6,337**	**7,106**	**2,918**	**2,802**	**9,255**	**9,908**
Supplies & Consumables						
Drug Supplies	8,762	8,007	-	-	8,762	8,007
Drug Supplies - S100	-	1	-	-	-	1
Medical, Surgical Supplies and Prosthesis	9,695	8,182	2,403	2,443	12,098	10,625
Food Supplies	1,063	1,007	751	711	1,814	1,718
Patient and Client Services	12,525	9,094	368	371	12,893	9,465
Total Supplies & Consumables	**32,045**	**26,291**	**3,522**	**3,525**	**35,567**	**29,816**
Other Expenses From Continuing Operations						
Transfer Pricing	5,367	5,635	(5,387)	(5,635)	(20)	-
Insurance Cost Funded by the Department of Health	122	199	-	-	122	199
Administrative Expenses	10,823	12,621	720	577	11,543	13,198
Domestic Services & Supplies	1,672	1,627	191	188	1,863	1,815
Fuel, Light, Power and Water	2,033	1,946	16	6	2,049	1,952
Motor Vehicle Expenses	736	778	121	102	857	880
Repairs and Maintenance	662	985	469	454	1,131	1,439
Maintenance Contracts	798	733	646	607	1,444	1,340
Patient Transport	2,150	2,034	-	-	2,150	2,034
Bad & Doubtful Debts	86	134	88	(3)	174	131
Lease Expenses	2,928	2,692	845	787	3,773	3,479
Audit Fees - VAGO Audit of Financial Statements	52	49	-	-	52	49
Audit Fees - Other	130	85	9	1	139	86
Total Other Expenses	**27,559**	**29,518**	**(2,282)**	**(2,916)**	**25,277**	**26,602**
Expenditure Using Capital Income						
Salaries & Wages	-	-	87	-	87	-
Long Service Leave	-	-	5	-	5	-
Superannuation	-	-	19	-	19	-
Workcover Premium	-	-	1	-	1	-
Other Expenses	-	-	19	-	19	-
Transfer Pricing	-	-	20	-	20	-
Repairs, Replacements and Infrastructure Renewal	-	-	746	855	746	855
Total Expenditure Using Capital Income	**-**	**-**	**897**	**855**	**897**	**855**
Specific Expenses (Refer Note 3c)	**-**	**-**	**128**	**-**	**128**	**-**
Finance Cost (Refer Note 5)	**-**	**-**	**8**	**28**	**8**	**28**
Depreciation and Amortisation (Refer Note 4)	**-**	**-**	**8,593**	**9,411**	**8,593**	**9,411**
Share Adjustments in Hume Rural Health Alliance Joint Venture	**-**	**-**	**9**	**77**	**9**	**77**
Total Expenses	**192,994**	**186,536**	**25,678**	**24,049**	**218,672**	**210,585**

NOTE 3a: ANALYSIS OF EXPENSES BY SOURCE

	Admitted Patients 2014 $'000	Outpatients 2014 $'000	EDS 2014 $'000	Ambulatory 2014 $'000	Mental Health 2014 $'000	RAC Incl. Mental Health 2014 $'000	Aged Care 2014 $'000	Other 2014 $'000	Total 2014 $'000
Services Supported By Health Services Agreement									
Employee Expenses	44,215	1,642	9,980	11,755	14,695	5,791	6,728	32,247	127,053
Non-Salary Labour Costs	5,062	100	185	145	395	18	15	417	6,337
Supplies & Consumables	8,463	229	562	4,733	2,869	229	2,933	12,027	32,045
Other Expenses from Continuing Operations	25,929	3,217	9,638	7,326	2,743	1,744	1,364	(24,402)	27,559
Total Expenses from Services Supported by Health Services Agreement	**83,669**	**5,188**	**20,365**	**23,959**	**20,702**	**7,782**	**11,040**	**20,289**	**192,994**
Services Supported By Hospital & Community Initiatives									
Employee Expenses	-	-	-	-	-	-	-	11,885	11,885
Non-Salary Labour Costs	-	-	-	-	-	-	-	2,918	2,918
Supplies & Consumables	-	-	-	-	-	-	-	3,522	3,522
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	3,105	3,105
Transfer Pricing	-	-	-	-	-	-	-	(5,387)	(5,387)
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**16,043**	**16,043**
Expenditure Using Capital Purpose Income	-	-	-	-	-	-	-	897	897
Specific Expenses (Refer Note 3c)	-	-	-	-	-	-	-	128	128
Share Adjustment in Joint Venture	-	-	-	-	-	-	-	8	8
Finance Cost (Refer Note 5)	-	-	-	-	-	-	-	9	9
Depreciation (Refer Note 4)	-	-	-	-	-	-	-	8,593	8,593
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**25,678**	**25,678**
Total Expenses	**83,669**	**5,188**	**20,365**	**23,959**	**20,702**	**7,782**	**11,040**	**45,967**	**218,672**

NOTE 3a: ANALYSIS OF EXPENSES BY SOURCE

	Admitted Patients 2013 $'000	Outpatients 2013 $'000	EDS 2013 $'000	Ambulatory 2013 $'000	Mental Health 2013 $'000	RAC Incl. Mental Health 2013 $'000	Aged Care 2013 $'000	Other 2013 $'000	Total 2013 $'000
Services Supported By Health Services Agreement									
Employee Expenses	41,191	1,513	9,766	10,856	14,249	5,878	6,345	33,823	123,621
Non-Salary Labour Costs	5,647	105	216	116	643	-	43	336	7,106
Supplies & Consumables	7,334	241	496	4,268	113	231	3,112	10,496	26,291
Other Expenses from Continuing Operations	20,092	2,747	8,957	6,027	5,018	1,825	1,250		29,518
								(16,398)	
Total Expenses from Services Supported by Health Services Agreement	**74,264**	**4,606**	**19,435**	**21,267**	**20,023**	**7,934**	**10,750**	**28,257**	**186,536**
Services Supported By Hospital & Community Initiatives									
Employee Expenses	-	-	-	-	-	-	-	10,267	10,267
Non-Salary Labour Costs	-	-	-	-	-	-	-	2,802	2,802
Supplies & Consumables	-	-	-	-	-	-	-	3,525	3,525
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	2,719	2,719
Transfer Pricing	-	-	-	-	-	-	-	(5,635)	(5,635)
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,678**	**13,678**
Expenditure Using Capital Purpose Income	-	-	-	-	-	-	-	855	855
Share Adjustment in Joint Venture	-	-	-	-	-	-	-	77	77
Finance Cost (Refer Note 5)	-	-	-	-	-	-	-	28	28
Depreciation (Refer Note 4)	-	-	-	-	-	-	-	9,411	9,411
Total Expenses from Services Supported by Hospital and Community Initiatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24,049**	**24,049**
Total Expenses	**74,264**	**4,606**	**19,435**	**21,267**	**20,023**	**7,934**	**10,750**	**52,306**	**210,585**

NOTE 3b: ANALYSIS OF EXPENSES BY INTERNALLY MANAGED AND RESTRICTED SPECIFIC PURPOSE FUNDS FOR SERVICES SUPPORTED BY HOSPITAL AND COMMUNITY INITIATIVES

	Expenses 2014 $'000	Transfer Pricing 2014 $'000	Total 2014 $'000
2014			
Private Practice and Other Patient Activities	902	1,975	2,877
Laboratory Medicine	8,072	(2,522)	5,550
Diagnostic Imaging	6,942	(4,321)	2,621
Cafeteria and Catering Services	1,236	(15)	1,221
Patient Transport	78	(157)	(79)
Car Park	106	-	106
Regional Services	3,569	(341)	3,228
Retail Aids and Equipment Outlet	315	5	320
	21,220	(5,376)	15,844
Other Activities			
Fund Raising & Community Support	104	(11)	93
Restricted Funds Expenditure	106	-	106
Total	**21,430**	**(5,387)**	**16,043**

	Expenses 2013 $'000	Transfer Pricing 2013 $'000	Total 2013 $'000
2013			
Private Practice and Other Patient Activities	927	1,280	2,207
Laboratory Medicine	8,355	(2,570)	5,785
Diagnostic Imaging	6,617	(3,862)	2,755
Cafeteria and Catering Services	1,193	(13)	1,180
Patient Transport	86	(166)	(80)
Car Park	93	-	93
Regional Services	1,537	(285)	1,252
Retail Aids and Equipment Outlet	376	6	382
	19,184	(5,610)	13,574
Other Activities			
Fund Raising & Community Support	45	(25)	20
Restricted Funds Expenditure	84	-	84
Total	**19,313**	**(5,635)**	**13,678**

NOTE 3c: SPECIFIC EXPENSES

	Total 2014 $'000	Total 2013 $'000
Voluntary Departure Packages	128	-
	128	**-**

NOTE 4: DEPRECIATION AND AMORTISATION

	Total 2014 $'000	Total 2013 $'000
Buildings	6,391	6,520
Plant & Equipment	318	413
Computers & Communications	296	494
Furniture & Fittings	29	37
Motor Vehicles	441	571
Medical Equipment	955	1,371
Hume Rural Health Alliance Non-Financial Assets	163	5
Total	**8,593**	**9,411**

NOTE 5: FINANCE COSTS

	Total 2014 $'000	Total 2013 $'000
Interest on Refundable Accommodation Bonds	8	28
Total	**8**	**28**

NOTE 6: CASH AND CASH EQUIVALENTS

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

	Total 2014 $'000	Total 2013 $'000
Cash on Hand	22	43
Cash at Bank	3,705	3,321
Short Term Deposits	9,600	7,600
Total Cash and Cash Equivalents	**13,327**	**10,964**
Represented by:		
Total Cash for Health Service Operations (as per Cash Flow Statement)	9,750	6,002
Cash for Monies Held in Trust		
Term Deposits	3,577	4,962
Total Cash and Cash Equivalents	**13,327**	**10,964**

NOTE 7: RECEIVABLES

	Total 2014 $'000	Total 2013 $'000
Current		
Contractual		
Trade Debtors	1,696	1,281
Capital Debtors	5	37
Patient Fees - Health Service Agreement	2,144	1,534
Patient Fees - Hospital & Community Initiatives	751	797
Patient Fees - Private Practice	171	158
Accrued Investment Income	20	51
Other Accrued Revenue	658	667
	5,445	**4,525**
Less Allowance for Doubtful Debts		
Trade Debtors	(135)	(36)
Patient Fees - Health Service Agreement	(84)	(182)
Patient Fees - Hospital & Community Initiatives	(40)	(66)
Total Current Contractual Receivables	**5,186**	**4,241**
Statutory		
Dental Health Services Victoria Accrued Grants	387	389
Commonwealth Government Grants	5	39
GST Receivable	527	510
Total Current Statutory Receivables	**919**	**938**
Total Current Receivables	**6,105**	**5,179**
Non Current		
Contractual		
Trade Debtors	129	116
Statutory		
Long Service Leave - Department of Health	5,765	5,168
Total Non Current Receivables	**5,894**	**5,284**
Total Receivables	**11,999**	**10,463**
Note 7(a): Movement in the Allowance for Doubtful Debts		
Balance at Beginning of Year	284	354
Amounts Written Off During the Year	(183)	(198)
Amounts Recovered During the Year	-	-
Increase/(Decrease) in Allowance Recognised in Net Result	158	128
Balance at End of Year	**259**	**284**

Note 7(b): Ageing Analysis of Receivables

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

Note 7(c): Nature and Extent of Risk Arising from Receivables

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

NOTE 8: INVENTORIES

	Total 2014 $'000	Total 2013 $'000
At Cost		
Main Store	456	466
Ward Medical & Surgical Supplies	845	601
Pathology	152	147
Engineering	45	45
Pharmaceuticals	737	576
Cafeteria Supplies	12	10
Retail Aids and Equipment Outlet	35	35
Total Inventories	**2,282**	**1,880**

NOTE 9: OTHER ASSETS

	Total 2014 $'000	Total 2013 $'000
Current		
Prepayments	**699**	**778**

NOTE 10: PROPERTY, PLANT & EQUIPMENT

(a) Gross carrying amount and accumulated depreciation

	Total 2014 $'000	Total 2013 $'000
Land		
Land at Fair Value	8,635	8,351
Land at Cost	-	208
Total Land	**8,635**	**8,559**
Buildings		
Buildings at Fair Value	89,196	197,468
Less Accumulated Depreciation	-	131,033
Buildings at Cost	-	10,309
Less Accumulated Depreciation	-	1,367
Building Leasehold Improvements at Cost	2,096	812
Less Accumulated Depreciation	285	123
Buildings Under Construction at Cost	**58**	**1,286**
Total Buildings	**91,065**	**77,352**
Plant and Equipment		
Plant & Non Medical Equipment at Fair Value	3,544	2,804
Less Accumulated Depreciation	1,778	1,488
Motor Vehicles at Fair Value	3,933	3,905
Less Accumulated Depreciation	1,936	1,512
Computers & Communication at Fair Value	3,342	2,884
Less Accumulated Depreciation	2,558	2,299
Under Construction at Cost		
Software Implementation Costs	76	-
Furniture & Fittings at Fair Value	350	284
Less Accumulated Depreciation	205	178
Rural Health Alliance - Share of Plant and Equipment at Fair Value	**61**	**5**
Total Plant & Equipment	**4,829**	**4,405**
Medical Equipment at Fair Value	9,839	9,056
Less Accumulated Depreciation	6,379	5,564
Total Medical Equipment at Fair Value	**3,460**	**3,492**
Total Property, Plant and Equipment	**107,989**	**93,808**

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(b) 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 $'000	Buildings $'000	Plant & Equipment $'000	Medical Equipment $'000	Total $'000
Balance at 1 July 2012	8,535	81,214	5,040	4,353	99,142
Additions	24	2,673	1,206	523	4,426
Disposals	-	-	(336)	(13)	(349)
Net Transfers between Classes	-	(15)	15	-	-
Assets Received Free of Charge	-	-	-	-	-
Depreciation (note 4)	-	(6,520)	(1,520)	(1,371)	(9,411)
Balance at 1 July 2013	**8,559**	**77,352**	**4,405**	**3,492**	**93,808**
Additions	-	3,285	983	944	5,212
Disposals	-	-	(65)	(21)	(86)
Revaluation Increments/(Decrements)	76	17,572	-	-	17,648
Net Transfers between Classes	-	(590)	590	-	-
Assets Received Free of Charge	-	-	-	-	-
Depreciation (note 4)	-	(6,554)	(1,084)	(955)	(8,593)
Balance at 30 June 2014	**8,635**	**91,065**	**4,829**	**3,460**	**107,989**

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by the Valuer-General Victoria to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of valuation was 30th June 2014.

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2014

	Carrying Amount as at 30 June 2014	Fair value measurement at end of reporting period using:		
		Level 1 (i)	Level 2 (i)	Level 3 (i)
Land at Fair Value				
Non-Specialised Land	4,515	-	4,515	-
Specialised land				
- GVH, Graham St, Shepparton	3,620	-	-	3,620
- Tatura Hospital/Nursing Home	240	-	-	240
- Waranga Hospital/Nursing Home	135	-	-	135
- Waranga Hostel	125	-	-	125
Total of Land at Fair Value	**8,635**	**-**	**4,515**	**4,120**
Buildings at Fair Value				
Non-Specialised Buildings	818	-	818	-
Specialised Buildings	88,378	-	-	88,378
Total of Buildings at Fair Value	**89,196**	**-**	**818**	**88,378**
Plant and Equipment at Fair Value				
Plant, Equipment and Motor Vehicles at Fair Value				
Motor Vehicles	1,997	-	-	1,997
Plant and Equipment				
Plant and Non-Medical Equipment	1,827	-	-	1,827
Computers and Communications	784	-	-	784
Furniture and Fittings	145	-	-	145
Total Plant, Equipment and Motor Vehicles at Fair Value	**4,753**	**-**	**-**	**4,753**
Total Medical Equipment at Fair Value	**3,460**	**-**	**-**	**3,460**
Total	**106,044**		**5,333**	**100,711**

(i) Classified in accordance with the fair value hierarchy, see Note 1.

NOTE 10: PROPERTY PLANT & EQUIPMENT (Continued)

Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by independent valuers, Victorian Valuer General, to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised land and specialised buildings

The market approach is also used for specialised land and specialised buildings although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the health services, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Health Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2014.

Vehicles

The Health Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Health Service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(d) Reconciliation of Level 3 fair value

2014	Land	Buildings	Plant and Equipment	Medical Equipment
Opening Balance	**3,761**	**74,669**	**4,405**	**3,492**
Purchases (sales)	**-**	**2,638**	**842**	**944**
Transfers in (out) of Level 3	**-**	**-**	**590**	**(21)**
Gains or losses recognised in net result				
- Depreciation	-	(6,346)	(1,084)	(955)
- Impairment	-	-	-	-
Subtotal	-	(6,346)	(1,084)	(955)
Items recognised in other comprehensive income				
- Revaluation	359	17,417	-	-
Subtotal	359	17,417	-	-
Closing Balance	**4,120**	**88,378**	**4,753**	**3,460**
Unrealised gains/(losses) on non-financial assets				
	4,120	**88,378**	**4,753**	**3,460**

(e) Description of significant unobservable inputs to Level 3 valuations:

	Valuation technique [i]	Significant unobservable inputs [i]	Range (weighted average) [i]	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised land				
Graham Street Shepparton Campus Tatura Campus Rushworth Hospital and Nursing Home Waranga Hostel	Market approach	Community Service Obligation (CSO) adjustment	20% (20%)	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value
Specialised buildings				
Graham Street Shepparton Campus Tatura Campus Rushworth Hospital and Nursing Home Waranga Hostel Ambermere Orr Street Shepparton Site	Depreciated replacement cost	Direct cost per square metre	$200 - $1,300/m2 ($750)	A significant increase or decrease in direct cost per square meter adjustment would result in a significantly higher or lower fair value
		Useful life of specialised buildings	25 - 55 years (40 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

NOTE 10: PROPERTY, PLANT & EQUIPMENT (Continued)

(e) Description of significant unobservable inputs to Level 3 valuations (Continued):

	Valuation technique [(i)]	Significant unobservable inputs [(i)]	Range (weighted average) [(i)]	Sensitivity of fair value measurement to changes in significant unobservable inputs
Plant and equipment at fair value				
Plant and Non Medical Equipment Computers and Communication Furniture and Fittings	Depreciated replacement cost	Cost per unit	$1,000 - $10,000 ($1,300)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life of PPE	5-10 years (7 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles				
Motor Vehicles	Depreciated replacement cost	Cost per unit	$10,000- $30,000 per unit ($12,100 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value
		Useful life of vehicles	7 years (7 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Medical equipment at fair value				
Medical Equipment	Depreciated replacement cost	Cost per unit	$2,000 - $20,000 ($2,000)	Increase (decrease) in gross replacement cost would result in a significantly higher (lower) fair value
		Useful life of medical equipment	5-7 years (6 years)	Increase (decrease) in useful life would result in a significantly higher (lower) fair value

(i) [Illustrations on the valuation techniques, significant unobservable inputs and the related quantitative range of those inputs are indicative and should not be directly used without consultation with entities' independent valuer.]

(ii) CSO adjustments of 20% were applied to reduce the market approach value for the Department's specialised land.

NOTE 11: PAYABLES

	Total 2014 $'000	Total 2013 $'000
Current		
Contractual		
Trade Creditors	3,410	4,015
Accrued Expenses	4,341	3,012
Prepaid Ineligible Non Insured Patient Services	3	3
	7,754	**7,030**
Statutory		
GST Payable	93	86
FBT Payable	31	29
Income In Advance - Department of Health	2,755	2,407
Income In Advance - Commonwealth	103	33
	2,982	**2,555**
TOTAL	**10,736**	**9,585**

(a) Maturity Analysis of Payables

Please refer to note 17c for ageing analysis of contractual payables

(b) Nature and Extent of Risk arising from Payables

Please refer to note 17c for the nature and extent of risks arising from contractual payables

NOTE 12: PROVISIONS

	Total 2014 $'000	Total 2013 $'000
Current Provisions		
Employee Benefits (i) (Note 12(a))		
Annual Leave (Note 12(a))		
- unconditional and expected to be settled within 12 months	9,918	8,983
- unconditional and expected to be settled after 12 months	947	845
Long Service Leave (Note 12(a))		
- unconditional and expected to be settled within 12 months	7,734	7,135
- unconditional and expected to be settled after 12 months	3,984	3,676
Accrued Days Off (Note 12(a))		
- unconditional and expected to be settled within 12 months	354	320
Accrued Salaries & Wages (Note 12(a))		
- unconditional and expected to be settled within 12 months	4,321	4,424
	27,258	**25,383**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months	1,744	1,512
Unconditional and expected to be settled after 12 months	491	427
	2,235	**1,939**
Total Current Provisions	**29,493**	**27,322**
Non-Current Provisions		
Employee Benefits (i) (Note 12(a))	8,013	7,215
Provisions related to employee benefit on-costs (Note 12(a))	819	706
Total Non Current Provisions (ii)	**8,832**	**7,921**
Total Provisions	**38,325**	**35,243**
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and Related On-Costs		
Accrued Wages and Salaries	4,321	4,423
Accrued Days Off	392	353
Annual Leave Entitlements	11,864	10,692
Unconditional Long Service Leave Entitlements	12,916	11,854
Non-Current Employee Benefits and Related On-Costs		
Conditional Long Service Leave Entitlements	8,832	7,921
Total Employee Benefits and Related on-Costs	**38,325**	**35,243**
(b) Movement in Provisions		
Movement in Long Service Leave:		
Balance at start of year	19,775	17,392
Provision made during the year		
Revaluations	42	(412)
Expense recognising employee service	3,624	4,834
Settlement made during the year	(1,693)	(2,039)
Balance at end of year	**21,748**	**19,775**

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

(ii) The amounts disclosed are discounted to present value.

NOTE 13: SUPERANNUATION

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

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

However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Health Service. The name, details and amounts expense in relation to the major employee superannuation funds and contributions made by the Health Service are as follows:

	Paid Contribution for the Year	
	Total 2014 $'000	**Total 2013 $'000**
Defined Benefit Plans:		
First State Super	**339**	**395**
Defined Contribution Plans:		
First State Super	**6,675**	**6,574**
Hesta Superannuation	**3,371**	**2,925**
Other	**216**	**158**
Total	**10,601**	**10,052**

There were no unpaid contributions at 30th June 2014

NOTE 14: OTHER LIABILITIES

	Total 2014 $'000	**Total 2013 $'000**
Current		
Monies Held in Trust		
Patient Monies Held in Trust	3	13
Employee Trust Funds	108	23
Accommodation Bonds (Refundable Entrance Fees)	1,538	2,201
Government Grants - Hume Region Programs	1,644	2,373
Research Funding	248	303
Community Funds	36	49
Total Other Liabilities	**3,577**	**4,962**
Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (Refer Note 6)	3,577	4,962
Total	**3,577**	**4,962**

NOTE 15: EQUITY

	Total 2014 $'000	Total 2013 $'000
(a) Surpluses		
Property, Plant and Equipment Revaluation Reserve		
Balance at the Beginning of the Reporting Period	46,346	46,346
Increase in the Value of Land	75	-
Increase in the Value of Buildings	17,571	-
Balance at the End of the Reporting Period	**63,992**	**46,346**
Represented by:		
Land	5,293	5,218
Buildings	58,699	41,128
Total	**63,992**	**46,346**
General Purpose Surplus		
Balance at the Beginning of the Reporting Period	18,526	18,538
Transfer to and from Accumulated Deficit	31	(12)
Balance at the End of the Reporting Period	**18,557**	**18,526**
Restricted Specific Purpose Surplus		
Balance at the Beginning of the Reporting Period	5,363	5,392
Transfer to and from Accumulated Deficit	56	(29)
Balance at the End of the Reporting Period	**5,419**	**5,363**
Total Surpluses	**87,968**	**70,235**
(b) Contributed Capital		
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	**46,821**	**46,821**
(c) Accumulated (Deficits)		
Balance at the Beginning of the Reporting Period	(48,953)	(45,018)
Net Result for the Year	(2,091)	(3,976)
Transfers to and from General Surplus	(31)	12
Transfers to and from Restricted Purpose Surplus	(56)	29
Balance at the End of the Reporting Period	**(51,131)**	**(48,953)**
(d) Total Equity at end of Financial Year	**83,658**	**68,103**

NOTE 16: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH INFLOWS FROM OPERATING ACTIVITIES

	Total 2014 $'000	Total 2013 $'000
Net Result for the Period	**(2,091)**	**(3,976)**
Non-cash movements:		
Depreciation	8,593	9,411
Net (Gain)/Loss from disposal of non financial physical assets	41	4
Movements in assets and liabilities:		
Change in Operating Assets and Liabilities		
Increase/(Decrease) in Payables	1,151	961
Increase/(Decrease) in Trust Liabilities	(1,385)	(943)
Increase/(Decrease) in Provisions	3,082	1,777
(Increase)/Decrease in Inventory	(402)	113
(Increase)/Decrease in Trust Assets	1,385	943
(Increase)/Decrease in Prepayments	74	68
(Increase)/Decrease in Receivables	(1,568)	(1,592)
Net Cash Inflow/Outflow from Operating Activities	**8,880**	**6,766**

NOTE 17: FINANCIAL INSTRUMENTS

17(a) Financial Risk Management Objectives and Policies

Goulburn Valley Health's principal financial instruments comprise of:

- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- 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 Health Service's main financial risks include credit risk, liquidity risk and interest rate risk. The Health Service manages these financial risks in accordance with its financial risk management policy

The Health Service uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the financial risk management committee of the Health Service.

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

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(a) Financial Risk Management Objectives and Policies (Continued)

Categorisation of Financial Instruments

Financial Assets	Carrying Amount 2014 $'000	Carrying Amount 2013 $'000
Cash and Cash Equivalents	13,327	10,964
Receivables	5,315	4,357
Total Financial Assets	**18,642**	**15,321**
Financial Liabilities		
At Amortised Cost	11,331	11,992
Total Financial Liabilities	**11,331**	**11,992**

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

2014 Financial Assets	Net holding gain / (loss) $'000	Total interest income / (expense) $'000	Fee income / (expense) $'000	Total $'000
Cash & Cash Equivalents	-	628	(37)	591
Total Financial Assets	**-**	**628**	**(37)**	**591**
Financial Liabilities				
At Amortised Cost	**-**	**(8)**	**-**	**-**

2013 Financial Assets	Net holding gain / (loss) $'000	Total interest income / (expense) $'000	Fee income / (expense) $'000	Total $'000
Cash & Cash Equivalents	-	615	(36)	579
Total Financial Assets	**-**	**615**	**(36)**	**579**
Financial Liabilities				
At Amortised Cost	**-**	**(28)**	**-**	**-**

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(b) Credit Risk

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

Credit risk associated with the Health Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Health Service's obligation to provide services and private patient fees are recoverable from the patient or their health fund. These are unsecured debts.

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

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Goulburn Valley Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

2014	Financial Institutions (min BBB credit rating) $'000	Other $,000	Total $,000
Financial Assets			
Cash and Cash Equivalents	13,327	-	13,327
Receivables:			
Debtors and Patient Fees	-	4,637	4,637
Other Receivables	-	678	678
Total Financial Assets	**13,327**	**5,315**	**18,642**

2013			
Financial Assets			
Cash and Cash Equivalents	10,964	-	10,964
Receivables:			
Debtors and Patient Fees	-	3,639	3,639
Other Receivables	-	718	718
Total Financial Assets	**10,964**	**4,357**	**15,321**

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(b) Credit Risk (Continued)

Ageing Analysis of Financial Assets as at 30 June

			Past Due but Not Impaired			
2014	**Carrying Amount $'000**	**Not Past Due and Not Impaired $,000**	**1-3 Months $'000**	**3 Months - 1 Year $'000**	**1 - 5 Years $'000**	**Impaired Financial Assets**
Financial Assets						
Cash and Cash Equivalents	13,327	13,327	-	-	-	
Receivables:						
Debtors and Patient Fees	4,637	2,178	1,138	933	129	259
Accrued Revenue	678	678	-	-	-	
Total Financial Assets	**18,642**	**16,183**	**1,138**	**933**	**129**	**259**
2013						
Financial Assets						
Cash and Cash Equivalents	10,964	10,964	-	-	-	
Receivables:						
Debtors and Patient Fees	3,639	1,525	945	769	116	284
Accrued Revenue	718	718	-	-	-	
Total Financial Assets	**15,321**	**13,207**	**945**	**769**	**116**	**284**

Contractual financial assets that are either past due or impaired

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

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

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(c) Liquidity Risk

Liquidity risk is the risk that Gulburn Valley Health would be unable to meet its financial obligations as and when they fall due. Goulburn Valley Health operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.
Goulburn Valley Health's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet.
The following table discloses the contractual maturity analysis for Goulburn Valley Health's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

Maturity Analysis of Financial Liabilities as at 30 June

			Maturity Dates		
2014	**Carrying Amount $'000**	**Nominal Amount $,000**	**1-3 Months $'000**	**3 Months - 1 Year $'000**	**1 - 5 Years $'000**
Financial Liabilities					
Payables	7,754	7,754	7,754	-	-
Other Financial Liabilities					
- Accomodation Bonds	1,538	1,538	-	1,538	-
- Other Funds Held in Trust	2,039	2,039	-	2,039	-
Total Financial Liabilities	**11,331**	**11,331**	**7,754**	**3,577**	**-**
2013					
Financial Liabilities					
Payables	7,030	7,030	7,030	-	-
Other Financial Liabilities					
- Accomodation Bonds	2,201	2,201	-	2,201	-
- Other Funds Held in Trust	2,761	2,761	-	2,761	-
Total Financial Liabilities	**11,992**	**11,992**	**7,030**	**4,962**	**-**

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(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 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 health service mainly undertake financial liabilities with relatively even maturity profiles. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Health Service has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.
The Health Service manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank, as financial assets that can be left at floating rate without necessarily exposing the Health Service to significant bad risk, management monitors movement in interest rates on a daily basis.

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

		Interest Rate Exposure			
2014	**Weighted Average Effective Interest Rate (%)**	**Carrying Amount $'000**	**Fixed Interest Rate $'000**	**Variable Interest Rate $'000**	**NonInterest Bearing $'000**
Financial Assets					
Cash and Cash Equivalents	2.88%	13,327	9,600	3,705	22
Receivables:					
Patient Fees and Trade Debtors	-	4,637	-	-	4,637
Other Receivables	-	678	-	-	678
Total Financial Assets		**18,642**	**9,600**	**3,705**	**5,337**
Financial Liabilities					
Payables	-	7,754	-	-	7,754
Other Financial Liabilities					
- Accommodation Bonds	-	1,538	-	-	1,538
- Other Funds Held in Trust	-	2,039	-	-	2,039
Total Financial Liabilities		**11,331**	**-**	**-**	**11,331**
2013					
Financial Assets					
Cash and Cash Equivalents	3.42%	10,964	7,600	3,321	43
Receivables:					
Patient Fees and Trade Debtors	-	3,639	-	-	3,639
Other Receivables	-	718	-		718
Total Financial Assets		**15,321**	**7,600**	**3,321**	**4,400**
Financial Liabilities					
Payables	-	7,030	-	-	7,030
Other Financial Liabilities					
- Accommodation Bonds	-	2,201	-	-	2,201
- Other Funds Held in Trust	-	2,761	-	-	2,761
Total Financial Liabilities		**11,992**	**-**	**-**	**11,992**

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(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 3.42%;
- A parallel shirt 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.

		Interest Rate Risk			
		-1%		+1%	
2014	Carrying Amount $'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial Assets					
Cash & Cash Equivalents	13,327	(133)	(133)	133	133
Receivables					
- Trade Debtors	4,637	-	-	-	-
- Other Receivables	678	-	-	-	-
Financial Liabilities					
Payables	7,754	-	-	-	-
Other Financial Liabilities					
- Accomodation Bonds	1,538	-	-	-	-
- Other Funds Held in Trust	2,039	-	-	-	-
		(133)	**(133)**	**133**	**133**
2013					
Financial Assets					
Cash & Cash Equivalents	10,964	(110)	(110)	110	110
Receivables					
- Trade Debtors	3,639	-	-	-	-
- Other Receivables	718	-	-	-	-
Financial Liabilities					
Payables	7,030	-	-	-	-
Other Financial Liabilities					
- Accomodation Bonds	2,201	-	-	-	-
- Other Funds Held in Trust	2,761	-	-	-	-
		(110)	**(110)**	**110**	**110**

NOTE 17: FINANCIAL INSTRUMENTS (Continued)

17(e) Fair Value

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

*Level 1 - the fair value of financial instrument assets and liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;

* Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

* Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Health Services considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

Comparison between carrying amount and fair value

	Carrying Amount 2014 $'000	Fair Value 2014 $'000	Carrying Amount 2013 $'000	Fair Value 2013 $'000
Financial Assets				
Cash and Cash Equivalents	13,327	13,327	10,964	10,964
Receivables:				
Patient Fees and Trade Debtors	4,637	4,637	3,639	3,639
Other Receivables	678	678	718	718
Total Financial Assets	**18,642**	**18,642**	**15,321**	**15,321**
Financial Liabilities				
Payables	7,754	7,754	7,030	7,030
Other Financial Liabilities				
- Accommodation Bonds	1,538	1,538	2,201	2,201
- Other Funds Held in Trust	2,039	2,039	2,761	2,761
Total Financial Liabilities	**11,331**	**11,331**	**11,992**	**11,992**

NOTE 18: COMMITMENTS FOR EXPENDITURE

	Total 2014 $'000	Total 2013 $'000
(a) Commitments for Expenditure		
Capital Expenditure Commitments		
Buildings	1,661	1,608
Plant & Equipment	3,857	75
Total Capital Expenditure Commitments	**5,518**	**1,683**
Lease Commitments		
Operating Lease Commitments		
Buildings	4,268	-
Major Medical Equipment	18	308
Non Medical Equipment	994	864
Motor Vehicles	125	129
Total Lease Commitments	**5,404**	**1,301**
Total Commitments (Inclusive of GST)	**10,922**	**2,984**
(b) Commitments Payable		
Capital Expenditure Commitments		
Commitments due not later than one year	**5,518**	**1,683**
Lease Commitments		
Not later than one year	960	622
Later than one year and not later than 5 years	2,038	679
Later than 5 years	2,406	-
Total Lease Commitments	**5,404**	**1,301**
Total Commitments for Expenditure (Inclusive of GST)	10,922	2,984
Less GST Recoverable from the Australian Taxation Office	(993)	(271)
Total Commitments for Expenditure (Exclusive of GST)	**9,929**	**2,713**

Contingent Liabilities and Capital Commitments

The jointly controlled operation has no known contingent liabilities or capital commitments

NOTE 19: JOINTLY CONTROLLED OPERATIONS AND ASSETS

Goulburn Valley Health controls 15.84% share of the Hume Rural Health Alliance, whose principal activity is to provide information systems to Health Service Providers in the Department of Health's Hume region. Interests in assets employed in the above jointly controlled operations is detailed below. The amounts are included in the financial statements under their respective assets categories.

	Ownership Interest	
	2014	**2013**
	15.84%	**16.76%**
	Total 2014 $'000	**Total 2013 $'000**
Current Assets		
Cash and Cash Equivalents	40	235
Receivables	296	185
Other Assets	4	9
Total Current Assets	**340**	**429**
Non Current Assets		
Plant and Equipment	**61**	**5**
Current Liabilities		
Payables	88	156
Total Liabilities	**88**	**156**
Goulburn Valley Health's interest in revenue and expenses resulting from jointly controlled operations and assets is detailed below		
Revenues		
Operating Revenue	475	569
Non Operating Revenue	3	5
Other Capital Revenue	40	-
Total Revenue	**518**	**574**
Expenses		
Non-Salary Labour Costs	300	319
Operating Expenses	609	668
Loss on Sale of Motor Vehicle	-	1
Depreciation	1	5
Expenditure Using Capital Income	46	-
Total Expenses	**956**	**993**

Contingent Liabilities and Capital Commitments

The jointly controlled operation has no known contingent liabilities or capital commitments

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	
Responsible Ministers:	**From**	**To**
The Honourable David Davis, MP, Minister for Health and Ageing	1/07/2013	30/06/2014
The Honourable Mary Wooldridge, MLA, Minister for Mental Health	1/07/2013	30/06/2014
Board of Directors		
Mr. P. Ryan	1/07/2013	30/06/2014
Mr. W. Parsons	1/07/2013	30/06/2014
Mr. I. McKinnon	1/07/2013	30/06/2014
Ms R. Knaggs	1/07/2013	30/06/2014
Mr. B. Gurry	1/07/2013	30/06/2014
Mr. B. Smith	1/07/2013	30/06/2014
Ms B. Evans	1/07/2013	30/06/2014
Mr R. Schubert	1/07/2013	30/06/2014
Mr F. Shaholli	30/07/2013	30/06/2014
Accountable Officer		
Mr. D Fraser	12/08/2013	30/06/2014
Mr. B Morfis	1/07/2013	11/08/2013

Remuneration of Responsible Persons

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

Income Band	**2014 No.**	**2013 No.**
$0 - $9,999	0	1
$10,000 - $19,999	8	8
$30,000 - $39,999	1	0
$40,000- $49,999	0	1
$130,000 - $139,999	0	1
$220,000 - $229,999	0	1
$280,000 - $289,999	1	0
Total Numbers	**10**	**12**

	Total 2014 $'000	**Total 2013 $'000**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**507**	**656**

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

Other Transactions of Responsible Persons and their Related Parties

There were no other transactions between responsible persons or their related parties.

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.

The number of executive officers was reduced in 2013/14 in line with the new Clinical and Corporate Governance structure.

	Total Remuneration		Base Remuneration	
	2014 No.	2013 No.	2014 No.	2013 No.
$140,000 - $149,999	-	1	-	1
$170,000 - $179,999	-	2	-	2
$180,000 - $189,999	1	-	1	-
$190,000 - $199,999	-	3	-	3
$200,000 - $209,999	2	3	2	3
$210,000 - $219,999	1	-	1	-
Total	**4**	**9**	**4**	**9**
Total Annualised Employee Equivalent (AEE)	**3.1**	**8.0**	**3.1**	**8.0**
Total Remuneration $'000	**1,124**	**1,994**	**1,124**	**1,994**

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 2013/2014 financial year

NOTE 23: SEGMENT REPORTING

	Residential Aged Care Services		Other HSA & H&CI Services		Total	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
REVENUE						
External Segment Revenue	**5,993**	**6,019**	**209,960**	**199,975**	**215,953**	**205,994**
EXPENSES						
External Segment Expenses	6,332	6,481	212,340	204,104	218,672	210,585
Intersegment Expenses	1,449	1,453	(1,449)	(1,453)	-	-
Total Expenses	**7,781**	**7,934**	**210,891**	**202,651**	**218,672**	**210,585**
Net Result From Ordinary Activities	(1,788)	(1,915)	(931)	(2,676)	(2,719)	(4,591)
Interest Income	-	-	628	615	628	615
Net Result for Year	**(1,788)**	**(1,915)**	**(303)**	**(2,061)**	**(2,091)**	**(3,976)**
Other Information						
Segment Assets	22	-	-	-	22	-
Unallocated Assets	-	-	136,274	117,893	136,274	117,893
Total Assets	**22**	**-**	**136,274**	**117,893**	**136,296**	**117,893**
Segment Liabilities	33	41	-	-	33	41
Unallocated Liabilities	-	-	52,605	49,749	52,605	49,749
Total Liabilities	**33**	**41**	**52,605**	**49,749**	**52,638**	**49,790**

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

Residential Aged Care Services

Other HSA & H&CI 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 24: EVENTS OCCURRING AFTER BALANCE SHEET DATE

There are no known significant financial events after balance sheet date.


GOULBURN VALLEY
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