

## Swan Hill District Health

Financial Statements for the year ended 30<sup>th</sup> June, 2011.

### Appendix 1:

- Activity Data
- Revenue Indicators
- Outstanding debtors as at 30<sup>th</sup> June, 2011.
- Summary of Financial Results
- Comparative Statistical Statement for five years

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- Victorian Auditor-General's Office Report

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- Statement of Priorities Part B & C.

# SWAN HILL DISTRICT HEALTH KEY FINANCIAL AND SERVICE PERFORMANCE ACTIVITY

APPENDIX: 1

## ACTIVITY DATA

	Acute Health	Aged Care	Other	Total
<b>Admitted Patient Separations</b>				
Same Day	4,612			4,612
Multi Day	3,513	67		3,580
<b>Total Separations</b>	<b>8,125</b>	<b>67</b>		<b>8,192</b>
Emergency	3,125			3,125
Elective	4,438			4,438
Other	562			562
<b>Total Separations</b>	<b>8,125</b>			<b>8,125</b>
<b>Public Separations</b>	<b>6,329</b>			<b>6,329</b>
<b>Total Wises</b>	<b>4,062.66</b>			<b>4,062.66</b>
<b>Total Bed Days</b>	<b>17,418</b>	<b>25,560</b>		<b>42,978</b>
	Acute Health	Sub Acute	Other	Total
<b>Non Admitted Patients</b>				
Emergency Medical Attendances	13,226			13,226
Outpatient Services	11,004		1,393	12,397
Other Services **	-	9,730	28,899	38,629
<b>Total Occasions of Service</b>	<b>11,004</b>	<b>9,730</b>	<b>30,292</b>	<b>51,026</b>

\*\* Includes : Community Rehabilitation Centre,Palliative Care,HACC Services, ADASS Support Service,Primary Care,Health Promotion and Koori Liaison Services.

## REVENUE INDICATORS

	Average Collection Days	
	2010/11	2009/10
Private Inpatient Fees	52	54
Victorian Workcover Authority Inpatient Fees	91	82
Nursing Home / Hostel Fees	36	31

## OUTSTANDING DEBTORS AS AT THE 30TH JUNE 2011

	Under 30 Days \$000	30-60 Days \$000	61-90 Days \$000	Over 90 Days \$000	Total 30/06/2011 \$000	Total 30/06/2010 \$000
Private Inpatient Fees	134.7	9.0	0.1	17.4	161.2	162.3
Victorian Workcover Authority Inpatient Fees	21.0	2.9	0.2	0.4	24.5	24.3
Residential Aged Care	71.9	5.1	17.6	0.0	94.6	118.2

## SUMMARY FINANCIAL RESULTS

	2010/11 \$000	2009/10 \$000	2008/09 \$000	2007/08 \$000	2006/07 \$000
<b>Total Expenses</b>	<b>44,765</b>	<b>42,715</b>	<b>38,968</b>	<b>36,609</b>	<b>35,387</b>
<b>Total Revenue</b>	<b>46,379</b>	<b>40,963</b>	<b>39,720</b>	<b>36,351</b>	<b>33,884</b>
<b>Operating Surplus ( Deficit )</b>	<b>1,614</b>	<b>(1,752)</b>	<b>752</b>	<b>(258)</b>	<b>(1,503)</b>
<b>Accumulated Surpluses</b>	<b>-3,320</b>	<b>(4,449)</b>	<b>(1,999)</b>	<b>(2257)</b>	<b>(1,505)</b>
<b>Total Assets</b>	<b>39,887</b>	<b>37,991</b>	<b>41,753</b>	<b>40,440</b>	<b>39,070</b>
<b>Total Liabilities</b>	<b>10,512</b>	<b>10,230</b>	<b>11,240</b>	<b>10,697</b>	<b>9,360</b>
<b>Net Assets</b>	<b>29,375</b>	<b>27,761</b>	<b>30,513</b>	<b>29,743</b>	<b>29,710</b>
<b>Total Equity</b>	<b>29,375</b>	<b>27,761</b>	<b>30,513</b>	<b>29,743</b>	<b>29,710</b>

# SWAN HILL DISTRICT HEALTH COMPARATIVE STATISTICAL STATEMENT FOR FIVE YEARS

	2010-11	2009-10	2008-09	2007-08	2006-07
<b>Number of Available Beds</b>					
Hospital	65	65	65	65	65
Extended Care Unit	64	64	64	64	64
Hostel	15	15	15	15	15
<b>In - Patients Treated</b>					
Hospital	8,125	8,081	8,052	7,910	7,436
Extended Care Unit	103	108	106	117	114
Hostel	34	39	34	42	34
<b>Daily Average of Inpatients</b>					
Hospital	47.7	50.3	48.0	47.6	47.5
Extended Care Unit	55.3	53	53	56.3	61.1
Hostel	14.7	15	15	14.8	15.0
<b>Average Days Stay of Inpatients</b>					
Hospital	2.1	2.3	2.2	2.2	2.3
Extended Care Unit	195.9	180.4	182.9	176.0	190.6
Hostel	158.3	138.7	160.8	129.0	160.6
<b>Emergency Department</b>					
All Activity	15,581	17,621	17,392	16,711	16,511
<b>Community Rehabilitation Centre</b>					
Attendances	3,104	2,886	2,551	2,430	3,642
<b>Day Centre</b>					
Attendances	2,564	2,538	2,521	2,551	2,523
<b>Visiting Nursing Service</b>					
Attendances	10,539	11,752	11,549	13,579	11,763
<b>Dental Clinic</b>					
Occasions of Service	1,393	1,144	1,084	1,588	1,780
<b>Dietetics Department</b>					
Occasions of Service	2,859	2,277	2,031	2,291	2,559
No of Groups	71	37	44	37	63
No of Group Attendances	788	810	770	538	1,202
<b>Occupational Therapy Department</b>					
Occasions of Service	5,268	4,541	5,469	5,409	6,556
<b>Physiotherapy Department</b>					
Occasions of Service	4,205	4,303	4,444	4,885	7,095
<b>Podiatry Department</b>					
Occasions of Service	2,287	1,141	2,748	2,271	4,541
No of Groups	6	18	11	9	8
No of Group Attendances	41	101	80	77	119
<b>Speech Pathology Department</b>					
Occasions of Service	1,843	1,680	1,418	1,654	1,433

# SWAN HILL DISTRICT HEALTH COMPARATIVE STATISTICAL STATEMENT FOR FIVE YEARS

	2010-11	2009-10	2008-09	2007-08	2006-07
<b>Pathology Department *</b>					
Occasions of Service	0	30,192	39,182	38,328	36,907
<b>Radiology Department</b>					
Occasions of Service	19,423	18,180	15,541	16,862	16,501
<b>Care Co-Ordinator Services</b>					
Number of Cases	2,420	2,428	2,464	2,293	2,607
<b>Counselling Services</b>					
Clients	1,797	1,756	669	1,553	1,185
Occasions of Service	1,896	2,632	1,748	2,128	2,176
No of Groups	88	112	160	50	82
No of Group Attendances	618	254	232	694	849
<b>Health Promotion</b>					
No of Groups	75	86	116	110	95
No of Group Attendances	1,380	1,099	2,431	1,823	1,893
Occasions of Service ( Exc Groups )	1,797	2,068	3,001	3,967	3,496
<b>Palliative Care Service</b>					
Occasions of Service	6,626	8,928	8,704	5,623	2,109
<b>Pharmacy - Workload Units</b>	202,477	217,294	196,565	197,777	165,254
<b>Food Services Department</b>					
No of Meals Prepared	230,525	222,710	225,941	228,197	231,326
<b>Operations Performed</b>	2,459	2,658	2,611	2,589	2,591
Major	719	713	730	832	829
Minor	1,740	1,945	1,881	1,757	1,762
<b>Births</b>	248	244	269	264	237
<b>Deaths</b>	95	106	95	118	86
<b>Acute Patient Weighted Inlier Equivalent Separations - ( WIES )</b>	4,063	4,006	3,969	3,957	3,878

\* Pathology Services were privatised on 29th March 2010



**SWAN HILL DISTRICT HEALTH**

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

We certify that the attached financial statements for Swan Hill District Health have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable *Financial Reporting Directions*, Australian Accounting Standards, Australian Accounting Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2011 and the financial position of Swan Hill District Health at 30 June 2011.

At the time of signing, we are not aware of any circumstances 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.




D.A. Logan  
Board Member

Swan Hill  
23rd August 2011



E.C. Rayment  
Accountable Officer

Swan Hill  
23rd August 2011



P.N. Lindsay  
Chief Finance & Accounting Officer

Swan Hill  
23rd August 2011

# VAGO

Victorian Auditor-General's Office

## INDEPENDENT AUDITOR'S REPORT

### To the Board Members, Swan Hill District Health

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2011 of Swan Hill District Health which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a statement 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 Swan Hill District Health are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

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

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

#### *Independence*

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

# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report (continued)

### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of Swan Hill District Health as at 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

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

This auditor's report relates to the financial report of Swan Hill District Health for the year ended 30 June 2011 included both in Swan Hill District Health's annual report and on the website. The Board Members of Swan Hill District Health are responsible for the integrity of Swan Hill District Health's website. I have not been engaged to report on the integrity of Swan Hill District 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  
24 August 2011

  
D D R Pearson  
Auditor-General

**SWAN HILL DISTRICT HEALTH  
COMPREHENSIVE OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$'000	2010 \$'000
Revenue from Operating Activities	2,2a	40,609	38,438
Revenue from Non-Operating Activities	2	732	659
Employee Expenses	3	(27,175)	(25,235)
Non Salary Labour Costs	3	(2,607)	(2,668)
Supplies & Consumables	3	(4,478)	(4,370)
Other Expenses from Continuing Operations	3	(6,974)	(6,312)
<b>Net Result Before Capital &amp; Specific Items</b>		<u>107</u>	<u>512</u>
Capital Purpose Income	2	4,995	1,866
Depreciation	4	(3,467)	(3,847)
Assets Provided Free of Charge	2, 2d	43	-
Expenditure using Capital Purpose Income	3	(64)	(283)
<b>NET RESULT FOR THE YEAR</b>		<u>1,614</u>	<u>(1,752)</u>
<b>Other Comprehensive Income</b>			
Net Fair Value Revaluation of Non Financial Assets	12	-	(1,000)
<b>COMPREHENSIVE RESULT FOR THE YEAR</b>		<u><u>1,614</u></u>	<u><u>(2,752)</u></u>

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

**SWAN HILL DISTRICT HEALTH  
BALANCE SHEET AS AT 30 JUNE 2011**

	NOTE	2011 \$'000	2010 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	14,019	10,696
Receivables	6	1,203	1,145
Inventories	7	189	184
Prepayments		35	62
<b>Total Current Assets</b>		<b>15,446</b>	<b>12,087</b>
<b>Non-Current Assets</b>			
Receivables	6	353	290
Property, Plant and Equipment	8	24,088	25,614
<b>Total Non-Current Assets</b>		<b>24,441</b>	<b>25,904</b>
<b>TOTAL ASSETS</b>		<b>39,887</b>	<b>37,991</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	9	1,994	1,961
Provisions	10	6,029	5,695
Other Liabilities	11	1,475	1,517
<b>Total Current Liabilities</b>		<b>9,498</b>	<b>9,173</b>
<b>Non-Current Liabilities</b>			
Provisions	10	1,014	1,057
<b>Total Non-Current Liabilities</b>		<b>1,014</b>	<b>1,057</b>
<b>TOTAL LIABILITIES</b>		<b>10,512</b>	<b>10,230</b>
<b>NET ASSETS</b>		<b>29,375</b>	<b>27,761</b>
<b>EQUITY</b>			
Property, Plant and Equipment Revaluation Surplus	12(a)	10,223	10,223
General Purpose Surplus	12(a)	4,400	3,915
Contributed Capital	12(b)	18,072	18,072
Accumulated Surpluses/(Deficits)	12(c)	(3,320)	(4,449)
<b>TOTAL EQUITY</b>	12(d)	<b>29,375</b>	<b>27,761</b>
Contingent Assets and Contingent Liabilities	16		
Commitments for Expenditure	15		

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

**SWAN HILL DISTRICT HEALTH  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011**

	Note	Property, Plant and Equipment Revaluation Surplus	General Purpose Surplus	Contributions by Owners	Accumulated Surpluses/ (Deficits)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2009</b>		11,223	3,217	18,072	(1,999)	30,513
Net result for the year		-	-	-	(1,752)	(1,752)
Other comprehensive income for the year	12a	(1,000)	-	-	-	(1,000)
Transfer to accumulated surplus	12a,c	-	698	-	(698)	-
<b>Balance at 30 June 2010</b>		<b>10,223</b>	<b>3,915</b>	<b>18,072</b>	<b>(4,449)</b>	<b>27,761</b>
Net result for the year		-	-	-	1,614	1,614
Transfer to accumulated surplus	12a,c	-	485	-	(485)	-
<b>Balance at 30 June 2011</b>		<b>10,223</b>	<b>4,400</b>	<b>18,072</b>	<b>(3,320)</b>	<b>29,375</b>

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

**SWAN HILL DISTRICT HEALTH  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

	NOTE	2011 \$'000	2010 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Grants from Government		35,034	32,649
Patient and Resident Fees Received		2,480	2,247
Private Practice Fees Received		751	688
Donations and Bequests Received		62	15
GST Received from /(paid to) ATO		878	826
Recoupment from private practice for use of Hospital facilities		1,104	1,010
Interest Received		602	419
Other Receipts		2,338	2,102
Employee Benefits Paid		(26,538)	(26,086)
Fee for Service Medical Officers		(2,946)	(2,693)
Payments for Supplies and Consumables		(11,406)	(10,385)
Other Payments		(847)	(830)
<b>Cash Generated from Operations</b>		<u>1,512</u>	<u>(38)</u>
Capital Grants from Government		3,985	1,051
Capital Donations and Bequests Received		145	145
Other Capital Receipts		-	116
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	13	<u>5,642</u>	<u>1,274</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Non Financial Assets		(2,706)	(2,087)
Proceeds from Sale of Non Financial Assets		422	282
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		<u>(2,284)</u>	<u>(1,805)</u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<u>3,358</u>	<u>(531)</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		<u>9,185</u>	<u>9,716</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	5	<u>12,543</u>	<u>9,185</u>

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Statement of compliance**

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

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

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

The annual financial statements were authorised for issue by the Board of Swan Hill District Health on 23rd August 2011.

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

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2011, and the comparative information presented in these financial statements for the year ended 30 June 2010.

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

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

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

The financial statements are prepared in accordance with the historical cost convention, except for the revaluation of certain non-financial assets and financial instruments, as noted. Particularly, exceptions to the historical cost convention include:

- Non-current physical assets, which subsequent to acquisition, are measured at valuation and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;
  - Derivative financial instruments, managed investment schemes, certain debt securities, and investment properties after initial recognition, which are measured at fair value through profit or loss; and
  - Available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised.
- The fair value of assets other than land is generally based on their depreciated replacement value.

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

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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. Judgments made by the management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, are disclosed throughout the notes to the financial statements.

**(c) Reporting Entity**

The financial statements includes all the controlled activities of Swan Hill District Health.

Its principal address is:

Splatt Street  
Swan Hill  
Victoria 3585

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

**(d) Principles of Consolidation**

In the process of preparing consolidated financial statements for the Health Service, all material transactions and balances consolidated entities are eliminated.

**Intersegment Transactions**

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

**Joint ventures**

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

**Jointly controlled assets**

Interests in jointly controlled assets are accounted for by recognising in Swan Hill District Health's financial statements its proportionate share of the assets, liabilities and any income and expenses of such assets.

Details of the joint venture are set out in note 18.

**(e) Scope and presentation of financial statements**

**Fund Accounting**

Swan Hill District Health operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Swan Hill District 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 the Health Service's own activities or local initiatives and/or the Commonwealth.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Residential Aged Care Service**

The *Swan Hill Residential Aged Care Service* operations are an integral part of the Swan Hill District Health and shares its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2b to the financial statements.

**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 Swan Hill District Health. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, and items of an unusual nature and amount such as specific 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 & Specific Items' is used by the management of Swan Hill District Health, the Department of Health and the Victorian Government to measure the ongoing performance of Health Services in operating hospital services.

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

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer Note 1 (f)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Specific income/expense, comprises the following items, where material:
  - Non-current asset revaluation increments/decrements
- Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), which have been recognised in accordance with Note 1 (h)
- Depreciation and amortisation, as described in Note 1 (g)
- Assets provided or received free of charge ( refer to Note 1 (f) and (g))
- 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.

**Statement of changes in equity**

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

**Cash flow statement**

Cash 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*.

**Comparative Information**

The comparative figures for the comprehensive operating statement, Note 3 Expenses and Note 3a Analysis of expenses by source, have been altered to reflect the reclassification of expenditure for the business units.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Income Recognition**

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 Swan Hill District Health and the income can be reliably measured. Unearned income at reporting date is reported as income received in advance.

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

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

In accordance with AASB 1004 *Contributions*, government grants and other transfers of income (other than contributions by owners) are recognised as income when the 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 14/2009.

**Patient and Resident Fees**

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

**Private Practice Fees**

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

**Donations and Other Bequests**

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

**Dividend Revenue**

Dividend revenue is recognised on a receivable basis.

**Interest Revenue**

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

**Sale of investments**

The gain/loss on the sale of investments is recognised when the investment is realised.

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

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Expense Recognition**

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

**Cost of Goods Sold**

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

**Employee Expenses**

Employee expenses include:

- Wages and salaries;
- Annual Leave;
- Sick leave;
- Long service leave; and
- Superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

**Defined contribution plans**

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

**Defined benefit plans**

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

Employees of the Swan Hill District Health are entitled to receive superannuation benefits and the Swan Hill District Health contributes to both the defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

The name and details of the major employee superannuation funds and contributions made by the Swan Hill District Health are as follows:

Fund	Contribution Paid or Payable for the year	
	2011 \$'000	2010 \$'000
<b>Defined benefit plans:</b>		
Health Super Fund	178	207
<b>Defined contribution plans:</b>		
Health Super Fund	1,742	1,640
Hesta Super Fund	312	282
Total	<u>2,232</u>	<u>2,129</u>

**Depreciation**

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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

	2011	2010
Buildings		
- Structure Shell Building Fabric	Up to 45 years	Up to 45 years
- Site Engineering Services and Central Plant	Up to 40 years	Up to 40 years
Central Plant		
- Fit out	Up to 25 years	Up to 25 years
- Trunk Reticulated Building Systems	Up to 25 years	Up to 25 years
Plant and Equipment	Up to 20 years	Up to 20 years
Medical Equipment	Up to 20 years	Up to 20 years
Computer and Communication	Up to 5 years	Up to 5 years
Furniture and Fittings	Up to 20 years	Up to 20 years
Motor Vehicles	Up to 9 years	Up to 9 years

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

**(h) Financial assets**

**Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 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.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current borrowings in the balance sheet.

**Receivables**

Receivables consist of:

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

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

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

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Investments and Other Financial Assets**

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

Investments are classified in the following categories:

- Financial assets at fair value through profit and loss;
- Loans and receivables; and
- Available-for-sale financial assets.

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

Swan Hill District Health assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

All financial assets, except those measured at fair value through profit and loss are subject to annual review for impairment.

**Financial assets at fair value through profit or loss**

Financial instruments at fair value through profit and loss are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result.

Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in net result incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 14.

**Loans and Receivables**

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

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

**Impairment of Financial Assets**

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

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

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of 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 order to determine an appropriate fair value as at 30 June 2011 for its portfolio of financial assets, Swan Hill District Health obtained a valuation based on the best available advice through a reputable financial institution.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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

Net gain/(loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading;
- impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets.

**Revaluations of Financial Instruments at Fair Value**

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

**(i) Non-Financial Assets**

**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 includes land held for sale and excludes depreciable assets.

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

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

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

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

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

**(j) Property, Plant and Equipment**

***All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.***

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

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

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revaluations of Non-current Physical Assets**

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

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

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

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

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

**Other non-financial assets**

***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 at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

**Impairment of Non-Financial Assets**

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

- inventories and
- financial assets;

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. The 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.

**SWAN HILL DISTRICT HEALTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

**(k) Liabilities**  
**Payables**

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Net 30 days.

**Provisions**

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

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

***Wages and Salaries, Annual Leave and Accrued Days Off***

Liabilities for wages and salaries, including non-monetary benefits, annual leave, accumulating sick leave and accrued days off which are expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee's services up to the reporting date, and are classified as current liabilities and measured at nominal values.

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

***Sick Leave***

The Health Service has reviewed the liability for sick leave in accordance with AASB 119 and determined that no provision is necessary.

***Long Service Leave***

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Current Liability – unconditional LSL** (representing 10 or more years of continuous service) is disclosed in the notes of the financial statements as a current liability even where Swan Hill District Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that Swan Hill District Health does not expect to settle within 12 months; and
- nominal value – component that Swan Hill District Health expects to settle within 12 months.

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

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

**Termination Benefits**

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

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

**On-Costs**

Employee benefit on-costs, such as payroll tax, workers compensation and superannuation are recognised together with provisions for employee benefits.

**Superannuation liabilities**

Swan Hill District 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. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial statements.

**(I) 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 and Equipment Revaluation Surplus**

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

**General Reserves**

The General Reserve is the net result of the revenue and expenditure relating to the Health Service's specific purpose accounts that have been included in the comprehensive operating statement.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(m) Commitments for expenditure**

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

**(n) 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.

**(o) Goods and Services Tax**

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

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

**(p) Events after the reporting period**

Assets, liabilities, income or expenses arise from past transactions or other past events. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which have a material impact on the results of subsequent reporting periods.

**(q) Rounding of amounts**

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

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

**(r) New Accounting Standards and Interpretations**

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

As at 30 June 2011, the following standards and interpretations had been issued but were not mandatory for the reporting period ending 30 June 2011. Swan Hill District Health has not and does not intend to adopt these standards early.

**SWAN HILL DISTRICT HEALTH  
 NOTES TO THE FINANCIAL STATEMENTS  
 30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Standard / Interpretation	Summary	Applicable for periods beginning or ending on	Impact on Entities Annual Statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 124 Related Party Disclosures (Dec 2009)	Government related entities have been granted partial exemption with certain disclosure requirements.	Beginning 1 Jan 2011	Preliminary assessment suggests the impact is insignificant. However, the Health Service is still assessing the detailed impact and whether to early adopt.
AASB 1053 Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented to the Victorian Public Sector.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]	This Standard gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 1 Jan 2013	Detail of impact is still being assessed.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Standard / Interpretation	Summary	Applicable for periods beginning or ending on	Impact on Entities Annual Statements
AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 and 1031 and Interpretations 2, 4, 16, 1039 and 1052]	This standard amends AASB 8 to require an entity to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures.	Beginning 1 Jan 2011	The amendments only apply to those entities to whom AASB 8 applies, which are for-profit entities except for-profit government departments. Detail of impact is still being assessed.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendments to Interpretation 14 arise from the issuance of prepayments of a minimum funding requirement.	Beginning 1 Jan 2011	Expected to have no significant impact.
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 1 July 2013	Does not affect financial measurement or recognition, so is not expected to have any impact on financial result or position. May reduce some note disclosures in financial statements.
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]	This Standard makes numerous improvements designed to enhance the clarity of standards.	Beginning 1 Jan 2011	No significant impact on the financial statements.
AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	This amendment contains editorial corrections to a range of Australian Accounting Standards and Interpretations, which includes amendments to reflect changes made to the text of IFRSs by the IASB.	Beginning 1 Jan 2011	No significant impact on the financial statements.
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]	This amendment adds and changes disclosure requirements about the transfer of financial assets. This includes the nature and risk of the financial assets.	Beginning 1 July 2011	This may impact on departments and public sector entities as it creates additional disclosure for transfers of financial assets. Detail of impact is still being assessed.

**SWAN HILL DISTRICT HEALTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Standard / Interpretation	Summary	Applicable for periods beginning or ending on	Impact on Entities Annual Statements
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2013	This amendment may have an impact on departments and public sector bodies as AASB 9 is a new standard and it changes the requirements of numerous standards. Detail of impact is still being assessed.
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	This amendment provides a practical approach for measuring deferred tax assets and deferred tax liabilities when measuring investment property by using the fair value model in AASB 140 Investment Property.	Beginning 1 July 2011	Amendment unlikely to impact on public sector entities.
AASB 2010-9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]	This amendment provides guidance for entities emerging from severe hyperinflation who are going to resume presenting Australian Accounting Standards financial statements or entities that are going to present Australian Accounting Standards financial statements for the first time. It provides relief for first-time adopters from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.	Beginning 1 July 2011	Amendment unlikely to impact on public sector entities.
AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]	This amendment affects multiple Australian Accounting Standards and AASB Interpretations for the objective of increased alignment with IFRSs and achieving harmonisation between both Australian and New Zealand Standards. It achieves this by removing guidance and definitions from some Australian Accounting Standards, without changing their requirements.	Beginning 1 July 2011	This amendment will have no significant impact on public sector bodies.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Standard / Interpretation	Summary	Applicable for periods beginning or ending on	Impact on Entities Annual Statements
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not decided if RDRs will be implemented to Victorian Public Sector.
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures.	Beginning 1 July 2012	This amendment provides clarification to users on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used. No impact on performance measurements will occur.

(s) **Category Groups**

Swan Hill District 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.

**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.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

**Other Services excluded from Australian Health Care Agreement (AHCA) (Other)** comprises revenue/expenditure for services not separately classified above, including: Public health services including Laboratory testing, Blood Borne Viruses / Sexually Transmitted Infections clinical services, Koori 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.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 2: Revenue**

	Health Service Agreement 2011 \$'000	Health Service Agreement 2010 \$'000	Non Health Service Agreement 2011 \$'000	Non Health Service Agreement 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000
<b>Revenue from Operating Activities</b>						
Government Grants						
Department of Health	28,978	27,231	-	-	28,978	27,231
Department of Human Services	123	-	-	-	123	-
Dental Health Services Victoria	570	479	-	-	570	479
Accrued Wrap-up	(407)	(93)	-	-	(407)	(93)
Other - Transitional Care Program	319	302	-	-	319	302
State Government Grants - Other						
Equipment and Infrastructure Maintenance	168	163	-	-	168	163
Other	171	221	-	-	171	221
Commonwealth Government						
Residential Aged Care Subsidy	3,940	3,090	-	-	3,940	3,090
Other	523	387	-	-	523	387
<b>Total Government Grants</b>	<b>34,385</b>	<b>31,780</b>	<b>-</b>	<b>-</b>	<b>34,385</b>	<b>31,780</b>
Indirect Contributions by Department of Health						
Insurance	592	451	-	-	592	451
Long Service Leave	62	(94)	-	-	62	(94)
<b>Total Indirect Contributions by Department of Health</b>	<b>654</b>	<b>357</b>	<b>-</b>	<b>-</b>	<b>654</b>	<b>357</b>
Patient and Resident Fees						
Patient and Resident Fees (refer Note 2b)	1,459	1,405	-	-	1,459	1,405
Residential Aged Care (refer Note 2b)	1,084	981	-	-	1,084	981
<b>Total Patient and Resident Fees</b>	<b>2,543</b>	<b>2,386</b>	<b>-</b>	<b>-</b>	<b>2,543</b>	<b>2,386</b>
Interest	244	229	-	-	244	229
Other Revenue from Operating Activities	613	1,082	-	-	613	1,082
Pathology Business Unit	-	770	-	-	-	770
Radiology Business Unit	1,856	1,696	-	-	1,856	1,696
Revenue from Joint Venture	314	138	-	-	314	138
<b>Total Business Units and Other Operating Activities</b>	<b>3,027</b>	<b>3,915</b>	<b>-</b>	<b>-</b>	<b>3,027</b>	<b>3,915</b>
<b>Sub-Total Revenue from Operating Activities</b>	<b>40,609</b>	<b>38,438</b>	<b>-</b>	<b>-</b>	<b>40,609</b>	<b>38,438</b>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

	Health Service Agreement 2011 \$'000	Health Service Agreement 2010 \$'000	Non Health Service Agreement 2011 \$'000	Non Health Service Agreement 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000
<b>Revenue from Non Operating Activities</b>						
Catering	-	-	131	131	131	131
Cafeteria	-	-	65	61	65	61
Hire of Equipment	-	-	2	2	2	2
Medical Reports	-	-	1	4	1	4
Salary Packaging	-	-	205	201	205	201
Quality Recognition Program	-	-	13	16	13	16
Property Income	-	-	18	20	18	20
Interest	-	-	194	145	194	145
Other	-	-	103	79	103	79
<b>Sub-Total Revenue from Non-Operating Activities</b>	-	-	<b>732</b>	<b>659</b>	<b>732</b>	<b>659</b>
<b>Revenue from Capital Purpose Income</b>						
State Government Capital Grants	-	-	4,127	1,289	4,127	1,289
Targeted Capital Works and Equipment	-	-	-	-	-	-
Equipment and Infrastructure Maintenance	-	-	228	259	228	259
Residential Accommodation Payments (refer Note 2b)	-	-	43	-	43	-
Assets Received Free of Charge (refer Note 2d)	-	-	-	-	-	-
Net Gain/(Loss) on Disposal of Non-Current Assets (refer Note 2c)	-	-	(343)	(4)	(343)	(4)
Capital Interest	-	-	157	15	157	15
Donations and Bequests	-	-	111	146	111	146
Other Capital Purpose Income	-	-	702	88	702	88
Joint Venture	-	-	13	73	13	73
<b>Sub-Total Revenue from Capital Purpose Income</b>	-	-	<b>5,038</b>	<b>1,866</b>	<b>5,038</b>	<b>1,866</b>
<b>TOTAL REVENUE (refer Note 2a)</b>	<b>40,609</b>	<b>38,438</b>	<b>5,770</b>	<b>2,525</b>	<b>46,379</b>	<b>40,963</b>

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 2a: Analysis of Revenue by Source**

	Admitted Patients 2011 \$'000	Outpatients 2011 \$'000	EDS 2011 \$'000	Ambulatory 2011 \$'000	RAC 2011 \$'000	Aged Care 2011 \$'000	Primary Health 2011 \$'000	Other 2011 \$'000	Total 2011 \$'000
<b>Revenue from Services Supported by Health Services Agreement</b>									
Government Grants	18,787	1,593	2,537	2,094	5,293	1,011	2,005	1,065	34,385
Indirect Contributions by Department of Health	595	-	-	13	31	-	15	-	654
Patient and Resident Fees (refer Note 2b)	1,226	-	29	94	1,084	84	26	-	2,543
Donations	31	3	-	8	8	-	1	-	51
Interest	244	-	-	-	-	-	-	-	244
Other	229	62	-	15	1	43	160	52	562
Joint Venture	-	-	-	-	-	-	-	314	314
Business Units	-	-	-	-	-	-	-	1,856	1,856
<b>Sub Total Revenue from Services Supported by Health Services Agreement</b>	<b>21,112</b>	<b>1,658</b>	<b>2,566</b>	<b>2,224</b>	<b>6,417</b>	<b>1,138</b>	<b>2,207</b>	<b>3,287</b>	<b>40,609</b>
<b>Revenue from Services Supported by Hospital and Community Initiatives</b>									
General Purpose Funds	-	-	-	-	-	-	-	420	420
Property Income	-	-	-	-	-	-	-	18	18
Interest	-	-	-	-	-	-	-	194	194
Other	-	-	-	-	-	-	-	100	100
Capital Purpose Income (refer Note 2)	-	-	-	-	-	-	-	5,025	5,025
Joint Venture	-	-	-	-	-	-	-	13	13
<b>Sub Total Revenue from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,770</b>	<b>5,770</b>
<b>TOTAL REVENUE</b>	<b>21,112</b>	<b>1,658</b>	<b>2,566</b>	<b>2,224</b>	<b>6,417</b>	<b>1,138</b>	<b>2,207</b>	<b>9,057</b>	<b>46,379</b>

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 2a: Analysis of Revenue by Source (continued)**

	Admitted Patients 2010 \$'000	Outpatients 2010 \$'000	EDS 2010 \$'000	Ambulatory 2010 \$'000	RAC 2010 \$'000	Aged Care 2010 \$'000	Primary Health 2010 \$'000	Other 2010 \$'000	Total 2010 \$'000
<b>Revenue from Services Supported by Health Services Agreement</b>									
Government Grants	17,784	1,539	2,339	1,342	4,903	999	1,874	1,000	31,780
Indirect Contributions by Department of Human Services	298	-	-	7	31	-	21	-	357
Patient and Resident Fees (refer Note 2b)	1,167	-	43	47	981	130	18	-	2,386
Interest	229	-	-	-	-	-	-	-	229
Other	197	52	-	624	3	39	120	47	1,082
Joint Venture	-	-	-	-	-	-	-	138	138
Business Units	-	-	-	-	-	-	-	2,466	2,466
<b>Sub Total Revenue from Services Supported by Health Services Agreement</b>	<b>19,675</b>	<b>1,591</b>	<b>2,382</b>	<b>2,020</b>	<b>5,918</b>	<b>1,168</b>	<b>2,033</b>	<b>3,651</b>	<b>38,438</b>
<b>Revenue from Services Supported by Hospital and Community Initiatives</b>									
General Purpose Funds	-	-	-	-	-	-	-	415	415
Property Income	-	-	-	-	-	-	-	20	20
Interest	-	-	-	-	-	-	-	145	145
Other	-	-	-	-	-	-	-	79	79
Capital Purpose Income (refer Note 2)	-	-	-	-	-	-	-	1,793	1,793
Joint Venture	-	-	-	-	-	-	-	73	73
<b>Sub Total Revenue from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,525</b>	<b>2,525</b>
<b>TOTAL REVENUE</b>	<b>19,675</b>	<b>1,591</b>	<b>2,382</b>	<b>2,020</b>	<b>5,918</b>	<b>1,168</b>	<b>2,033</b>	<b>6,176</b>	<b>40,963</b>

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 2b: Patient and Resident Fees**

	2011 \$'000	2010 \$'000
<b>Patient and Resident Fees Raised</b>		
<b>Recurrent:</b>		
Acute		
Inpatients	1,186	1,057
Other	123	89
Residential Aged Care		
Nursing Homes	866	771
Hostel Fees and Subsidies	218	210
Other	150	259
<b>TOTAL RECURRENT</b>	<u><u>2,543</u></u>	<u><u>2,386</u></u>
<b>Capital Purpose</b>		
Residential Accommodation Payments	228	259
<b>TOTAL CAPITAL</b>	<u><u>228</u></u>	<u><u>259</u></u>

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

	2011 \$'000	2010 \$'000
<b>Proceeds from Disposals of Non-Current Assets</b>		
Plant and Equipment	-	7
Medical Equipment	-	153
Computer Equipment	-	30
Motor Vehicles	171	91
Buildings	88	-
Land	151	-
Land Improvements	12	-
<b>Total Proceeds from Disposal of Non-Current Assets</b>	<u><u>422</u></u>	<u><u>281</u></u>
<b>Less: Written Down Value of Non-Current Assets Sold</b>		
Plant and Equipment	(33)	(23)
Medical Equipment	(272)	(144)
Computer Equipment	-	(30)
Motor Vehicles	(109)	(88)
Buildings	(143)	-
Land	(192)	-
Land Improvements	(16)	-
<b>Total Written Down Value of Non-Current Assets Sold</b>	<u><u>(765)</u></u>	<u><u>(285)</u></u>
<b>NET GAIN/(LOSSES) ON DISPOSAL OF NON-CURRENT ASSETS</b>	<u><u>(343)</u></u>	<u><u>(4)</u></u>

**Note 2d: Assets Received Free of Charge or for Nominal Consideration**

	2011 \$'000	2010 \$'000
<b>During the reporting period, the fair value of assets received free of charge, was as follows:</b>		
Computer Equipment	25	-
Land Improvements at cost	18	-
<b>TOTAL ASSETS RECEIVED FREE OF CHARGE</b>	<u><u>43</u></u>	<u><u>-</u></u>

During 2011 Swan Hill District Health received Free of Charge from Loddon Mallee Rural Health Alliance a Telehealth Cart for the Virtual Critical Care Unit. Swan Hill District Health also received, free of charge, from Swan Hill Rural City Council and Swan Hill Inc a Healing Garden Centre for the Cancer Support Unit.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 3: Expenses**

	HSA 2011 \$'000	HSA 2010 \$'000	Non HSA 2011 \$'000	Non HSA 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000
<b>Employee Expenses</b>						
Salaries and Wages	23,771	22,222	75	81	23,846	22,303
WorkCover Premium	413	278	1	-	414	278
Long Service Leave	683	525	-	-	683	525
Superannuation	2,231	2,128	1	1	2,232	2,129
<b>Total Employee Expenses</b>	<b>27,098</b>	<b>25,153</b>	<b>77</b>	<b>82</b>	<b>27,175</b>	<b>25,235</b>
<b>Non Salary Labour Costs</b>						
Fee for Service Medical Officers	2,528	2,592	-	-	2,528	2,592
Agency Costs - Nursing	60	74	-	-	60	74
Agency Costs - Other	19	2	-	-	19	2
<b>Total Non Salary Labour Costs</b>	<b>2,607</b>	<b>2,668</b>	<b>-</b>	<b>-</b>	<b>2,607</b>	<b>2,668</b>
<b>Supplies and Consumables</b>						
Drug Supplies	728	658	-	-	728	658
S100 Drugs	231	246	-	-	231	246
Medical, Surgical Supplies and Prosthesis	2,405	2,274	-	-	2,405	2,274
Pathology Supplies	289	376	-	-	289	376
Food Supplies	612	555	74	72	686	627
Other	139	189	-	-	139	189
<b>Total Supplies and Consumables</b>	<b>4,404</b>	<b>4,298</b>	<b>74</b>	<b>72</b>	<b>4,478</b>	<b>4,370</b>
<b>Other Expenses from Continuing Operations</b>						
Domestic Services and Supplies	545	557	4	4	549	561
Fuel, Light, Power and Water	767	710	24	26	791	736
Insurance Costs Funded by Department of Health	592	451	-	-	592	451
Motor Vehicle Expenses	171	158	-	-	171	158
Repairs and Maintenance	723	844	66	24	789	868
Maintenance Contracts	336	256	-	-	336	256
Patient Transport	926	793	-	-	926	793
Bad and Doubtful Debts	50	96	-	-	50	96
Administrative Expenses	2,642	2,219	8	16	2,650	2,235
Postage and Telephone	95	135	1	-	96	135
Audit Fees - VAGO - Audit of Financial Statements	24	23	-	-	24	23
<b>Total Other Expenses from Continuing Operations</b>	<b>6,871</b>	<b>6,242</b>	<b>103</b>	<b>70</b>	<b>6,974</b>	<b>6,312</b>
<b>Expenditure using Capital Purpose Income</b>						
Other Expenses	-	-	64	283	64	283
<b>Total Expenditure using Capital Purpose Income</b>	<b>-</b>	<b>-</b>	<b>64</b>	<b>283</b>	<b>64</b>	<b>283</b>
Depreciation	-	-	3,467	3,847	3,467	3,847
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,467</b>	<b>3,847</b>	<b>3,467</b>	<b>3,847</b>
<b>TOTAL EXPENSES</b>	<b>40,980</b>	<b>38,361</b>	<b>3,785</b>	<b>4,354</b>	<b>44,765</b>	<b>42,715</b>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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

	Admitted Patients 2011 \$'000	Outpatients 2011 \$'000	EDS 2011 \$'000	Ambulatory 2011 \$'000	RAC 2011 \$'000	Aged Care 2011 \$'000	Primary Health 2011 \$'000	Other 2011 \$'000	Total 2011 \$'000
<b>Services Supported by Health Services Agreement</b>									
Employee Expenses	11,904	936	2,940	1,487	5,600	732	2,263	1,236	27,098
Non Salary Labour Costs	2,341	40	173	-	-	-	10	43	2,607
Supplies and Consumables	2,994	70	199	32	450	51	70	538	4,404
Other Expenses from Continuing Operations	3,720	45	618	159	412	66	368	1,483	6,871
<b>Sub Total Expenses from Services Supported by Health Services Agreement</b>	<b>20,959</b>	<b>1,091</b>	<b>3,930</b>	<b>1,678</b>	<b>6,462</b>	<b>849</b>	<b>2,711</b>	<b>3,300</b>	<b>40,980</b>
<b>Services Supported By Hospital and Community Initiatives</b>									
Employee Expenses	-	-	-	-	-	-	-	77	77
Non Salary Labour Costs	-	-	-	-	-	-	-	-	-
Supplies and Consumables	-	-	-	-	-	-	-	74	74
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	103	103
<b>Sub Total Expense from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254</b>	<b>254</b>
<b>Expenditure using Capital Purpose Income</b>									
Other Expenses	-	-	-	-	-	-	-	64	64
<b>Sub Total Expenditure using Capital Purpose Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64</b>	<b>64</b>
Depreciation (refer Note 4)	-	-	-	-	-	-	-	3,467	3,467
<b>TOTAL EXPENSES</b>	<b>20,959</b>	<b>1,091</b>	<b>3,930</b>	<b>1,678</b>	<b>6,462</b>	<b>849</b>	<b>2,711</b>	<b>7,085</b>	<b>44,765</b>

**SWAN HILL DISTRICT HEALTH  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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Note 3a: Analysis of Expenses by Source (continued)

	Admitted Patients 2010 \$'000	Outpatients 2010 \$'000	EDS 2010 \$'000	Ambulatory 2010 \$'000	RAC 2010 \$'000	Aged Care 2010 \$'000	Primary Health 2010 \$'000	Other 2010 \$'000	Total 2010 \$'000
<b>Services Supported by Health Services Agreement</b>									
Employee Expenses	10,566	985	2,568	1,279	5,263	680	2,237	1,575	25,153
Non Salary Labour Costs	2,407	30	191	-	-	4	1	35	2,668
Supplies and Consumables	2,883	72	204	32	409	55	50	593	4,298
Other Expenses from Continuing Operations	3,535	46	435	161	424	64	334	1,243	6,242
<b>Sub Total Expenses from Services Supported by Health Services Agreement</b>	<b>19,391</b>	<b>1,133</b>	<b>3,398</b>	<b>1,472</b>	<b>6,096</b>	<b>803</b>	<b>2,622</b>	<b>3,446</b>	<b>38,361</b>
<b>Services Supported By Hospital and Community Initiatives</b>									
Employee Expenses	-	-	-	-	-	-	-	82	82
Non Salary Labour Costs	-	-	-	-	-	-	-	-	-
Supplies and Consumables	-	-	-	-	-	-	-	72	72
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	70	70
<b>Sub Total Expense from Services Supported by Hospital and Community Initiatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>224</b>
<b>Expenditure using Capital Purpose Income</b>									
Other Expenses	-	-	-	-	-	-	-	283	283
<b>Sub Total Expenditure using Capital Purpose Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>283</b>	<b>283</b>
Depreciation (refer Note 4)	-	-	-	-	-	-	-	3,847	3,847
<b>TOTAL EXPENSES</b>	<b>19,391</b>	<b>1,133</b>	<b>3,398</b>	<b>1,472</b>	<b>6,096</b>	<b>803</b>	<b>2,622</b>	<b>7,800</b>	<b>42,715</b>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

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

	2011 \$'000	2010 \$'000
<b>Other Activities</b>		
Catering	79	81
Cafeteria	45	46
Salary Packaging	48	48
Property Expenses	41	49
<b>TOTAL</b>	<u><u>213</u></u>	<u><u>224</u></u>

**Note 4: Depreciation**

	2011 \$'000	2010 \$'000
<b>Depreciation</b>		
Buildings	2,405	2,894
Landscaping	39	36
Plant and Equipment	304	265
Medical Equipment	466	433
Furniture and Fittings	44	38
Motor Vehicles	192	174
Depreciation from Joint Venture	17	7
<b>TOTAL DEPRECIATION</b>	<u><u>3,467</u></u>	<u><u>3,847</u></u>

**Note 5: 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.

	2011 \$'000	2010 \$'000
Cash On Hand	3	2
Cash at Bank	790	763
Term Deposits	12,894	9,582
Cash in Joint Venture	332	349
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<u><u>14,019</u></u>	<u><u>10,696</u></u>

**Represented by:**

Cash held by Swan Hill District Health	12,211	8,836
Cash in Joint Venture	332	349
<b>Total Cash for Health Service Operations (as per Cash Flow Statement)</b>	<u><u>12,543</u></u>	<u><u>9,185</u></u>
Cash for Monies Held in Trust		
- Cash on Hand	1	1
- Cash at Bank	424	521
- Australian Dollar Term Deposits	1,051	989
<b>Total Monies Held in Trust</b>	<u><u>1,476</u></u>	<u><u>1,511</u></u>
<b>TOTAL</b>	<u><u>14,019</u></u>	<u><u>10,696</u></u>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 6: Receivables**

	2011 \$'000	2010 \$'000
<b>CURRENT</b>		
<b>Contractual</b>		
Inter Hospital Debtors	149	197
Trade Debtors	114	88
Patient Fees	514	570
Debtor - Superannuation	2	2
Residential Accommodation Charges	29	27
Accrued Investment Income	75	76
Accrued Revenue		
Dental Health	83	40
FBT Employee Contribution	2	-
Victorian Managed Insurance Authority	60	-
Less Allowance for Doubtful Debts		
Patient Fees	(24)	(51)
Receivables from Joint Venture	88	71
	<u>1,092</u>	<u>1,020</u>
<b>Statutory</b>		
GST Receivable	73	99
Accrued Revenue - Commonwealth	38	26
	<u>111</u>	<u>125</u>
<b>Total Current Receivables</b>	<u><b>1,203</b></u>	<u><b>1,145</b></u>
<b>NON-CURRENT</b>		
<b>Statutory</b>		
Long Service Leave - Department of Health	353	290
<b>Total Non-Current Receivables</b>	<u><b>353</b></u>	<u><b>290</b></u>
<b>TOTAL RECEIVABLES</b>	<u><b>1,556</b></u>	<u><b>1,435</b></u>

**(a) Movement in the Allowance for Doubtful Contractual Receivables**

	2011 \$'000	2010 \$'000
Balance at beginning of year	51	27
Amounts written off during the year	(79)	(77)
Amounts recovered during the year	3	5
Increase/(decrease) in allowance recognised in net result	49	96
<b>Balance at end of year</b>	<u><b>24</b></u>	<u><b>51</b></u>

**(b) Ageing analysis of receivables**

Please refer to Note 14(b) for the ageing analysis of receivables

**(c) Nature and extent of risk arising from receivables**

Please refer to Note 14(b) for the nature and extent of credit risk arising from receivables

**Note 7: Inventories**

	2011 \$'000	2010 \$'000
Pharmaceuticals - at cost	58	52
Main Store Inventory - at cost	131	132
<b>TOTAL INVENTORIES</b>	<u><b>189</b></u>	<u><b>184</b></u>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8: Property, Plant and Equipment**

	2011 \$'000	2010 \$'000
<b>Land</b>		
Land at Fair Value 2009	2,118	2,310
Land at Fair Value 2010	1,250	1,250
<b>Total Land</b>	<u>3,368</u>	<u>3,560</u>
<b>Buildings</b>		
Buildings at Cost	1,298	363
Less Accumulated Depreciation	(28)	(4)
	<u>1,270</u>	<u>359</u>
Buildings at Fair Value	77,641	78,125
Less Accumulated Depreciation	(64,414)	(62,374)
	<u>13,227</u>	<u>15,751</u>
<b>Total Buildings</b>	<u>14,497</u>	<u>16,110</u>
Work In Progress - Buildings at Cost	<u>484</u>	<u>426</u>
<b>Land Improvements</b>		
Land Improvements at Fair Value	1,754	1,820
Less Accumulated Depreciation	(696)	(683)
	<u>1,058</u>	<u>1,137</u>
Land Improvements at Cost	65	-
Less Accumulated Depreciation	(2)	-
	<u>63</u>	<u>-</u>
<b>Total Land Improvements</b>	<u>1,121</u>	<u>1,137</u>
<b>Plant and Equipment</b>		
Plant and Equipment at Fair Value	2,434	2,004
Less Accumulated Depreciation	(631)	(303)
<b>Total Plant and Equipment</b>	<u>1,803</u>	<u>1,701</u>
<b>Medical Equipment</b>		
Medical Equipment at Fair Value	2,947	2,609
Less Accumulated Depreciation	(711)	(433)
<b>Total Medical Equipment</b>	<u>2,236</u>	<u>2,176</u>
<b>Motor Vehicles</b>		
Motor Vehicles at Fair Value	794	640
Less Accumulated Depreciation	(243)	(174)
<b>Total Motor Vehicles</b>	<u>551</u>	<u>466</u>
<b>Interest In Joint Venture</b>		
Assets from Joint Venture at Fair Value	53	46
Less Accumulated Depreciation	(25)	(8)
<b>Total Interest In Joint Venture</b>	<u>28</u>	<u>38</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u>24,088</u>	<u>25,614</u>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8 : Property, Plant and Equipment (continued)**

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

	Land Improvements \$'000	Land \$'000	Buildings \$'000	Plant and Equipment \$'000	Medical Equipment \$'000	Motor Vehicles \$'000	Work In Progress \$'000	Interest in Joint Venture \$'000	Total \$'000
Balance amount at 1 July 2009	4,560	1,146	18,641	1,648	1,934	464	260	6	28,659
Additions	-	27	325	246	818	264	368	39	2,087
Disposals	-	-	-	(54)	(143)	(88)	-	-	(285)
Net Transfers between classes	-	-	38	164	-	-	(202)	-	-
Revaluation Increments/(decrements)	(1,000)	-	-	-	-	-	-	-	(1,000)
Depreciation expense (refer Note 4)	-	(36)	(2,894)	(303)	(433)	(174)	-	(7)	(3,847)
<b>Balance at 1 July 2010</b>	<b>3,560</b>	<b>1,137</b>	<b>16,110</b>	<b>1,701</b>	<b>2,176</b>	<b>466</b>	<b>426</b>	<b>38</b>	<b>25,614</b>
Additions	-	39	704	483	798	386	289	7	2,706
Disposals	(192)	(16)	(143)	(33)	(272)	(109)	-	-	(765)
Net Transfers between classes	-	-	231	-	-	-	(231)	-	-
Revaluation Increments/(decrements)	-	-	-	-	-	-	-	-	-
Depreciation expense (refer Note 4)	-	(39)	(2,405)	(348)	(466)	(192)	-	(17)	(3,467)
<b>Balance at 30 June 2011</b>	<b>3,368</b>	<b>1,121</b>	<b>14,497</b>	<b>1,803</b>	<b>2,236</b>	<b>551</b>	<b>484</b>	<b>28</b>	<b>24,088</b>

**Land and Buildings carried at valuation**

An independent valuation of Swan Hill District Health'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.

**Plant and Equipment at Fair Value**

A valuation of Swan Hill District Health's plant and equipment was undertaken by management to determine the fair value of the plant and equipment.

The effective date of the valuation is 30 June 2011.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 9: Payables**

	2011 \$'000	2010 \$'000
<b>CURRENT</b>		
<b>Contractual</b>		
Trade Creditors	1,100	1,174
Accrued Expenses	202	172
- Visiting Medical Officers		2
- Bendigo Radiology	-	16
- Auditor General's Office	18	-
- Origin Energy	30	-
- Primary Care Partnership	34	-
- Gribbles Pathology	65	-
- Custom Fleet	2	-
Superannuation	26	21
Deposits on Hire Equipment	1	1
Joint Venture Payables	56	25
	<u>1,534</u>	<u>1,411</u>
<b>Statutory</b>		
Department of Health - Accrued Expenses	460	134
Department of Health - Loan	-	416
	<u>460</u>	<u>550</u>
<b>Total Current Payables</b>	<u><b>1,994</b></u>	<u><b>1,961</b></u>
<b>TOTAL PAYABLES</b>	<u><b>1,994</b></u>	<u><b>1,961</b></u>

During the 2006-07 year the Department of Human Services provided a \$415,977 interest free loan to Swan Hill District Health, to upgrade it's Plant and Equipment, namely the acquisition of Boilers. Health Service has removed this loan from their accounts for the period ending 30 June 2011, however this loan may be repayable in the future.

**(a) Maturity analysis of payables**

Please refer to Note 14(c) for the ageing analysis of contractual payables

**(b) Nature and extent of risk arising from payables**

Please refer to Note 14(c) for the nature and extent of risks arising from contractual payables

**NOTE 10: Provisions**

	2011 \$'000	2010 \$'000
<b>CURRENT PROVISIONS</b>		
Employee Benefits <sup>(i)</sup>		
- Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	2,563	2,214
- Unconditional and expected to be settled after 12 months <sup>(iii)</sup>	2,840	2,907
	<u>5,403</u>	<u>5,121</u>
Provisions related to employee benefit on-costs		
- Unconditional and expected to be settled within 12 months <sup>(ii)</sup>	296	248
- Unconditional and expected to be utilised after 12 months <sup>(iii)</sup>	330	326
	<u>626</u>	<u>574</u>
<b>TOTAL CURRENT PROVISIONS</b>	<u><b>6,029</b></u>	<u><b>5,695</b></u>
<b>NON-CURRENT PROVISIONS</b>		
Employee Benefits	909	950
Provisions related to employee benefit on-costs	105	107
<b>TOTAL NON CURRENT PROVISIONS</b>	<u><b>1,014</b></u>	<u><b>1,057</b></u>
<b>TOTAL PROVISIONS</b>	<u><b>7,043</b></u>	<u><b>6,752</b></u>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**NOTE 10: Provisions (continued)**

	2011 \$'000	2010 \$'000
<b>(10a) Employee Benefits and Related On-Costs</b>		
<b>CURRENT EMPLOYEE BENEFITS AND RELATED ON-COSTS</b>		
Unconditional long service leave entitlements	3,081	2,976
Accrued Wages and Salaries	297	206
Annual Leave entitlements	2,588	2,461
Accrued Days Off	63	52
<b>NON-CURRENT EMPLOYEE BENEFITS AND RELATED ON-COSTS</b>		
Conditional long service leave entitlements <sup>(iii)</sup>	1,014	1,057
<b>TOTAL EMPLOYEE BENEFITS AND RELATED ON-COSTS</b>	<b><u>7,043</u></b>	<b><u>6,752</u></b>

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

<sup>(ii)</sup> The amounts disclosed are nominal amounts

<sup>(iii)</sup> The amounts disclosed are discounted to present values.

	2011 \$'000	2010 \$'000
<b>(10b) Movements in Provisions</b>		
<b>Movement in Long Service Leave:</b>		
<b>Balance at start of year</b>	4,033	3,966
Provisions made during the year	682	538
Settlement made during the year	(620)	(471)
<b>Balance at end of year</b>	<b><u>4,095</u></b>	<b><u>4,033</u></b>

**Note 11: Other Liabilities**

	2011 \$'000	2010 \$'000
<b>CURRENT</b>		
Monies Held in Trust		
Primary Care Partnership	347	453
Residents - Nursing Home / Hostel	76	64
Accommodation Bonds	1,051	996
Simplified Billing	1	4
<b>TOTAL CURRENT OTHER LIABILITIES</b>	<b><u>1,475</u></b>	<b><u>1,517</u></b>

**Total Monies Held in Trust**

**Represented by the following assets:**

Cash Assets (refer Note 5)	1,475	1,511
Accrued Investment Income	-	6
<b>TOTAL</b>	<b><u>1,475</u></b>	<b><u>1,517</u></b>

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 12: Equity and Reserves**

	2011 \$'000	2010 \$'000
<b>(a) Reserves</b>		
<b>Property Revaluation Surplus <sup>1</sup></b>		
Balance at the beginning of the reporting period	10,223	11,223
Revaluation Increment/(Decrements)		
- Land	-	(1,000)
- Buildings	-	-
- Land Improvements	-	-
<b>Balance at the end of the reporting period*</b>	<u>10,223</u>	<u>10,223</u>
<b>* Represented by:</b>		
- Land	2,041	2,041
- Buildings	7,150	7,150
- Land Improvements	1,032	1,032
	<u>10,223</u>	<u>10,223</u>
<b>General Purpose Reserve</b>		
Balance at the beginning of the reporting period	3,915	3,217
Transfers to and from General Reserve	485	698
<b>Balance at the end of the reporting period</b>	<u>4,400</u>	<u>3,915</u>
<b>TOTAL RESERVES</b>	<u>14,623</u>	<u>14,138</u>
<sup>1</sup> The property asset revaluation surplus arises on the revaluation of property.		
<b>(b) Contributed Capital</b>		
Balance at the beginning of the reporting period	18,072	18,072
<b>Balance at the end of the reporting period</b>	<u>18,072</u>	<u>18,072</u>
<b>(c) Accumulated Surpluses/(Deficits)</b>		
Balance at the beginning of the reporting period	(4,449)	(1,999)
Net Result for the Year	1,614	(1,752)
Transfers to and from reserves (General Purpose)	(485)	(698)
<b>Balance at the end of the reporting period</b>	<u>(3,320)</u>	<u>(4,449)</u>
<b>(d) Total Equity at end of financial year</b>	<u>29,375</u>	<u>27,761</u>

**Note 13: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities**

	2011 \$'000	2010 \$'000
<b>Net Result for the Year</b>	1,614	(1,752)
Depreciation	3,467	3,847
Provision for Doubtful Receivables	27	-
Net (Gain) /Loss from Sale of Plant and Equipment	343	4
Assets Received Free of Charge	(43)	-
Change in Operating Assets and Liabilities		
Decrease/(Increase) in Inventories	(5)	47
Decrease/(Increase) in Receivables	(121)	(122)
Decrease/(Increase) in Prepayments	27	24
Increase/(Decrease) in Payables	33	(79)
Increase/(Decrease) in Employee Benefits	300	(695)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<u>5,642</u>	<u>1,274</u>

**SWAN HILL DISTRICT HEALTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**30 JUNE 2011**

**Note 14: Financial Instruments**

**(a) Financial Risk Management Objectives and Policies**

Swan Hill District Health's principal financial instruments comprise of :

- Cash Assets
- Terms Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory receivables)
- 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 liability and equity instrument are disclosed in note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage Swan Hill District Health Service financial risks within the government policy parameters.

**Categorisation of financial instruments**

	Carrying Amount 2011 \$'000	Carrying Amount 2010 \$'000
<b>Financial Assets</b>		
Cash and Cash Equivalents	14,019	10,696
Receivables	1,092	1,020
<b>Total Financial Assets <sup>(i)</sup></b>	<b>15,111</b>	<b>11,716</b>
<b>Financial Liabilities</b>		
Payables	1,534	1,411
Accommodation Bonds	1,051	996
Monies Held in Trust	424	521
<b>Total Financial Liabilities <sup>(ii)</sup></b>	<b>3,009</b>	<b>2,928</b>

<sup>(i)</sup> The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credits recoverable)

<sup>(ii)</sup> The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payables)

**(b) Credit Risk**

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

Credit risk associated with the Health Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Health Service's policy to only deal with entities with high credit ratings and to obtain sufficient collateral or credit enhancements, where appropriate.

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

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

SWAN HILL DISTRICT HEALTH  
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Note 14: Financial Instruments (continued)  
 (b) Credit Risk (continued)

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 Swan Hill District 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

	Financial institutions (AA credit rating) \$'000	Government agencies (BBB credit rating) \$'000	Other (unrated) \$'000	Total \$'000
<b>2011</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	1,125	-	-	1,125
Receivables				
- Trade Debtors	-	-	114	114
- Other Receivables (i)	-	83	895	978
Other Financial Assets				
- Term Deposit	12,081	-	813	12,894
- Shares in Other Entities	-	-	-	-
<b>Total Financial Assets</b>	<b>13,206</b>	<b>83</b>	<b>1,822</b>	<b>15,111</b>
<b>2010</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	1,114	-	-	1,114
Receivables				
- Trade Debtors	-	-	88	88
- Other Receivables	-	41	891	932
Other Financial Assets				
- Term Deposit	9,056	-	526	9,582
- Shares in Other Entities	-	-	-	-
<b>Total Financial Assets</b>	<b>10,170</b>	<b>41</b>	<b>1,505</b>	<b>11,716</b>

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

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

Ageing analysis of financial assets as at 30 June

	Carrying Amount \$'000	Not Past Due and Not Impaired \$'000	Past Due But Not Impaired				Impaired Financial Assets \$'000
			Less than 1 Month \$'000	1 - 3 Months \$'000	3 months - 1 Year \$'000	1 - 5 Years \$'000	
<b>2011</b>							
<b>Financial Assets</b>							
Cash and Cash Equivalents	14,019	14,019	-	-	-	-	-
Receivables	1,092	-	888	181	23	-	-
<b>Total Financial Assets</b>	<b>15,111</b>	<b>14,019</b>	<b>888</b>	<b>181</b>	<b>23</b>	<b>-</b>	<b>-</b>
<b>2010</b>							
<b>Financial Assets</b>							
Cash and Cash Equivalents	10,696	10,702	-	-	-	-	-
Receivables	1,020	-	698	243	73	-	-
<b>Total Financial Assets</b>	<b>11,716</b>	<b>10,702</b>	<b>698</b>	<b>243</b>	<b>73</b>	<b>-</b>	<b>-</b>

Ageing analysis of financial assets excludes statutory financial assets (i.e GST input tax credit)

**SWAN HILL DISTRICT HEALTH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 14: Financial Instruments (continued)**

**(c) Liquidity Risk**

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due.

The Health Service's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Health Service manages its liquidity risk as follows:

On a monthly basis we review the current asset ratio to ensure we have sufficient assets to satisfy our current liabilities.

The following table discloses the contractual maturity analysis for Swan Hill District Health Service'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**

	Carrying Amount \$'000	Contractual Cash Flows \$'000	Maturity Dates			
			Less than 1 Month \$'000	1 - 3 Months \$'000	3 months - 1 Year \$'000	1 - 5 Years \$'000
<b>2011</b>						
<b>Financial Liabilities</b>						
Payables	1,534	1,534	1,534	-	-	-
Accommodation Bonds	1,051	1,051	-	-	1,051	-
Monies Held in Trust	424	424	-	77	347	-
<b>Total Financial Liabilities</b>	<b>3,009</b>	<b>3,009</b>	<b>1,534</b>	<b>77</b>	<b>1,398</b>	<b>-</b>
<b>2010</b>						
<b>Financial Liabilities</b>						
Payables	1,411	1,411	1,411	-	-	-
Accommodation Bonds	996	996	-	-	996	-
Monies Held in Trust	521	521	-	68	453	-
<b>Total Financial Liabilities</b>	<b>2,928</b>	<b>2,928</b>	<b>1,411</b>	<b>68</b>	<b>1,449</b>	<b>-</b>

Ageing analysis of financial liabilities excludes statutory financial assets (i.e GST input tax credit)

**(d) Market Risk**

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

**Currency Risk**

Swan Hill District 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 timeframe between commitment and settlement.

**Interest Rate Risk**

Exposure to interest rate risk might arise primarily through Swan Hill District Health Service's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the health service mainly undertake financial liabilities with relatively even maturity profiles.

**Other Price Risk**

Swan Hill District Health has minimal exposure to other price risks.

SWAN HILL DISTRICT HEALTH  
 NOTES TO THE FINANCIAL STATEMENTS  
 30 JUNE 2011

Note 14: Financial Instruments (continued)

(d) Market Risk (continued)

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

	Weighted Average Effective Interest Rates	Total Carrying Amount \$'000	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non Interest Bearing \$'000
<b>2011</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	5.12%	14,019	12,894	1,122	3
Receivables	-	1,092	-	-	1,092
<b>Total Financial Assets</b>		<b>15,111</b>	<b>12,894</b>	<b>1,122</b>	<b>1,095</b>
<b>Financial Liabilities</b>					
Payables	-	1,534	-	-	1,534
Accommodation Bonds	-	1,051	-	-	1,051
Monies Held in Trust	-	424	-	-	424
<b>Total Financial Liabilities</b>		<b>3,009</b>	<b>-</b>	<b>-</b>	<b>3,009</b>
<b>2010</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	4.10%	10,696	9,588	763	351
Receivables	-	1,020	-	-	1,014
<b>Total Financial Assets</b>		<b>11,716</b>	<b>9,588</b>	<b>763</b>	<b>1,365</b>
<b>Financial Liabilities</b>					
Payables	-	1,411	-	-	1,411
Accommodation Bonds	-	996	-	-	996
Monies Held in Trust	-	521	-	-	521
<b>Total Financial Liabilities</b>		<b>2,928</b>	<b>-</b>	<b>-</b>	<b>2,928</b>

The carrying amount excludes statutory financial assets and liabilities (i.e. GST input tax credit and GST Payable)

**Sensitivity Disclosure Analysis**

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 6%;

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

SWAN HILL DISTRICT HEALTH  
 NOTES TO THE FINANCIAL STATEMENTS  
 30 JUNE 2011

Note 14: Financial Instruments (continued)  
 (d) Market Risk (continued)

	Carrying Amount \$'000	Interest Rate Risk			
		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>2011</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	14,019	(140)	(140)	140	140
Receivables	1,092	-	-	-	-
<b>Financial Liabilities</b>					
Payables	1,534	-	-	-	-
Accommodation Bonds	1,051	(11)	(11)	11	11
Monies Held in Trust	424	(4)	(4)	4	4
	Carrying Amount	Interest Rate Risk			
		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	10,696	(107)	(107)	107	107
Receivables <sup>(i)</sup>	1,020	-	-	-	-
<b>Financial Liabilities</b>					
Payables	1,411	-	-	-	-
Other Financial Liabilities <sup>(i)</sup>					
- Accommodation Bonds	996	(10)	(10)	10	10
- Monies Held in Trust	521	(5)	(5)	5	5

<sup>(i)</sup> The carrying amount excludes statutory financial assets and liabilities (i.e. GST input tax credit and GST Payable)

**(e) Fair Value**

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

- the fair value of financial instrument assets and liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market; and
- the fair value of other financial instrument assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Swan Hill District Health 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.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 14: Financial Instruments (continued)**

**(e) Fair Value (continued)**

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

**Comparison between carrying amount and fair value**

	Carrying Amount 2011 \$'000	Fair Value 2011 \$'000	Carrying Amount 2010 \$'000	Fair Value 2010 \$'000
<b>Financial Assets</b>				
Cash and Cash Equivalents	14,019	14,019	10,696	10,702
Receivables	1,092	1,092	1,020	1,014
<b>Total Financial Assets</b>	<b>15,111</b>	<b>15,111</b>	<b>11,716</b>	<b>11,716</b>
<b>Financial Liabilities</b>				
Payables	1,534	1,534	1,411	1,411
Accommodation Bonds	1,051	1,051	996	996
Monies Held in Trust	424	424	521	521
<b>Total Financial Liabilities</b>	<b>3,009</b>	<b>3,009</b>	<b>2,928</b>	<b>2,928</b>

**Note 15: Commitments for Expenditure**

	2011 \$'000	2010 \$'000
<b>Capital Expenditure Commitments</b>		
<i>Payable</i>		
Buildings <sup>(1)</sup>	4,580	950
Landscaping	60	-
Computers	-	4
Furniture & Fittings	204	81
Plant	167	-
Medical Equipment	85	115
Motor Vehicles	-	60
<b>TOTAL CAPITAL EXPENDITURE COMMITMENTS</b>	<b>5,096</b>	<b>1,210</b>
Not later than one year	1,596	1,210
Later than 1 year and not later than 5 years	3,500	-
<b>TOTAL</b>	<b>5,096</b>	<b>1,210</b>
<b>Other Expenditure Commitments</b>		
<i>Payable</i>		
Computer	28	-
<b>TOTAL OTHER EXPENDITURE COMMITMENTS</b>	<b>28</b>	<b>-</b>
Not later than one year	28	-
<b>TOTAL</b>	<b>28</b>	<b>-</b>

<sup>(1)</sup> Includes \$3,500,000 for the Community Rehabilitation Centre and \$975,000 for Dental Clinic Building. Grant received but contract for works not yet entered into.

**Note 16: Contingent Liabilities and Contingent Assets**

During the 2008-09 year the Department of Human Services provided a \$3,750,000 recallable capital grant to the Loddon Mallee Regional Health Alliance for HealthSMART implementation activities. The Health Service's remaining unpaid share of this grant is recallable, which is subject to possible repayment at a future date at the discretion of the Department. (The balance at 30 June 2011 is \$2,000,000)

During the 2006-07 year the Department of Human Services provided a \$415,977 interest free loan to Swan Hill District Health, to upgrade it's Plant and Equipment, namely the acquisition of Boilers. Health Service has removed this loan from their accounts for the period ending 30 June 2011, however this loan may be repayable in the future.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 17: Segment Reporting**

	Acute		RACS		Primary Care		Radiology		Pathology		Other		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE</b>														
External Segment Revenue	27,316	25,439	6,417	5,918	2,207	2,033	1,855	1,696	1	770	-	-	37,796	35,856
Intersegment Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Revenues	-	-	-	-	-	-	-	-	-	-	8,145	4,718	8,145	4,718
<b>TOTAL REVENUE</b>	<b>27,316</b>	<b>25,439</b>	<b>6,417</b>	<b>5,918</b>	<b>2,207</b>	<b>2,033</b>	<b>1,855</b>	<b>1,696</b>	<b>1</b>	<b>770</b>	<b>8,145</b>	<b>4,718</b>	<b>45,941</b>	<b>40,574</b>
<b>EXPENSES</b>														
External Segment Expense	27,404	25,195	6,146	5,779	2,974	2,647	2,031	1,817	54	963	-	-	38,609	36,401
Intersegment Expense	254	199	316	317	(263)	(25)	(401)	(381)	-	(215)	94	105	-	-
Unallocated Expense	-	-	-	-	-	-	-	-	-	-	6,156	6,314	6,156	6,314
<b>TOTAL EXPENSES</b>	<b>27,658</b>	<b>25,394</b>	<b>6,462</b>	<b>6,096</b>	<b>2,711</b>	<b>2,622</b>	<b>1,630</b>	<b>1,436</b>	<b>54</b>	<b>748</b>	<b>6,250</b>	<b>6,419</b>	<b>44,765</b>	<b>42,715</b>
<b>Net Result from Ordinary Activities</b>	<b>(342)</b>	<b>45</b>	<b>(45)</b>	<b>(178)</b>	<b>(504)</b>	<b>(589)</b>	<b>225</b>	<b>260</b>	<b>(53)</b>	<b>22</b>	<b>1,895</b>	<b>(1,701)</b>	<b>1,176</b>	<b>(2,141)</b>
Interest Income	244	229	-	-	-	-	-	-	-	-	194	160	438	389
<b>NET RESULT FOR THE YEAR</b>	<b>(98)</b>	<b>274</b>	<b>(45)</b>	<b>(178)</b>	<b>(504)</b>	<b>(589)</b>	<b>225</b>	<b>260</b>	<b>(53)</b>	<b>22</b>	<b>2,089</b>	<b>(1,541)</b>	<b>1,614</b>	<b>(1,752)</b>
<b>OTHER INFORMATION</b>														
Segment Assets	17,100	17,951	7,442	8,308	194	270	1,426	1,334	-	14	-	-	26,162	27,877
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	13,725	10,114	13,725	10,114
<b>TOTAL ASSETS</b>	<b>17,100</b>	<b>17,951</b>	<b>7,442</b>	<b>8,308</b>	<b>194</b>	<b>270</b>	<b>1,426</b>	<b>1,334</b>	<b>-</b>	<b>14</b>	<b>13,725</b>	<b>10,114</b>	<b>39,887</b>	<b>37,991</b>
Segment liabilities	5,222	4,788	2,538	2,267	677	563	165	172	-	110	-	-	8,602	7,900
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-	1,910	2,330	1,910	2,330
<b>TOTAL LIABILITIES</b>	<b>5,222</b>	<b>4,788</b>	<b>2,538</b>	<b>2,267</b>	<b>677</b>	<b>563</b>	<b>165</b>	<b>172</b>	<b>-</b>	<b>110</b>	<b>1,910</b>	<b>2,330</b>	<b>10,512</b>	<b>10,230</b>
Acquisition of property, plant and equipment	1,440	1,243	154	93	97	149	617	377	-	-	398	225	2,706	2,087
Depreciation expense	2,312	2,786	764	721	88	51	262	237	-	-	41	52	3,467	3,847

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

<b>Business Segments</b>	<b>Services</b>
Residential Aged Care Services (RACS)	Provider of residential aged care beds
Pathology	Provider of Diagnostic Pathology Services (Privatised March 2010)
Radiology	Provider of Diagnostic Radiology Services
Acute Care Services	Provider of Acute Inpatient / Outpatient Services
Primary Care services	Provider of Health Promotion and Allied Health Services

Pricing for inter-segment transfer is based on 85% of Medicare schedule fee for Pathology and Radiology fees and employee hourly rates for other programs.

**Geographical Segment**

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

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 18: Jointly Controlled Operations and Assets**

Name of Entity	Principal Activity	Ownership Interest	
		2011	2010
Loddon Mallee Rural Health Alliance	Information Systems	9.38	9.31

Swan Hill District Health's interest in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the financial statements under their respective asset categories:

	2011	2010
	\$'000	\$'000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	332	349
Receivables	81	58
GST Receivable	7	13
Prepayments	15	13
<b>Total Current Assets</b>	<b>435</b>	<b>433</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	27	38
<b>Total Non-Current Assets</b>	<b>27</b>	<b>38</b>
<b>TOTAL ASSETS</b>	<b>462</b>	<b>471</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Creditors	55	10
Accrued Expenses	1	15
<b>Total Current Liabilities</b>	<b>56</b>	<b>25</b>
<b>TOTAL LIABILITIES</b>	<b>56</b>	<b>25</b>
<b>NET ASSETS</b>	<b>406</b>	<b>446</b>

Swan Hill District Health interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

	2011	2010
	\$'000	\$'000
Revenue from Operating Activities	314	138
Expenditure	(467)	(274)
<b>Net Result Before Capital and Specific Items</b>	<b>(153)</b>	<b>(136)</b>
Capital Purpose Income	12	47
Capital Government Grants	-	26
Depreciation	(17)	(7)
Expenditure using Capital Purpose Income	(63)	(276)
<b>NET RESULT FOR THE YEAR</b>	<b>(221)</b>	<b>(346)</b>

**Contingent Liabilities and Contingent Assets**

During the 2008-09 year the Department of Human Services provided a \$3,750,000 recallable capital grant to the Loddon Mallee Regional Health Alliance for HealthSMART implementation activities. The Health Service's remaining unpaid share of this grant is recallable, which is subject to possible repayment at a future date at the discretion of the Department. (The balance at 30 June 2011 is \$2,000,000)

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 18: Jointly Controlled Operations and Assets (continued)**

**Commitments for Expenditure**

Swan Hill District Health's share of the commitments for expenditure that Loddon Mallee Rural Health Alliance has entered into is as follows:

	2011 \$'000	2010 \$'000
<b>Capital Expenditure Commitments</b>		
<i>Payable</i>		
Information Communication Technology	33	24
<b>TOTAL CAPITAL COMMITMENTS</b>	<u>33</u>	<u>24</u>
Not later than one year	33	24
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
<b>TOTAL CAPITAL COMMITMENTS</b>	<u>33</u>	<u>24</u>

**Note 19a: Responsible Persons Disclosures**

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

	Period
<b>Responsible Ministers:</b>	
The Honourable Daniel Andrews, MLA, Minister for Health	01/07/2010 - 02/12/2010
The Honourable David Davis, MP, Minister for Health and Ageing	02/12/2010 - 30/06/2011
The Honourable Mary Wooldridge, MLA, Minister for Mental Health	02/12/2010 - 30/06/2011
<b>Governing Boards:</b>	
Mr D.A. Logan	01/07/2010 - 30/06/2011
Mr P. Koetsveld	01/07/2010 - 30/06/2011
Mr K.E. Mutton	01/07/2010 - 30/06/2011
Mr I. Watson	01/07/2010 - 30/06/2011
Mr I. Ray	01/07/2010 - 30/06/2011
Mr J. Van Heumen	01/07/2010 - 30/06/2011
Ms J Kent	01/07/2010 - 30/06/2011
Ms G. Legudi	01/07/2010 - 30/06/2011
<b>Accountable Officers:</b>	
Mr. E.C. Rayment - Chief Executive Officer	01/07/2010 - 30/06/2011

**Remuneration of Responsible Persons:**

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

Income Band	Total Remuneration	
	2011	2010
\$0	8	8
\$ 260,000 to \$269,999	1	-
\$ 270,000 to \$279,999	-	1
<b>Total Numbers</b>	<u>9</u>	<u>9</u>

**Total remuneration received or due and receivable by Responsible Person from the Reporting Entity amounted to:**

\$266,262      \$273,357

No Board Member of Swan Hill District Health received a remuneration payment in their capacity as a Board Member.

**SWAN HILL DISTRICT HEALTH  
NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2011**

**Note 19a: Responsible Persons Disclosures (continued)**

**Other Transactions of Responsible Persons and their Related Parties**

Director of the Board namely, Mr Ian Ray is the proprietor of Ian Ray Electrics who provide retail goods on normal terms and conditions to Swan Hill District Health.

\$15,687      \$12,164

Director of the Board namely, Ms Janine Kent is a partner in Kent's Amcal Pharmacy who provide pharmaceutical goods on normal terms and conditions to Swan Hill District Health.

\$1,865      \$2,090

Director of the Board namely, Mr Ken Mutton is the Chief Executive Officer of Swan Hill Credit Union who provides financial services on normal terms and conditions to Swan Hill District Health.

**Note 19b: 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.

Income Band	Total Remuneration		Base Remuneration	
	2011	2010	2011	2010
\$ 140,000 to \$149,999	-	1	-	1
\$ 150,000 to \$159,999	1	-	1	-
\$ 170,000 to \$179,999	1	1	1	1
\$ 200,000 to \$209,999	-	1	-	1
\$ 210,000 to \$219,999	1	-	1	-
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total remuneration for the reporting period for Executive Officers included above amounted to:	<u>\$541,224</u>	<u>\$541,224</u>	<u>\$558,058</u>	<u>\$525,333</u>

**Note 20: Events Occurring after the Balance Sheet Date**

Since the reporting date, world financial markets have shown volatility that has affected the carrying value of the Swan Hill District Health's investment portfolio. The Swan Hill District Health continues to maintain a conservative investment strategy to manage our exposure to this volatility.



## SoP PART B

## Part B: Performance Priorities

*Financial Performance:*

<b>Operating Result</b>	<b>2010-11 actuals</b>
Annual Operating Results (\$m)	0.106m (surplus)

<b>Cash Management/Liquidity (Benchmark 60 days)</b>	<b>2010-11 actuals</b>
Creditors	30
Debtors	27

*Service Performance:*

<b>WIES Activity Performance</b>	<b>2010-11 actuals</b>
WIES (public and private) performance to target (%)	1.82% under *

\* Elective Surgery cancelled during floods

<b>Quality and Safety</b>	<b>2010-11 actuals</b>
Health service accreditation	Full compliance
Residential aged care accreditation	Full compliance
Cleaning standards	Full compliance
Submission of data to VICNISS (%)	Full compliance
VICNISS Infection Clinical Indicators	Full compliance
Hand Hygiene Program Compliance (%)	Full compliance
SAB rate (OBDs)	
Victorian Patient Satisfaction Monitor (VPSM)	Full compliance

<b>Maternity</b>	<b>2010-11 actuals</b>			
Postnatal home care (target 90)	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
	N/A	60	72	90

<b>Access Performance</b>	<b>2010-11 actuals</b>			
Percentage of operating time on hospital bypass	<b>Zero</b>			
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Percentage of emergency patients admitted to an inpatient bed within 8 hours (target 80)	93	91	93	92
Percentage of non-admitted emergency patients with length of stay of less than 4 hours (target 80)	94	91	92	91
Number of patients with length of stay in the emergency department greater than 24 hours (target 0)	2*	4*	2*	0
Percentage of Triage Category 1 emergency patients seen immediately (target 100)	100	100	100	100
Percentage of Triage Category 2 emergency patients seen within 10 minutes (target 80)	87	89	94	85
Percentage of Triage Category 3 emergency patients seen within 30 minutes (target 75)	73	84	86	82

\*Actual records record zero

# SWAN HILL DISTRICT HEALTH

## SoP PART C

### Part C: Activity and Funding

<b>Activity</b>	<b>2010-11</b>
<u>Weighted Inlier equivalent Separations (WIES)</u>	<u>Activity Achievement</u>
WIES Public	-2.17%
WIES Private	-0.4%
Total WIES (Public and Private)	-1.82%
WIES Renal	-10.92%
WIES DVA	-26.61%
WIES TAC	-46.15%
WIES TOTAL	-3.68%
<b>Sub Acute Inpatient</b>	Zero
<b>Ambulatory</b>	
VACS – Allied Health	
VACS – Variable	
Transition Care (non DVA) – Homeday	
SACS – Non DVA	87%
SACS – Paediatric	
Post Acute Care	
VACS – Allied Health – DVA	
VACS – variable – DVA	
SACS – DVA	80%
Post Acute Care – DVA	
<b>Aged Care</b>	
Aged Care Assessment Service	Full compliance
Residential Aged Care	

