



2010/11

Annual Report

Caring for our community

1859 - 2011



Our Values and accompanying behaviours form the basic set of beliefs under which Stawell Regional Health operates:

Effectiveness

- Displays attention to detail when carrying out their role
- Plans work practice and is outcome focused
- Uses problem solving strategies to achieve maximum results
- Performs their role to ensure appropriate service delivery

Openness

- Shares information and ideas readily
- Values new ideas and innovation
- Applies new ideas and embraces change when appropriate
- Ensures patients, families and staff have access to appropriate services

Integrity

- Respects the unique nature of each person to assure dignity for all is maintained
- Displays attributes of truth and honesty
- Ensures confidentiality and privacy is assured at all times
- Exhibits reliability and punctuality at work

Accountability

- Provides services that are patient centred
- Displays commitment to continuous quality improvement
- Uses the theory of evidence based practice to ensure best possible outcomes
- Demonstrates Best Practice through clinical excellence and professional conduct
- Commits to the integration of best technology, systems and processes to manage and record relevant methods of work
- Accepts the consequences of their actions

Flexibility

- Willing to participate in new initiatives
- Contributes ideas when setting new directions
- Strives for best outcomes for all stakeholders and Stawell Community
- Displays a willingness to consider other goals and priorities when making decisions



Cover: Mia Brooks RN SRH

Back cover: Amelia Wilde RN SRH

Photography: John Tiddy

Designed by The Courier Design and Print

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Board Chair's Report

We are pleased to provide a report on another year of operations at Stawell Regional Health. Over the last year our region experienced natural disasters which have brought loss and hardship to many in our community including staff at our hospital. Through this we have continued to provide high quality care to our community. New board members have commenced and long serving members departed. We have recruited to a number of senior positions within the organisation and also welcome our new Chief Executive. The community once again have given generously to our organisation and a record breaking shearing effort has inspired our region.

Improving Access and Quality

This year the hospital treated 3132 inpatients and performed 1544 operations. The accident and emergency department continues to see more patients 3633 up 238 on last year. The results from satisfaction survey's show that patients were very satisfied with most aspects of their stay at our hospital, and that we were performing above the group C category average.

Financial Performance

The hospital endeavours where possible to take a partnership approach to financial management, currently sharing procurement and pay roll services across the region as a part of the Grampians Health Alliance. Over the last 12 months the hospital achieved a sound financial result posting an operating surplus of \$69,000, which is an improvement on last financial year.

Capital Projects

The hospital secured \$3.5M funding from the Department of Health and Ageing to build a Community Rehabilitation Centre in Stawell. The new CRC will enable patients in this region to undergo their treatment in Stawell reducing the need to travel to specialist services outside the area. Some of the services incorporated into the new facility will include a continence nurse, wound management, cardiac and pulmonary rehabilitation services.

Continuous Improvements

As an organisation we are continually striving for improvement to our practices and processes. In the last twelve months staff across our organisation attended workshops on Lean Thinking. These facilitated programmes aim to get better outcomes for our patients / residents / clients.

We have also implemented a new finance and materials management system with the assistance of the Grampians Rural Health Alliance. The Oracle system standardises business process and reporting and also provides greater accountability and controls in our procurement practices and improves our ability to report financial information.

Work commenced on the establishment of a new midwifery led model of care for obstetric services. A project coordinator was appointed and is leading a consultative process with staff and new or soon to be mothers.

The Casconnect project enters a new phase at the end of this financial year transitioning from a pilot program to a self-sustaining model. The aim of the program is to co-ordinate the placement of relief staff across rural and regional Victoria. We are grateful for the support offered by the Department of Health to bring this program to fruition and believe it has been successful in supporting casual nursing staff being placed across the region.

Community Participation

The efforts of all our volunteers, including the Foundation, Y-Zetts and Auxiliaries continue to inspire our community and organisation. The hard work of these groups enables our hospital to deliver more services to our community. We congratulate Mr Aaron Hemley who was honoured community citizen of the year on Australia Day for his amazing 48 hour shearing record, to raise over \$120,000 for our Oncology Unit. Our sincere thanks go to all of the people, clubs and organisations that have served the hospital. Donations to the hospital last year totalled \$249,844.

Attracting and Retaining Staff

Once again this year we welcomed a number of new faces to our organisation. Wendy James our new Deputy Director Clinical Services joined us and Tony Roberts commenced as the Finance Manager. We also saw the departure of Peter Edwards and commencement of a new Chief Executive Rohan Fitzgerald.

We also farewell board member Mrs Kaye Harris after 13 years of continuous service to the hospital.

Our History

Lastly, we launched the 'History of the Stawell Hospital 1858 to 2009' written by local resident Gary Withers. We commend Gary for his attention to detail and ability to bring to life the history of healthcare in Stawell. The journey to establish a hospital in Stawell commenced in 1858 and in the last 150 years there has been significant change including the relocation and transformation of the hospital into a state of the art modern healthcare facility.

Outgoing Board Chair

Special thanks to *Karen Douglas* who has just completed her three year term as Chair. Her diligence and guidance through this period has been of great benefit to all.

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Stawell Regional Health for the year ending 30 June 2011.



Ross Hatton
Board Chair
Stawell
29th August, 2011



Ross Hatton Board Chair and Karen Douglas Deputy Board Chair

Board of Management



Ross Hatton
Retired Senior Executive

Board Representation on Executive, Grampians Alliance and Risk Management Committees



Karen Douglas
Primary Producer

Board Representation on Executive, Quality Improvement, Grampians Alliance and Governance Committees



Lynn Jenz
Accountant

Board Representation on Risk Management and Audit Committees



Howard Cooper
Primary Producer

Board Representation on Audit and Project Control Group (Health Precinct) Committees.



Joan Brilliant
Postal Manager, Australia Post Stawell

Board Representation on Fundraising, Foundation and Quality Committees



Jennifer Molan
School Principal

Board Representation on Quality Improvement Committee.



Neville Dunn
Branch Real Estate Manager

Board Representation on Audit and Project Control Group (Health Precinct) Committees.



Kaye Harris
Business Manager

Board Representation on Governance and Fundraising Committees



Peter Martin
Retired School Principal

Board Representation on Executive, Audit, Governance and Risk Management Committees



David Stanes
Business Manager

Board Representation on Quality Improvement and Risk Committees

Our History

An extract from the History of the Stawell Hospital 1858 to 2009 by Gary S. Withers Stawell Historical Society.

Temporary Tent Hospital at Doctor's Creek

On 13th October 1858, construction of the hospital on land secured at Doctor's Hill commenced halfway between Commercial Street Pleasant Creek and the main street of the Deep Lead alluvial diggings.

The Doctor's Hill site was named after a Dr. Wooldridge, who is said to have in 1857, with a small party, made a rich find where granite outcrops showed payable amounts of gold bearing quartz. Dr. Wooldridge was listed annually by the Victorian Medical Board from 1853 to 1860 but no address was given and does not appear in hospital related documents.

On 26th February, 1859 the temporary hospital opened its doors. It was constructed of weatherboard, iron and drill (canvas) and was 36 feet long and 22 feet wide with one large ward at the rear and two smaller wards at the front; to accommodate twelve to sixteen beds. Three smaller buildings, the surgery to the left (facing the front) and to the right, side by side were two rooms, one of which was the kitchen and the other for the male nurse and his wife. Further to the left was the doctors "residence" and another framed tent.

The hospital had cost £365 to build, with a further £130 for the furniture inside to accommodate twelve in-door patients and was debt free on completion.

Patients were to be given free surgical and medical treatment and care, paying patients would be admitted under special conditions but were encouraged to seek treatment elsewhere. Medical treatment and medicines had also been arranged for outpatients.



Early painting of the Tent Hospital. With the surgery to the left of the front door and kitchen on the right.

The population of Pleasant Creek in early 1859 had fallen to an estimated 8,000 people (5,500 males, 900 females, 1,000 children and 600 Chinese).

A few weeks before the hospital opened, the first wardsman, Robert Hayes was employed as porter and his wife Mary Ann Hayes as nurse/cook, at a combined salary of £130 per annum. Chas B. Playford had previously been appointed Secretary/Collector on 19th February, for wages of £150 per year and commission. Dr. Robert Colquhoun later took up the Resident Surgeon's position, on 6th April for a £250 salary.



Later painting of the Temporary Hospital, Doctor's Hill, from a pen drawing by Bob Henderson 1933.

Organisational Structure:

Board of Management

*Chief Executive
Rohan Fitzgerald*

Sub-Committees

- Executive Governance
- Quality Improvement
- Audit
- Risk Management

- Medical Library
- Radiology
- Health Information
- Public Relations/Fundraising
- Medical Services
- Engineering Services
- Environmental Services
- Catering Services
- Human Resources
- Occupational Health & Safety
- Quality Manager

*Deputy Director of
Clinical Services
Wendy James*

*Director of Clinical Services
Claire Letts*

- Risk Management
- Pharmacy
- Infection Control
- Projects

- Aged Care**
 - Nursing Home/Day Centre
- Acute Services**
 - Maternity Services
 - Medical/Surgical
 - District Nursing
 - Nurse Education
 - Operating Suite/CSSD
 - Hospital in the Home
 - Post Acute Care
 - Pre-Admission Clinic
 - Hospital Admission Risk Program
 - Transition Care Program
 - Oncology
- Primary Care Services**
 - Physiotherapy
 - Occupational Therapy
 - Podiatry
 - Speech Therapy
 - Social Work Counselling
 - Diabetes Education
 - Nutrition and Dietetics
 - Health Promotion
 - Sub-Acute Clinics
 - Community Health Nursing
 - Indigenous Health

*Finance Manager
Tony Roberts*

- Financial Services
- Payroll
- Information Technology
- Purchasing/Supply
- Reception/Clerical

Divisional Reports

Acute Service

This year our service provision has maintained its complexity and throughput, ably meeting the requirements of our catchment population.

Surgical services offered included the seven (7) specialty areas of orthopaedics, ENT, gastroenterology, general surgery, ophthalmology and urology. The majority of patients were risk screened prior to the day of surgery through our pre-admission clinic.

Medical throughput remained steady in line with previous years and again, heart monitoring services, general medical and palliative care were the major patient requirements.

The Chemotherapy Service provided 612 treatments this year.

A pilot program in Supportive Care Screening was undertaken to identify support required by cancer patients and their carers at all stages of the cancer journey.

Transition Care

In September 2010, Transition Care Beds were opened, providing a much needed program for people requiring support prior to going home after acute care or entering low or high level residential care. Funded by a combination of Commonwealth and State Funding, care can be provided in a bed based setting or at home according to care needs.

Clients require an Aged Care Assessment to enter the program and once accepted an individualised plan is developed to restore as much function as possible. A broad range of Allied Health and Nursing Staff work within the TCP Team.

Primary Care

This area of our service continues to grow and provide allied health services across a full range of disciplines both in Stawell and to outreach towns of Marnoo, Landsborough, Halls Gap and Navarre. Additionally, services to Budja Budja Aboriginal Cooperative are provided by a full time Indigenous Health worker.

Residential Care

Residential Aged Care provision in our 36 high care beds has seen a number of exciting initiatives including the "Count us in" project to improve social inclusion, a large sensory garden and more recently a Person Centred Aged Care project to increase resident involvement in care and to improve staff scope of practice.

The leisure and lifestyle program provides individualised activities designed to accommodate each individuals likes and taste. Fishing, racing, gardening, working dog trials, painting and much more is on offer.

Corporate

The hospital implemented water saving strategies with funding obtained from the Department of Health through the Greening Our Hospitals initiative.

A new financial management system was rolled out to improve financial reporting and accountability.

The Grampians Health Alliance appointed a region wide Supply Manager. The position works across three (3) Health Services and provides a strategic approach to our procurement practices and supply function.

CasConnect continued to provide rural health services with casual relief staff and the development of a new business model commenced.



From Left to Right Claire Letts – Director of Clinical Services, Rohan Fitzgerald – Chief Executive, Tony Roberts – Finance Manager, Janet Feeny – Human Resource Manager, Wendy James – Deputy Director of Clinical Services, Liz McCourt – Primary Care Manager

Financial Summary

Stawell Regional Health recorded a consolidated operating surplus of \$90k for the year ended 30 June 2011, which exceeded the budgeted breakeven result.

The figures of Stawell Regional Health Foundation are included in the consolidated results.

Total Operating Revenue (before Capital items) increased by 4.1% on 2010, driven primarily by increased State and Commonwealth government grants. 2011 also saw the receipt of \$767k in Capital Purpose Income, an increase of 6% on prior year.

The increase in Total Expenses for the year of 4% was in line with expectations. Salary and wage expenses for the year totalled \$11.3M representing a 3.4% increase on prior year. Medical supplies and consumables increased by 3.3% for the year.

Operating activities for the year generated a net cash inflow of \$757k. There was a net investment in capital assets of \$336k for the year. This resulted in an overall increase of cash held of \$421k at 30 June 2011.

Performance Indicators

Comparative Consolidated Financial Results for the Past Five Financial Years

	2011 \$000	2010 \$000	2009 \$000	2008 \$000	2007 \$000
Total Revenue	21,052	20,152	18,960	18,309	16,601
Total Expenses	22,089	21,199	19,021	17,852	16,745
Operating Surplus/Net result for year including capital and specific items/ (Deficit)	(1,037)	(1,047)	(61)	457	(144)
Retained Surplus (Accumulated Deficit)	4,778	5,845	6,769	6,830	6,400
Total Assets	25,613	26,659	27,653	23,464	22,722
Total Liabilities	4,761	4,740	4,687	4,470	4,423
Net Assets	20,852	21,919	22,966	18,994	18,299
Total Equity	20,852	21,919	22,966	18,994	18,299

Board of Management

2010/11 major acquisitions and projects include:

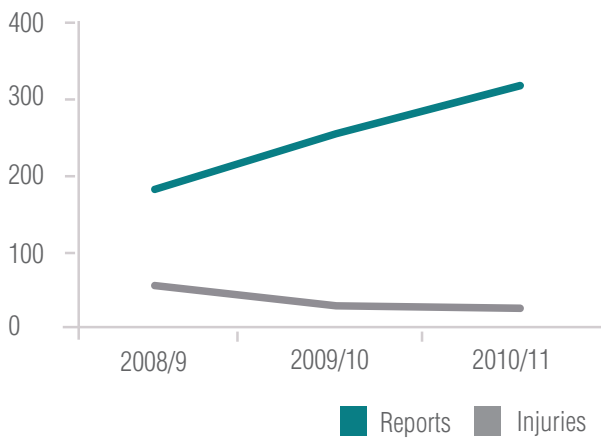
Building Works	\$
Security	12,264
Medical Equipment	\$
Alcon Theatre Equipment	70,000
Ultrasound Equipment (Theatre)	59,636
ECG & Monitoring Equipment	33,536
Trolley Bed	4,745
Wheelchair Scales	1,130
Other Plant & Equipment	\$
Computer replacements	39,349
Soft Ware systems	124,906
Message Centre nurse call	16,700

Occupational Health & Safety

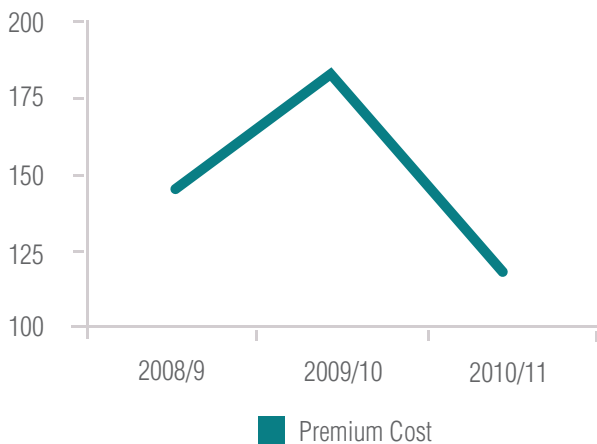
Occupational Health and Safety Incident and Injury Management

The introduction of the Victorian Health Incident Management System in March 2010 increased incident reporting across the Service. There has also been a reduction in reported injuries. Workcover claims are steady with two minor and one major claim this year. A successful return to work program and timely claims management has seen a reduction in the Worksafe Premium from \$183,325 in 2009/10 to an estimated \$104,202 for the next financial year.

Incident Reporting and Injury 2008 to 2011



Workcover Premium Per Year



No Lift Program

OHS Officer, Wayne Bannister, was formally appointed as No Lift Coordinator in December 2010. Four No Lift Trainers undertook refresher training and one additional staff member became a No Lift Trainer for the Service. The emphasis on this area by the OHS Department has allowed a stronger focus on training and assessment, centralised record keeping and supported policy improvements. An organisation wide training assessment period is now carried out in August to encompass as many staff as possible utilising all trainers and the education department. This program has supported mandatory education outcomes with 97% of staff having undergone assessment in the past twelve months and all new staff have been trained and individually assessed within their orientation period.

Inspection and Audit

Six monthly audits are carried out systematically in all workplaces in consultation with Health and Safety Representatives and Unit Managers. Inspections are also carried out when significant changes in work areas are introduced or where incident or injury has occurred. A number of these inspections were carried out in the past twelve months to support staff safety, and some of these inspections include:

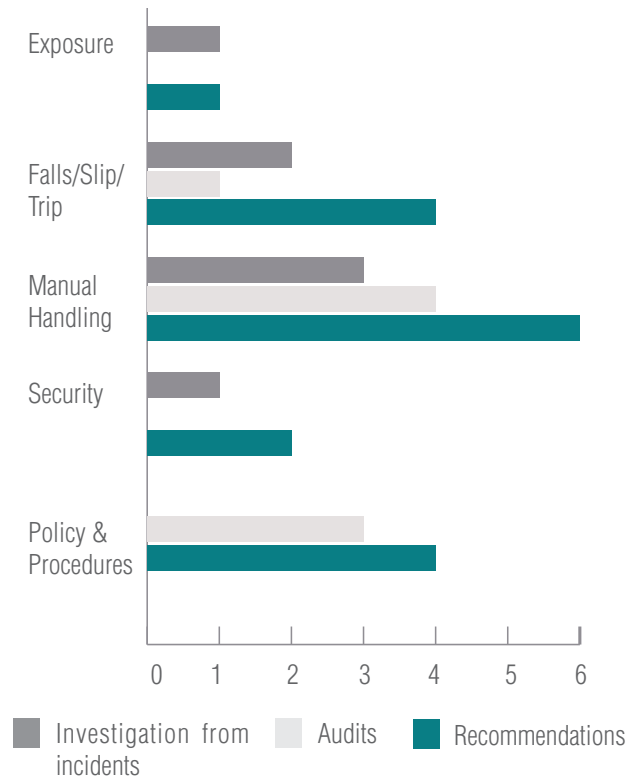
- The management of Oxygen Concentrators in the Nursing Home which led to an increased number of power points being installed.
- High cleaning tasks were also reviewed. Work practices were changed and new equipment purchased to reduce the risk of injury of falls.
- A survey was conducted of Resident Transfers within the Nursing Home. A management plan for these practices was developed and will be implemented.

Compliance

Two Worksafe Audits were undertaken this year: Manual Handling of Patients and Residents and Bariatric Management. Stawell Regional Health was found to be compliant in all areas. The audit reviewed staff in their working environment and audited equipment maintenance and injury management records, as well as reviewing policies and procedures and no lift training programs.



Reports Audits 2010/2011



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

I, Ross Hatton certify that Stawell Regional Health has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard* and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit Committee verifies this assurance and that the risk profile of the Stawell Regional Health Service has been critically reviewed within the last 12 months.

Ross Hatton
Chair of Board
Stawell
29th August, 2011

Human Resource Management

Human resource management plays a key role in achieving the strategic goals of the organisation.

Workforce recruitment within the nursing and allied health departments has been a high priority for SRH during the previous twelve months. The difficulty recruiting experienced and skilled staff and balancing this with employment opportunities for newer graduates is a challenge being faced across the Health Industry, as older members of the workforce retire or reduce workload.

SRH approaches this challenge with programs of mentoring and support within the Service and through external partnerships and agreements. These programs, such as the continuing relationship of supervision and mentoring for newly recruited Allied Health Graduates with Ballarat Health Service is a key factor to the recruitment of some of the best and brightest from local and interstate universities.

The strength of our own Education team within the Nursing division, providing both bedside and ward support, has allowed new staff to grow in a supported environment using our experienced staff for guidance within a competency framework.

The need to retain experienced staff to continue in the workplace has been considered by the Executive team, with a view to creating a sustainable workforce. Seminars made available to the staff regarding transitioning to retirement prompted negotiation with individual

staff to identify opportunities to remain in the workplace utilising superannuation and other flexible options.

To continue our success in recruitment and retention of staff we will be conducting a leadership and management development program in the next 12 months.

Percentage Distribution of FTE



- Nursing Services
- Administration and Clerical
- Medical Support Services
- Hotel and Allied Services
- Medical Officers
- Ancillary Staff (Allied Health)

HR Information Management

The Human Resource Information System, centralises personnel and education data across a workforce of practitioners with differing professional needs and is a key management tool in identifying broader programs for study and training. Training was provided to Executive Administration staff through Grampians Rural Health Alliance, in the data entry and reporting of course sessions. The ability to report details regarding a staff member, group of staff or particular course is a valuable tool for line managers in supporting the performance appraisal program in each department.

The HRIS System also allows the centralised entry and review of credentialing requirements of staff. This data is reviewed through internet upload to AHPRA, saving hours of work undertaken in the past reviewing individual registrations.

The System and Data storage is maintained within the requirements of the Public Record Office of Victoria.



Total FTE at year ending 30 June 2011

	2011	2011 AVG	2010
Nursing Services	78.96	78.12	77.28
Administration and Clerical	29.95	28.51	27.08
Medical Support Services	8.07	8.64	4.84
Hotel and Allied Services	25.10	27.17	29.24
Medical Officers	1.05	1.21	1.37
Ancillary Staff (Allied Health)	12.79	12.1	13.12
Total FTE at Year end 30 June 2011	155.92	155.75	152.93

Objectives, Functions, Powers and Duties of Stawell Regional Health

Stawell Regional Health is a public Agency established under the Health Services Act 1988. The responsible Ministers during the reporting period were, the Honourable Daniel Andrews MLA from 1st July 2010 to 2nd December 2011 and the Honourable David Davis MLC, Minister for Health and Ageing from 2nd December 2010 to 30th June 2011.

Stawell Regional Health is authorised to provide public health and ancillary services as authorised under the Act, and operate Residential Care Services under the Aged Care Act 1997.

The Board of Management consists of persons appointed by the Minister for Health under the Act who are empowered to provide strategic direction for the organisation. Whilst the board provide directions for the Agency and determines what must be done, the responsibility for determining how services are delivered is invested in the Chief Executive Officer.

Services we provide

Accident and Emergency Services

- Shared weekend on call Obstetric & Surgical Services with East Grampians Health Services

Medical

- Day Oncology Unit
- Acute Care

Surgical and Anaesthetic Services

- Pre Admission Clinic
- Day Procedure Unit
- Operating Suite/CSSD

Specialities include

- General
- Endoscopy
- Gynaecology
- Obstetric
- Ear, nose and throat
- Urology
- Orthopaedic
- Ophthalmology

Medical Imaging

- X-ray
- CT
- Ultrasound

St John of God Pathology

Maternity Care

- Early Pregnancy Assessment and Care Coordination Services
- Antenatal Classes
- Shared Care Model
- Post natal – Domiciliary visits

Primary Care

- Audiology (visiting audiologist)
- Continence Clinic
- Diabetes Education
- Nutrition & Dietetics
- HARP (Health Independence Program)
- Health Promotion
- Occupational Therapy
- Physiotherapy
- Podiatry
- Social Work
- Speech Pathology
- Stomal Therapy

Rural Primary Health Services Program

- Allied Health/Community Services to Outlying communities
- Support for the Budja Budja Aboriginal health service at Halls Gap

Residential Aged Care

- High Care facility
- Transition Care Program

Community Services

- Planned Activities Group (Bennett Centre for Community Activities)
- District Nursing Service
- Hospital in the Home
- Post Acute Care

Activity

Weighted Inlier Equivalent Separations (WIES)	2010 - 2011 Activity Achievement
WIES Public	1469.88
WIES Private	447.55
Total WIES (Public and Private)	1917.43
WIES DVA	82.61
WIES TAC	5.73
WIES TOTAL	2005.77

Activity cont.

Ambulatory	2010 - 2011 Activity Achievement
Post Acute Care – (Clients)	1155
Post Acute Care – DVA (Days)	1107
Aged Care Assessment Service	2010 - 2011 Activity Achievement
Referrals	155
Assessments	145
Residential Aged Care	2010 - 2011 Activity Achievement
Residents Accommodated	72
Resident Bed Days	11,947
Occupancy Rate	90.92%
Sub Acute Inpatient	2010 - 2011 Activity Achievement
Transition Care (non DVA) Bed Days	527
Nursing Home Type Acute	2010 - 2011 Activity Achievement
Nursing Home Type Bed Days	81
WIES activity performace	2010 - 2011 Actuals
WIES (public and private)	96.8%
Cash Management/Liquidity	2010 - 2011 Actuals
Creditors (days)	30
Debtors (patient fees) (days)	54

Additional information (FRD 22B Appendix)

The following information is available upon request to the Chief Executive Officer by relevant Ministers, members of Parliament and the public:

- A statement of pecuniary interest has been completed.
- Details of shares held by senior officers as nominee or held beneficially.
- Details of publications produced by the Health Service about the activities of the Board and where they can be obtained.
- Details of changes in prices, fees, charges, rates and levies charged by the Board.
- Details of any major external reviews carried out on the Board.
- Details of major research and development activities undertaken by the Board that are not otherwise covered either in the Report of Operations or in a document that contains the Financial Report and Report of Operations.
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the Board to develop community awareness of the Board and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- General statement on industrial relations within the Board and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations.
- Details of major committees, purpose of committee and achievements can be obtained.

Statutory reporting requirements

Pecuniary Interests

Members of the Board of Management are required under the Hospital By-Laws to declare their pecuniary interest in any matter that may be discussed by the Board or Board Sub-Committees.

Equal Opportunity

Stawell Regional Health (SRH) is committed to providing an Equal Employment Opportunity (EEO) work environment for both existing and prospective staff members. It is the responsibility of each and every employee within SRH to observe EEO principles.

The Chief Executive Officer or their appointed delegates have primary responsibility for all aspects of the Equal Employment Opportunity Policy and related programs within SRH.

Hospital Fees

The Hospital charges fees in accordance with the Department of Health Victoria directives.

Staffing Profile

A total of 256 persons were employed by Stawell Regional Health: Full time 72, Part time 119 and Casual 65.

Compliance with the Building Act 1993

Building standards and condition assessments:

Fire audits and risk assessments are undertaken by consultant fire engineers in compliance with the Department of Health Fire Risk Management Engineering Guidelines Series 7. Recommendations from the fire audits and risk assessments are actioned in conjunction with the Department of Health to maintain a high degree of fire safety. All bed-based facilities are audited at intervals of at least five years. Stawell Regional Health was last audited on 12th January 2010 by ARUP Fire (Fire engineers) and Brian Sherwell & Associates (Building Surveyor). A plan is in place to guide and prioritise actions arising from these reviews.

Essential Safety Measures Maintenance:

In accordance with regulatory requirements, service and maintenance records are kept to enable completion of an annual Essential Safety Measures Report for all properties owned by Stawell Regional Health. This is confirmation that all essential services are operational at

the required level of performance. Records and reports are retained on the premises for inspection by all relevant authorities.

Legislative Compliance

Stawell Regional Health uses Riskman Software System to record and manage risk and Baces to manage compliance obligations in line with State and Commonwealth legislation and Australian Standards

Industrial Relations

Stawell Regional Health experienced no days of work lost due to industrial activity during the year ending 30 June 2011.

Publications

Stawell Regional Health produces a number of publications for the community in order to give them a better understanding of our services and programs. They include the Annual Report, Quality of Care Report and a range of patient information brochures which are available throughout Stawell Regional Health.

The Annual Report is presented at the Annual General Meeting each year.

Consultancies engaged during 2010-2011

A number of consultants were contracted to work for Stawell Regional Health in 2010/11. A summary of the consultants costs is provided below.

	2010	2011
Number of consultants used to a value greater than \$100,000	-	-
Total Cost of consultants used to a value greater than \$100,000	-	-
Number of consultants used to a value less than \$100,000	10	12
Total Costs of consultants	\$41,401	\$121,058

Statutory reporting requirements

Freedom of Information

The *Freedom of Information Act 1982* gives applicants the opportunity to request information. Exemptions can apply that relate to privacy of patients and third parties. In 2010/11 Stawell Regional Health received 25 requests and access to information was granted in all instances. Freedom of Information requests should be in writing and addressed to the Freedom of Information Officer, Stawell Regional Health, Sloane Street, Stawell Victoria 3380.

Victorian Industry Participation Policy

Stawell Regional Health complies with the intent of the *Victorian Industry Participation Policy Act 2003* which requires, wherever possible, local industry participation in supplies; taking into consideration the principle of value for money and transparent tendering processes.

National Competition Policy

Stawell Regional Health complies with the Victorian Government's Competitive Neutrality Policy.

Financial Management Act 1994

In accordance with the Direction of the Minister for Finance information requirements have been prepared and are available to the relevant Minister, Members of Parliament.

Whistleblowers Act 2001

The *Whistleblowers Protection Act 2001* came into effect on January 1, 2002. The Act is designed to protect people who disclose serious information about serious wrongdoings within the Victorian Public Sector and to provide a framework for investigation of these matters.

There were no notifications under the *Whistleblowers Protection Act 2001* during the year ending 30 June 2011.

Protected Disclosure

Disclosures of improper conduct by Stawell Regional Health or its employees may be made to:

The Protected Disclosure Coordinator

Liz McCourt
Stawell Regional Health
Sloane Street, Stawell 3380
Email: liz.mccourt@srh.org.au
Telephone: 03 5358 8506

The Protected Disclosure Officer

Meg Blake
Stawell Regional Health
Sloane Street, Stawell 3380

The Ombudsman Victoria

Level 22, 459 Collins Street
Melbourne 2000
Tel: 9613 6222
Toll free: 1800 806 314

Disability Action Plan (DAP)

Stawell Regional Health has developed a Disability Action Plan, with input from departments across the Service, to combine key detail around the current and future needs of service and access for people with a disability.

Further implementation, including evaluation and review will be undertaken in the near future through the Executive, to continue to determine key priorities in current strategic planning processes.

Attestation on Data Integrity

I, Rohan Fitzgerald certify that the Stawell Regional Health Service has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Stawell Regional Health Service has critically reviewed these controls and processes during the year.



Rohan Fitzgerald

Chief Executive
Stawell
29th August, 2011

Stawell Regional Health incorporates Macpherson Smith Nursing Home and Bennett Centre for Community Activities
Sloane Street, Stawell Victoria 3380. Phone (03) 5358 8500 Fax (03) 5358 3553 Email info@srh.org.au Web www.srh.org.au

Disclosure index

The Annual Report of Stawell Regional Health is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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Stawell Regional Health

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

We certify that the attached financial statements for Stawell Regional 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 at that date of Stawell Regional Health at 30 June 2011.

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

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



Ross Hatton
Board Member

Stawell
29th August, 2011



Rohan Fitzgerald
Accountable Officer

Stawell
29th August, 2011



Tony Roberts
Finance Manager

Stawell
29th August, 2011

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Stawell Regional Health

The Financial Report

The accompanying financial report for the year ended 30 June 2011 of Stawell Regional 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 the Chief Finance and Accounting Officer's declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising of Stawell Regional Health and the entities it controlled at the year's end as disclosed in note 24 to the financial statements.

The Board Members' Responsibility for the Financial Report

The Board Members of Stawell Regional Health are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, including 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 judgment, 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 Stawell Regional Health and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

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

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

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Independence

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

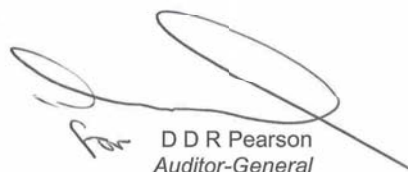
Opinion

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

Matters Relating to the Electronic Publication of the Audited Financial Report

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

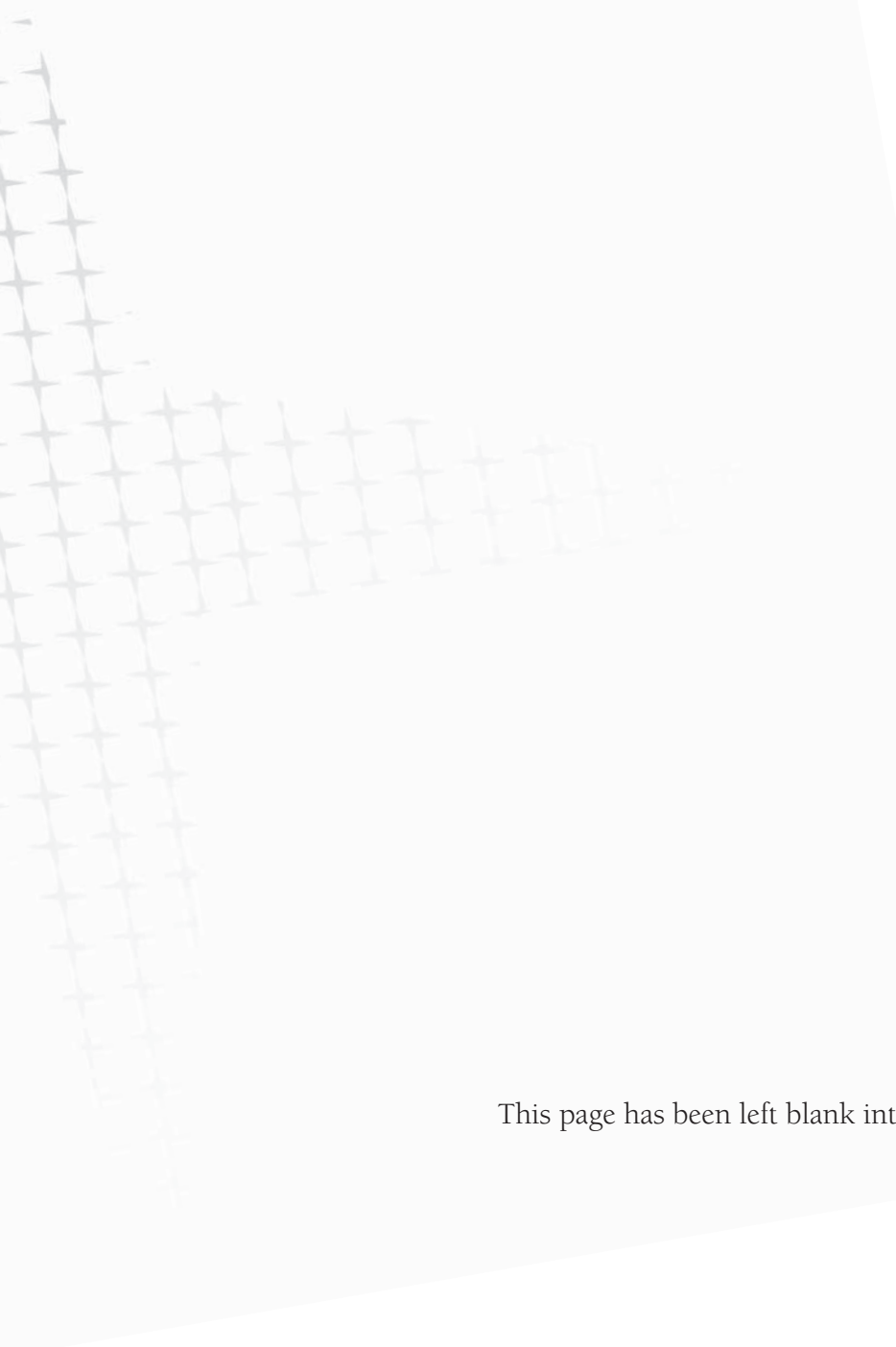
MELBOURNE
29 August 2011


for D D R Pearson
Auditor-General

2

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Auditing in the Public Interest



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Stawell Regional Health Comprehensive Operating Statement

For the Year Ended 30 June 2011

	Note	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Revenue from Operating Activities	2	19,995	18,942	20,032	19,206
Revenue from Non-operating Activities	2	186	157	253	225
Employee Benefits	3	(11,702)	(11,306)	(11,702)	(11,306)
Non Salary Labour Costs	3	(2,246)	(1,782)	(2,246)	(1,782)
Supplies & Consumables	3	(3,259)	(3,153)	(3,259)	(3,153)
Other Expenses From Continuing Operations	3	(2,905)	(2,878)	(2,988)	(3,137)
Net Result Before Capital & Specific Items		69	(20)	90	53
Capital Purpose Income	2	767	721	767	721
Depreciation and Amortisation	4	(1,894)	(1,821)	(1,894)	(1,821)
NET RESULT FOR THE YEAR		(1,058)	(1,120)	(1,037)	(1,047)
Other Comprehensive Income					
Change in fair value of Jointly Controlled Operations and Assets (GRHA)	20	(30)	-	(30)	-
COMPREHENSIVE RESULT FOR THE YEAR		(1,088)	(1,120)	(1,067)	(1,047)

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

Stawell Regional Health Balance Sheet

As at 30 June 2011

	Note	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Current Assets					
Cash and Cash Equivalents	5	3,588	3,110	4,901	4,423
Receivables	6	683	566	717	580
Inventories	7	139	167	139	167
Share of GRHA Current Assets	20	116	220	116	220
Other Current Assets	8	51	80	51	80
Total Current Assets		4,577	4,143	5,924	5,470
Non-Current Assets					
Receivables	6		13		13
Property, Plant & Equipment	9	19,429	20,986	19,429	20,986
Intangible Assets	10	225	155	225	155
Share of GRHA NonCurrent Assets	20	33	35	33	35
Total Non-Current Assets		19,687	21,189	19,687	21,189
TOTAL ASSETS		24,264	25,332	25,611	26,659
Current Liabilities					
Payables	11	1,583	1,740	1,586	1,743
Employee Benefits and Related On-Costs Provisions	12	2,212	2,210	2,212	2,210
Share of GRHA Current Liabilities	20	44	72	44	72
Other Liabilities	13	568	441	568	441
Total Current Liabilities		4,407	4,463	4,410	4,466
Non-Current Liabilities					
Employee Benefits and Related On-Costs Provisions	12	350	274	350	274
Total Non-Current Liabilities		350	274	350	274
TOTAL LIABILITIES		4,757	4,737	4,760	4,740
NET ASSETS		19,507	20,595	20,851	21,919
EQUITY					
Property, Plant & Equipment Revaluation Surplus	14a	6,450	6,450	6,450	6,450
Restricted Specific Purpose Reserve	14a	279	279	279	279
Contributed Capital	14b	9,345	9,345	9,345	9,345
Accumulated Surpluses/(Deficits)	14c	3,433	4,521	4,778	5,845
TOTAL EQUITY		19,507	20,595	20,852	21,919

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

Stawell Regional Health Cash Flow Statement

For the Year Ended 30 June 2011

	Note	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Grants from Government		16,305	14,951	16,305	14,951
Patient and Resident Fees Received		1,403	1,529	1,403	1,529
Donations and Bequests Received		-	-	37	264
GST Received from/(paid to) ATO		753	803	753	804
Interest Received Other Receipts		206	169	253	225
Employee Benefits		2,014	2,053	2,014	2,053
Paid Non Salary Labour Costs		(11,624)	(11,336)	(11,624)	(11,336)
Payments for Supplies & Consumables		(2,471)	(1,960)	(2,471)	(1,960)
Other Payments		(3,561)	(2,884)	(3,561)	(2,884)
		(2,954)	(3,418)	(3,038)	(3,677)
Cash Generated from Operations		71	(93)	71	(31)
Capital Grants from Government		417	420	417	420
Capital Donations and Bequests Received		198	350	198	350
Other Capital Receipts		71	2	71	2
NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	15	757	679	757	741
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for Non Financial Assets		(375)	(894)	(375)	(894)
Proceeds from sale of Non Financial Assets		39	111	39	111
NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES		(336)	(783)	(336)	(783)
NET INCREASE/(DECREASE) IN CASH HELD		421	(104)	421	(42)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		2,721	2,825	4,034	4,076
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5	3,142	2,721	4,455	4,034

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

Stawell Regional Health Statement of Changes in Equity

For the Year Ended 30 June 2011

Consolidated	Note	Property, Plant & Equipment Revaluation Surplus	Restricted Specific Purpose Surplus	Contributions by Owners	Accumulated Surpluses/ (Deficits)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2009		6,450	402	9,345	6,769	22,966
Net result for the year					(1,047)	(1,047)
Transfer to accumulated surplus	14	-	(123)	-	123	-
Balance at 30 June 2010		6,450	279	9,345	5,845	21,919
Net result for the year		-			(1,037)	(1,037)
Other comprehensive income for the year		-			(30)	(30)
Balance at 30 June 2011		6,450	279	9,345	4,778	20,852

Parent	Note	Property, Plant & Equipment Revaluation Surplus	Restricted Specific Purpose Surplus	Contributions by Owners	Accumulated Surpluses/ (Deficits)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2009		6,450	402	9,345	5,518	21,715
Net result for the year					(1,120)	(1,120)
Transfer to accumulated surplus	14	-	(123)	-	123	-
Balance at 30 June 2010		6,450	279	9,345	4,521	20,595
Net result for the year		-			(1,058)	(1,058)
Other comprehensive income for the year		-			(30)	(30)
Balance at 30 June 2011		6,450	279	9,345	3,433	19,507

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

Note 1: Statement of Significant Accounting Policies

(a) Statement of Compliance

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

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

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

The annual financial statements were authorised for issue by the Board of Stawell Regional Health Service on (22 August, 2011).

(b) Basis of preparation

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 the fair values.
- The fair value of assets other than land is generally based on their depreciated replacement value.

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

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

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

(c) Reporting Entity

The financial statements include all the controlled activities of Stawell Regional Health.

Its principal address is: Sloane Street, Stawell, Victoria 3380.

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

Note 1: Statement of Significant Accounting Policies

(d) Principles of Consolidation

The assets, liabilities, incomes and expenses of all controlled entities of Stawell Regional Health Service have been included at the values shown in their audited 30 June 2011 Annual Financial Statements. Subsidiaries are entities controlled by Stawell Regional Health Service; control exists when Stawell Regional Health Service has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The consolidated financial statements include the audited financial statements of the controlled entities listed in note 24.

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

Intersegment Transactions

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

Jointly Controlled Assets

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

Details of the jointly controlled assets are set out in note 20.

(e) Scope and presentation of financial statements

Fund Accounting

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

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

Residential Aged Care Service

Residential Aged Care Service operations are an integral part of Stawell Regional Health Service 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 19 to the financial statements.

Residential Aged Care Services are substantially funded from Commonwealth bed-day subsidies.

Comprehensive Operating Statement

The Comprehensive Operating Statement includes the subtotal entitled 'Net result Before Capital & Specific Items' to enhance the understanding of the financial performance of Stawell Regional Health Service. 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 Stawell Regional 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 (g)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Depreciation as described in note 1 (h).
- Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

Note 1: Statement of Significant Accounting Policies

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.

(f) Change in Accounting Policies

The accounting treatment of the investment in the GRHA IT alliance has changed this year. In previous years, this has been accounted for using the equity method of accounting. It has been determined that the proportionate method is the correct method. Current Assets, Non-Current Assets and Current Liabilities have been altered on the Balance Sheet to reflect the proportion of those classes that Stawell Regional Health has a stake in. In previous years, only the Net Asset figure has been reported under Non-Current Assets.

The 2010 comparatives have been altered to reflect this change in accounting policy. There has been no net effect on the 2010 Balance Sheet or operating statement as a result of this change.

See note 20 for Stawell Regional Health's share of GRHA operations and financial position.

(g) 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 Stawell Regional Health Service and the income can be reliably measured. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue 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 invoices are raised.

Revenue from commercial activities

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

Donations and Other Bequests

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

Interest Revenue

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

(h) Expense Recognition

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

Cost of Goods Sold

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

Employee expenses

Employee expenses include:

- Wages and salaries;
- Annual leave;
- Sick leave;
- Long service leave; and

Superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Note 1: Statement of Significant Accounting Policies

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 Stawell Regional Health are entitled to receive superannuation benefits and Stawell Regional Health contributes to both the defined benefit and defined contribution plans. The defined benefit plan 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 Stawell Regional Health Service are as follows:

Fund	Contributions Paid or Payable for the year	
	2011 \$'000	2010 \$'000
Defined benefit plans:		
Health Super Superannuation Fund	172	151
Defined contribution plans:		
Health Super Superannuation Fund	682	693
HESTA Superannuation Fund	116	108
Total	970	952

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

Depreciation is provided on property, plant and equipment, including freehold buildings, but excluding land. 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	5 to 50 years	5 to 50 years
Site Engineering Services and Central Plant	5 to 50 years	5 to 50 years
Central Plant		
Fit Out	5 to 50 years	5 to 50 years
Trunk Reticulated Building Systems	5 to 50 years	5 to 50 years
Plant & Equipment	5 to 15 years	5 to 15 years
Medical Equipment	5 to 15 years	5 to 15 years
Computers and Communication	3 to 5 years	3 to 5 years
Furniture and Fitting	5 to 15 years	5 to 15 years
Motor Vehicles	7 years	7 years

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

Note 1: Statement of Significant Accounting Policies

(i) Financial assets

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 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 predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- Contractual receivables, which consists of mainly debtors in relation to goods and services and accrued investment income.

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

Investments and Other Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under 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 or loss;
- Loans and receivables; and
- Available-for-sale financial assets.

Stawell Regional Health Service assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

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

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 Stawell Regional Health Service 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 or 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.

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

Note 1: Statement of Significant Accounting Policies

(j) 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 excludes depreciable assets.

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

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

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

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

Property, Plant and Equipment

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

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

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

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

Revaluations of Non-current Physical Assets

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

Revaluation increments are 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, Stawell Regional Health Service's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Note 1: Statement of Significant Accounting Policies

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

Assets are assessed annually for indications of impairment, except for:

- inventories.

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

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

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

(k) Liabilities

Payables

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Nett 30 days.

Provisions

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

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

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

Note 1: Statement of Significant Accounting Policies

Long Service Leave

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

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

The components of this current LSL liability are measured at:

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

Non-Current Liability – conditional LSL (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

Stawell Regional 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) Leases

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

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

Finance Leases

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

Entity as lessee

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

Operating Leases

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

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

Note 1: Statement of Significant Accounting Policies

Lease Incentives

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

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

Leasehold Improvements

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

(m) Equity

Contributed Capital

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

Property, Plant & Equipment Revaluation Surplus

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

General Reserves

A general purpose reserve is established where the Health Service has placed a restriction and/or condition on the use of particular funds received.

Specific Restricted Purpose Reserve

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

(n) Commitments for expenditure

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

(o) Contingent assets and contingent liabilities

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

(p) Goods and Services Tax

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

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

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

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

(q) 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.

Note 1: Statement of Significant Accounting Policies

(r) New Accounting Standards and Interpretations

Certain new Australian accounting standards and interpretations have been published that are not mandatory for the 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. Stawell Regional Health Service has not and does not intend to adopt these standards early.

Standard/Interpretation	Summary	Applicable for Annual Reporting periods beginning on	Impact on Health Services Financial Statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	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 2013	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 Jan 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.

Note 1: Statement of Significant Accounting Policies

<p>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]</p>	<p>This standard amends AASB 8 to require an entity to exercise judgement in assessing whether a government and entities known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures. This standard also makes numerous editorial amendments to other AASs.</p>	<p>Beginning 1 Jan 2013</p>	<p>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.</p>
<p>AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]</p>	<p>Amendments to Interpretation 14 arise from the issuance of prepayments of a minimum funding requirement.</p>	<p>Beginning 1 Jan 2011</p>	<p>Expected to have no significant impact.</p>
<p>AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</p>	<p>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.</p>	<p>Beginning 1 July 2013</p>	<p>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.</p>
<p>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]</p>	<p>This Standard makes numerous improvements designed to enhance the clarity of standards.</p>	<p>Beginning 1 Jan 2011</p>	<p>No significant impact on the financial statements.</p>
<p>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]</p>	<p>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.</p>	<p>Beginning 1 Jan 2011</p>	<p>No significant impact on the financial statements.</p>
<p>AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]</p>	<p>This amendment adds and changes disclosure requirements about the transfer of financial assets. This includes the nature and risk of the financial assets.</p>	<p>Beginning 1 Jan 2011</p>	<p>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.</p>

Note 1: Statement of Significant Accounting Policies

<p>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]</p>	<p>These amendments are in relation to the introduction of AASB 9.</p>	<p>Beginning 1 Jan 2013</p>	<p>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.</p>
<p>AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]</p>	<p>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.</p>	<p>Beginning 1 Jan 2012</p>	<p>This amendment provides additional clarification through practical guidance.</p>
<p>AASB 2010-9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]</p>	<p>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.</p>	<p>Beginning 1 July 2011</p>	<p>Amendment unlikely to impact on public sector entities.</p>

Note 1: Statement of Significant Accounting Policies

<p>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]</p>	<p>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.</p>	<p>Beginning 1 July 2011</p>	<p>This amendment will have no significant impact on public sector bodies.</p>
<p>AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]</p>	<p>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.</p>	<p>Beginning 1 July 2013</p>	<p>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.</p>
<p>AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]</p>	<p>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.</p>	<p>Beginning 1 July 2012</p>	<p>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.</p>

Note 1: Statement of Significant Accounting Policies

(s) Category Groups

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

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

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

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

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

Residential Aged Care including Mental Health (RAC incl. Mental Health) referred to in the past as 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, Kooris liaison officers, immunisation and screening services, Drugs services including drug withdrawal, counselling and the needle and syringe program, Dental Health services including general and specialist dental care, school dental services and clinical education, Disability services including aids and equipment and flexible support packages to people with a disability, Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also falls in this category group.

Note 2:
Revenue

	Parent						Consolidated					
	HSA 2011 \$'000	HSA 2010 \$'000	Non HSA 2011 \$'000	Non HSA 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000	HSA 2011 \$'000	HSA 2010 \$'000	Non HSA 2011 \$'000	Non HSA 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000
Revenue from Operating Activities												
Government Grants												
- Department of Health	13,604	13,038	-	-	13,604	13,038	13,604	13,038	-	-	13,604	13,038
- Commonwealth Government												
- Residential Aged Care Subsidy	1,571	1,633	-	-	1,571	1,633	1,571	1,633	-	-	1,571	1,633
- Other	1,118	816	-	-	1,118	816	1,118	816	-	-	1,118	816
Total Government Grants	16,293	15,487	-	-	16,293	15,487	16,293	15,487	-	-	16,293	15,487
Indirect Contributions by Department of Health												
- Insurance	357	272	-	-	357	272	357	272	-	-	357	272
- Long Service Leave	(12)	(104)	-	-	(12)	(104)	(12)	(104)	-	-	(12)	(104)
Total Indirect Contributions by Department of Health	345	168	-	-	345	168	345	168	-	-	345	168
Patient and Resident Fees												
- Patient and Resident Fees (refer note 2b)	1,595	1,433	-	-	1,595	1,433	1,595	1,433	-	-	1,595	1,433
Total Patient & Resident Fees	1,595	1,433	-	-	1,595	1,433	1,595	1,433	-	-	1,595	1,433
Business Units & Specific Purpose Funds												
- Private Practice and Other Patient Activities Fees	-	-	28	28	28	28	-	-	28	28	28	28
- Diagnostic Imaging	-	-	966	929	966	929	-	-	966	929	966	929
- Pharmacy Services	-	-	23	5	23	5	-	-	23	5	23	5
- Catering	-	-	134	175	134	175	-	-	134	175	134	175
- Property Income	-	-	70	78	70	78	-	-	70	78	70	78
Total Business Units & Specific Purpose Funds	-	-	1,221	1,215	1,221	1,215	-	-	1,221	1,215	1,221	1,215
Donations & Bequests	-	-	-	-	-	-	-	-	37	264	37	264
Other Revenue from Operating Activities	418	529	123	110	541	639	418	529	123	110	541	639
Sub-Total Revenue from Operating Activities	18,651	17,617	1,344	1,325	19,995	18,942	18,651	17,617	1,381	1,589	20,032	19,206
Revenue from Non-Operating Activities												
Interest & Dividends	-	-	186	157	186	157	-	-	253	225	253	225
Sub-Total Revenue from Non-Operating Activities	-	-	186	157	186	157	-	-	253	225	253	225
Revenue from Capital Purpose Income												
State Government Capital Grants												
- Targeted Capital Works and Equipment	150	181	-	-	150	181	150	181	-	-	150	181
Commonwealth Government Capital Grants	90	103	-	-	90	103	90	103	-	-	90	103
Residential Accommodation Payments (refer note 2b)	177	136	-	-	177	136	177	136	-	-	177	136
Assets Received Free of Charge (refer note 2d)	-	-	60	-	60	-	-	-	60	-	60	-
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2c)	-	-	11	(51)	11	(51)	-	-	11	(51)	11	(51)
Donations & Bequests	-	-	198	350	198	350	-	-	198	350	198	350
Other Capital Purpose Income	70	-	11	2	81	2	70	-	11	2	81	2
Sub-Total Revenue from Capital Purpose Income	487	420	280	301	767	721	487	420	280	301	767	721
Total Revenue (refer to note 2a)	19,138	18,037	1,810	1,783	20,948	19,820	19,138	18,037	1,914	2,115	21,052	20,152

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 revenues and expenses.

Note 2a: Analysis of Revenue by Source

(Based on the consolidated view of note 2)

	Admitted Patients 2011 \$'000	Outpatients 2011 \$'000	EDS 2011 \$'000	Ambulatory 2011 \$'000	RAC incl. Mental Health 2011 \$'000	Aged Care 2011 \$'000	Primary Health 2011 \$'000	Other 2011 \$'000	Total 2011 \$'000
Revenue from Services Supported by Health Services Agreement									
Government Grants	10,681	-	-	855	2,768	486	1,503	-	16,293
Indirect contributions by Department of Health	121	10	10	29	107	16	51	-	345
Patient & Resident Fees (refer note 2b)	969	-	1	-	481	86	58	-	1,595
Other Revenue from Operating Activities	264	6	6	13	57	11	62	-	418
Capital Purpose Income (refer note 2)	191	-	-	-	267	6	23	-	487
Sub-Total Revenue from Services Supported by Health Services Agreement	12,226	16	17	897	3,680	605	1,697	-	19,138
Revenue from Services Supported by Hospital and Community Initiatives									
Donations & Bequests (non capital)	-	-	-	-	-	-	-	37	37
Business Units & Specific Purpose Funds	-	-	-	-	-	-	-	1,221	1,221
Other	-	-	-	-	-	-	-	376	376
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	-	280	280
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	1,914	1,914
Total Revenue	12,226	16	17	897	3,680	605	1,697	1,914	21,052

Indirect contributions by Department of Health: Department of Health (DH) 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 revenues and expenses. Revenues and expenses of Support Services are distributed to categories using a number of allocation bases including estimated usage, percentage of total revenue and equivalent full time (EFT) staff.

Note 2a: Analysis of Revenue by Source

(Based on the consolidated view of note 2)

	Admitted Patients 2010 \$'000	Outpatients 2010 \$'000	EDS 2010 \$'000	Ambulatory 2010 \$'000	RAC incl. Mental Health 2010 \$'000	Aged Care 2010 \$'000	Primary Health 2010 \$'000	Other 2010 \$'000	Total 2010 \$'000
Revenue from Services Supported by Health Services Agreement									
Government Grants	9,944	-	-	826	2,764	469	1,484	-	15,487
Indirect contributions by Department of Health	59	5	5	14	52	8	25	-	168
Patient & Resident Fees (refer note 2b)	775	-	1	-	476	128	53	-	1,433
Other Revenue from Operating Activities	334	7	7	17	72	14	78	-	529
Capital Purpose Income (refer note 2)	135	-	-	-	259	13	13	-	420
Sub-Total Revenue from Services Supported by Health Services Agreement	11,247	12	13	857	3,623	632	1,653	-	18,037
Revenue from Services Supported by Hospital and Community Initiatives									
Donations & Bequests (non capital)	-	-	-	-	-	-	-	264	264
Business Units & Specific Purpose Funds	-	-	-	-	-	-	-	1,215	1,215
Other	-	-	-	-	-	-	-	335	335
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	-	301	301
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	2,115	2,115
Total Revenue	11,247	12	13	857	3,623	632	1,653	2,115	20,152

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 revenues and expenses. Revenues and expenses of Support Services are distributed to categories using a number of allocation bases including estimated usage, percentage of total revenue and equivalent full time (EFT) staff.

Note 2b: Patient and Resident Fees

Patient and Resident Fees Raised Recurrent:

Acute

- Inpatients
- Outpatients

Residential Aged Care

- Generic
- Mental Health

Other

Total Recurrent

Capital Purpose:

Residential Accommodation Payments

Total Capital

Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
969	775	969	775
1	1	1	1
401	397	401	397
80	79	80	79
144	181	144	181
1,595	1,433	1,595	1,433
177	136	177	136
177	136	177	136

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

Proceeds from Disposals of Non-Current Assets

Plant and Equipment

Medical Equipment

Motor Vehicles

Total Proceeds from Disposal of Non-Current Assets

Less: Written Down Value of Non-Current Assets Sold

Plant and Equipment

Medical Equipment

Motor Vehicles

Total Written Down Value of Non-Current Assets Sold

Net gains/(losses) on Disposal of Non-Current Assets

Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
-	7	-	7
-	27	-	27
39	77	39	77
39	111	39	111
-	6	-	6
-	91	-	91
28	65	28	65
28	162	28	162
11	(51)	11	(51)

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

During the reporting period, the fair value of assets received free of charge, was as follows:

Plant and Equipment

TOTAL

Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
60	-	60	-
60	-	60	-

Asset received from the Stawell Regional Health Foundation

Note 3: Expenses

	Parent						Consolidated					
	HSA 2011 \$'000	HSA 2010 \$'000	Non HSA 2011 \$'000	Non HSA 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000	HSA 2011 \$'000	HSA 2010 \$'000	Non HSA 2011 \$'000	Non HSA 2010 \$'000	Total 2011 \$'000	Total 2010 \$'000
Employee Benefits												
Salaries & Wages	10,014	9,501	321	494	10,335	9,995	10,014	9,501	321	494	10,335	9,995
WorkCover Premium	117	153	2	14	119	167	117	153	2	14	119	167
Departure Packages	5	-	-	-	5	-	5	-	-	-	5	-
Long Service Leave	229	142	9	13	238	155	229	142	9	13	238	155
Superannuation	977	944	28	45	1,005	989	977	944	28	45	1,005	989
Total Employee Benefits	11,342	10,740	360	566	11,702	11,306	11,342	10,740	360	566	11,702	11,306
Non Salary Labour Costs												
Fees for Visiting Medical Officers	1,339	1,235	10	-	1,349	1,235	1,339	1,235	10	-	1,349	1,235
Agency Costs - Nursing	-	8	-	-	-	8	-	8	-	-	-	8
Agency Costs - Other	897	515	-	24	897	539	897	515	-	24	897	539
Total Non Salary Labour Costs	2,236	1,758	10	24	2,246	1,782	2,236	1,758	10	24	2,246	1,782
Supplies & Consumables												
Drug Supplies	543	576	-	-	543	576	543	576	-	-	543	576
\$100 Drugs	109	105	-	-	109	105	109	105	-	-	109	105
Medical, Surgical Supplies and Prosthesis	1,332	1,216	596	591	1,928	1,807	1,332	1,216	596	591	1,928	1,807
Pathology Supplies	100	84	-	-	100	84	100	84	-	-	100	84
Food Supplies	579	529	-	52	579	581	579	529	-	52	579	581
Total Supplies & Consumables	2,663	2,510	596	643	3,259	3,153	2,663	2,510	596	643	3,259	3,153
Other Expenses from Continuing Operations												
Domestic Services & Supplies	324	314	7	14	331	328	324	314	7	14	331	328
Fuel, Power, Gas and Water	251	214	-	20	251	234	251	214	-	20	251	234
Insurance costs funded by DH	357	255	-	16	357	271	357	255	-	16	357	271
Motor Vehicle Expenses	96	72	-	1	96	73	96	72	-	1	96	73
Repairs & Maintenance	266	239	22	20	288	259	266	239	22	20	288	259
Maintenance Contracts	94	91	102	119	196	210	94	91	102	119	196	210
Patient Transport	166	109	-	-	166	109	166	109	-	-	166	109
Bad & Doubtful Debts	2	8	7	12	9	20	2	8	7	12	9	20
Lease Expenses	112	96	-	9	112	105	112	96	-	9	112	105
Other Administrative Expenses	825	799	246	50	1,071	849	825	799	326	306	1,151	1,105
Other	-	388	-	-	-	388	-	388	-	-	-	388
Audit Fees												
- VAGO - Audit of Financial Statements	12	12	-	1	12	13	15	12	-	4	15	16
- Other	16	18	-	1	16	19	16	18	-	1	16	19
Total Other Expenses from Continuing Operations	2,521	2,615	384	263	2,905	2,878	2,524	2,615	464	522	2,988	3,137
Depreciation & Amortisation	1,894	1,821	-	-	1,894	1,821	1,894	1,821	-	-	1,894	1,821
Total	1,894	1,821	-	-	1,894	1,821	1,894	1,821	-	-	1,894	1,821
Total Expenses	20,656	19,444	1,350	1,496	22,006	20,940	20,659	19,444	1,430	1,755	22,089	21,199

Note 3a: Analysis of Expenses by Source

(Based on the consolidated view of note 3)

	Admitted Patients 2011 \$'000	Outpatients 2011 \$'000	EDS 2011 \$'000	Ambulatory 2011 \$'000	RAC incl. Mental Health 2011 \$'000	Aged Care 2011 \$'000	Primary Health 2011 \$'000	Other 2011 \$'000	Total 2011 \$'000
Services Supported by Health Services Agreement									
Employee Benefits	5,778	120	138	229	3,067	717	1,293	-	11,342
Non Salary Labour Costs	1,804	6	6	182	78	11	149	-	2,236
Supplies & Consumables	2,182	1	37	1	356	47	38	-	2,663
Other Expenses from Continuing Operations	1,310	20	23	432	391	75	272	-	2,524
Sub-Total Expenses from Services Supported by Health Services Agreement	11,074	147	204	844	3,892	850	1,752	-	18,765
Services Supported by Hospital and Community Initiatives									
Employee Benefits	-	-	-	-	-	-	-	360	360
Non Salary Labour Costs	-	-	-	-	-	-	-	10	10
Supplies & Consumables	-	-	-	-	-	-	-	596	596
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	464	464
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	1,430	1,430
Expenditure using Capital Purpose Income									
Depreciation & Amortisation (refer note 4)	1,100	1	2	81	331	54	153	172	1,894
Sub-total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	1,100	1	2	81	331	54	153	172	1,894
Total Expenses	12,174	148	206	925	4,223	905	1,905	1,602	22,089

Note 3a: Analysis of Expenses by Source

(Based on the consolidated view of note 3)

	Admitted Patients 2010 \$'000	Outpatients 2010 \$'000	EDS 2010 \$'000	Ambulatory 2010 \$'000	RAC incl. Mental Health 2010 \$'000	Aged Care 2010 \$'000	Primary Health 2010 \$'000	Other 2010 \$'000	Total 2010 \$'000
Services Supported by Health Services Agreement									
Employee Benefits	5,617	128	148	224	2,874	605	1,144	-	10,740
Non Salary Labour Costs	1,418	5	5	143	61	9	117	-	1,758
Supplies & Consumables	2,057	1	35	1	336	44	36	-	2,510
Other Expenses from Continuing Operations	1,357	21	24	448	405	78	282	-	2,615
Sub-Total Expenses from Services Supported by Health Services Agreement	10,449	155	212	816	3,676	736	1,579	-	17,623
Services Supported by Hospital and Community Initiatives									
Employee Benefits	-	-	-	-	-	-	-	566	566
Non Salary Labour Costs	-	-	-	-	-	-	-	24	24
Supplies & Consumables	-	-	-	-	-	-	-	643	643
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	522	522
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	1,755	1,755
Expenditure using Capital Purpose Income									
Depreciation & Amortisation (refer note 4)	1,017	1	1	77	328	57	149	191	1,821
Sub-total Expenditure from Services supported by Health Services Agreement and by Hospital and Community Initiatives	1,017	1	1	77	328	57	149	191	1,821
Total Expenses	11,466	156	213	893	4,004	793	1,728	1,946	21,199

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

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Diagnostic Imaging	1,159	1,400	1,159	1,400
Catering	121	167	121	167
Other	80	108	80	108
Other Activities				
Fundraising and Community Support	70	80	70	80
TOTAL	1,430	1,755	1,430	1,755

Note 4: Depreciation and Amortisation

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Depreciation				
Buildings	1,418	1,417	1,418	1,417
Plant & Equipment	192	192	192	192
Medical Equipment	239	196	239	196
Total Depreciation	1,849	1,805	1,849	1,805
Amortisation				
Intangible Assets	45	16	45	16
Total Amortisation	45	16	45	16
Total Depreciation & Amortisation	1,894	1,821	1,894	1,821

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.

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Cash on Hand	2	2	2	2
Cash at Bank	1,266	488	1,301	576
Short Term Money Market	2,320	2,620	3,598	3,845
TOTAL	3,588	3,110	4,901	4,423
Represented by:				
Cash for Health Service Operations (as per Cash Flow Statement)	3,142	2,721	4,455	4,034
Cash for Monies Held in Trust				
- Cash at Bank	60	35	60	35
- Short Term Money Market	386	354	386	354
TOTAL	3,588	3,110	4,901	4,423

Note 6: Receivables

CURRENT

Contractual

Inter Hospital Debtors	130	64	130	110
Trade Debtors	137	252	137	206
Patient Fees	275	80	275	80
Accrued Investment Income	54	31	82	45
Accrued Revenue - Other	65	76	64	76
Less Allowance for Doubtful Debts				
Trade Debtors	(2)	(13)	(2)	(13)
Patient Fees	(16)	(2)	(16)	(2)

Statutory

GST Receivable	40	78	47	78
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TOTAL CURRENT RECEIVABLES

NON CURRENT

Statutory

Long Service Leave - DH	-	13	-	13
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TOTAL NON-CURRENT RECEIVABLES

TOTAL RECEIVABLES

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
CURRENT				
Contractual				
Inter Hospital Debtors	130	64	130	110
Trade Debtors	137	252	137	206
Patient Fees	275	80	275	80
Accrued Investment Income	54	31	82	45
Accrued Revenue - Other	65	76	64	76
Less Allowance for Doubtful Debts				
Trade Debtors	(2)	(13)	(2)	(13)
Patient Fees	(16)	(2)	(16)	(2)
	643	488	670	502
Statutory				
GST Receivable	40	78	47	78
	40	78	47	78
TOTAL CURRENT RECEIVABLES	683	566	717	580
NON CURRENT				
Statutory				
Long Service Leave - DH	-	13	-	13
	-	13	-	13
TOTAL NON-CURRENT RECEIVABLES		13		13
TOTAL RECEIVABLES	683	579	717	593

(a) Movement in the Allowance for doubtful debts

Balance at beginning of year	13	2	13	2
Amounts written off during the year	(26)	(7)	(26)	(7)
Increase/(decrease) in allowance recognised in profit or loss	31	18	31	18
Balance at end of year	18	13	18	13

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Balance at beginning of year	13	2	13	2
Amounts written off during the year	(26)	(7)	(26)	(7)
Increase/(decrease) in allowance recognised in profit or loss	31	18	31	18
Balance at end of year	18	13	18	13

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

(c) Nature and extent of risk arising from receivables. Please refer to note 16 for the nature and extent of credit risk arising from receivables.

Note 7: Inventories

Pharmaceuticals

At cost

Medical and Surgical Lines

At cost

TOTAL INVENTORIES

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Pharmaceuticals	55	75	55	75
Medical and Surgical Lines	84	92	84	92
TOTAL INVENTORIES	139	167	139	167

Note 8: Assets

Prepayments

Rental Property Bonds

CURRENT

TOTAL

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Prepayments	47	75	47	75
Rental Property Bonds	4	5	4	5
CURRENT	51	80	51	80
TOTAL	51	80	51	80

Note 9: Property, Plant & Equipment

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Land				
Land at Fair Value	1,419	1,419	1,419	1,419
Total Land	1,419	1,419	1,419	1,419
Buildings				
Buildings at Valuation	18,701	18,701	18,701	18,701
Less Acc'd Depreciation	2,832	1,416	2,832	1,416
Buildings at Cost	73	44	73	44
Less Acc'd Depreciation	3	1	3	1
Total Buildings	15,939	17,328	15,939	17,328
Plant and Equipment				
Plant and Equipment at Fair Value	1,612	1,583	1,612	1,583
Less Acc'd Depreciation	1,002	858	1,002	858
Total Plant and Equipment	610	725	610	725
Medical Equipment				
Medical Equipment at Fair Value	3,557	3,371	3,557	3,371
Less Acc'd Depreciation	2,096	1,857	2,096	1,857
Total Medical Equipment	1,461	1,514	1,461	1,514
TOTAL	19,429	20,986	19,429	20,986

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

	Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Medical Equipment \$'000	Total \$'000
Balance at 1 July 2009	1,419	18,710	760	1,286	22,175
Additions	-	35	227	515	867
Disposals	-	-	(70)	(91)	(161)
Depreciation and Amortisation (note 4)	-	1,417	192	196	1,805
Balance at 1 July 2010	1,419	17,328	725	1,514	20,986
Additions	-	29	106	186	321
Nett WDV of Disposals	-	-	(29)	-	(29)
Depreciation and Amortisation (note 4)	-	1,418	192	239	1,849
Balance at 30 June 2011	1,419	15,939	610	1,461	19,429

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by Value It Pty Ltd to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30/06/2009.

Note 10: Intangible Assets

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Computer Software	433	318	433	318
Less Acc'd Amortisation	208	163	208	163
	225	155	225	155
Total Written Down Value	225	155	225	155

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the previous and current financial year:

	Computer Software \$'000	Total \$'000
Balance at 1 July 2009	55	55
Additions	116	116
Amortisation (note 4)	16	16
Balance at 1 July 2010	155	155
Additions	115	115
Amortisation (note 4)	45	45
Balance at 30 June 2011	225	225

Note 11: Payables

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
CURRENT				
Contractual				
Trade Creditors	347	989	347	989
Accrued Expenses	876	366	879	369
	1,223	1,355	1,226	1,358
Statutory				
DH	360	385	360	385
	360	385	360	385
TOTAL CURRENT	1,583	1,740	1,586	1,743
TOTAL	1,583	1,740	1,586	1,743

(a) **Maturity analysis of payables.** Please refer to Note 16 for the ageing analysis of payables.

(b) **Nature and extent of risk arising from payables.** Please refer to Note 16 for the nature and extent of risks arising from payables.

Note 12: Employee Benefits and Related On-Costs Provisions

Current Provisions

Employee Benefits

- Unconditional and expected to be settled within 12 months
- Unconditional and expected to be settled after 12 months

Provisions related to Employee Benefit On-Costs

- Unconditional and expected to be settled within 12 months (nominal value)
- Unconditional and expected to be settled after 12 months (present value)

Total Current Provisions

Non-Current Provisions

Employee Benefits

Provisions related to Employee Benefit On-Costs

Total Non-Current Provisions

Current Employee Benefits

Unconditional LSL Entitlement

Annual Leave Entitlements

Accrued Wages and Salaries

Accrued Days Off

Non-Current Employee Benefits

Conditional Long Service Leave Entitlements (present value)

Total Employee Benefits

On-Costs

Current On-Costs

Non-Current On-Costs

Total On-Costs

Total Employee Benefits and Related On-Costs

Movement in Long Service Leave:

Balance at start of year

Provision made during the year

- Revaluations
- Expense recognising Employee Service

Settlement made during the year

Balance at end of year

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Current Provisions				
Employee Benefits				
- Unconditional and expected to be settled within 12 months	1,208	1,116	1,208	1,116
- Unconditional and expected to be settled after 12 months	767	857	767	857
	1,975	1,973	1,975	1,973
Provisions related to Employee Benefit On-Costs				
- Unconditional and expected to be settled within 12 months (nominal value)	145	134	145	134
- Unconditional and expected to be settled after 12 months (present value)	92	103	92	103
	237	237	237	237
Total Current Provisions	2,212	2,210	2,212	2,210
Non-Current Provisions				
Employee Benefits	313	245	313	245
Provisions related to Employee Benefit On-Costs	37	29	37	29
Total Non-Current Provisions	350	274	350	274
Current Employee Benefits				
Unconditional LSL Entitlement	879	937	879	937
Annual Leave Entitlements	727	729	727	729
Accrued Wages and Salaries	335	278	335	278
Accrued Days Off	34	29	34	29
Non-Current Employee Benefits				
Conditional Long Service Leave Entitlements (present value)	313	245	313	245
Total Employee Benefits	2,288	2,218	2,288	2,218
On-Costs				
Current On-Costs	237	237	237	237
Non-Current On-Costs	37	29	37	29
Total On-Costs	274	266	274	266
Total Employee Benefits and Related On-Costs	2,562	2,484	2,562	2,484
Movement in Long Service Leave:				
Balance at start of year	1,324	1,337	1,324	1,337
Provision made during the year				
- Revaluations	1	3	1	3
- Expense recognising Employee Service	214	151	214	151
Settlement made during the year	(204)	(167)	(204)	(167)
Balance at end of year	1,335	1,324	1,335	1,324

Note 12a: Employee Benefits

CURRENT (refer note 1 (k))

Unconditional long service leave entitlements

Annual leave entitlements

Accrued Wages and Salaries

Accrued Days Off

TOTAL

Current Employee benefits that:

Expected to be utilised within 12 months (nominal value)

Expected to be utilised after 12 months (present value)

NON-CURRENT (refer note 1 (k))

Conditional long service leave entitlements (present value)

TOTAL

Movement in Long Service Leave:

Balance at start of year

Provision made during the year

Settlement made during the year

Balance at end of year

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Unconditional long service leave entitlements	985	1,050	985	1,050
Annual leave entitlements	814	817	814	817
Accrued Wages and Salaries	375	311	375	311
Accrued Days Off	38	32	38	32
TOTAL	2,212	2,210	2,212	2,210
Current Employee benefits that:				
Expected to be utilised within 12 months (nominal value)	1,353	1,354	1,353	1,354
Expected to be utilised after 12 months (present value)	859	856	859	856
	2,212	2,210	2,212	2,210
NON-CURRENT (refer note 1 (k))				
Conditional long service leave entitlements (present value)	350	274	350	274
TOTAL	350	274	350	274
Movement in Long Service Leave:				
Balance at start of year	1,324	1,337	1,324	1,337
Provision made during the year	215	154	215	154
Settlement made during the year	(204)	(167)	(204)	(167)
Balance at end of year	1,335	1,324	1,335	1,324

Note 13: Other Liabilities

CURRENT

Monies Held in Trust

- Patient Monies Held in Trust

- Other Monies Held in Trust

Revenue in Advance

Total Current

Total Other Liabilities

Total Monies Held in Trust

Represented by the following assets:

Cash Assets (refer to Note 5)

TOTAL

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Monies Held in Trust				
- Patient Monies Held in Trust	60	35	60	35
- Other Monies Held in Trust	386	354	386	354
Revenue in Advance	122	52	122	52
Total Current	568	441	568	441
Total Other Liabilities	568	441	568	441
Total Monies Held in Trust				
Represented by the following assets:				
Cash Assets (refer to Note 5)	446	389	446	389
TOTAL	446	389	446	389

Note 14: Reserves

(a) Reserves

Property, Plant & Equipment Revaluation Surplus

Balance at the beginning of the reporting period

Balance at the end of the reporting period

Represented by:

- Land

- Buildings

Restricted Specific Purpose Reserve

Balance at the beginning of the reporting period

Transfer to and from Restricted Specific Purpose Reserve

Balance at the end of the reporting period

Total Reserves

(b) Contributed Capital

Balance at the beginning of the reporting period

Balance at the end of the reporting period

(c) Accumulated Surpluses/(Deficits)

Balance at the beginning of the reporting period

Net Result for the Year

Transfers to and from Reserve

Balance at the end of the reporting period

(d) Total Equity at end of financial year

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
(a) Reserves				
Property, Plant & Equipment Revaluation Surplus				
Balance at the beginning of the reporting period	6,450	6,450	6,450	6,450
Balance at the end of the reporting period	6,450	6,450	6,450	6,450
Represented by:				
- Land	826	826	826	826
- Buildings	5,624	5,624	5,624	5,624
	6,450	6,450	6,450	6,450
Restricted Specific Purpose Reserve				
Balance at the beginning of the reporting period	279	402	279	402
Transfer to and from Restricted Specific Purpose Reserve	-	(123)	-	(123)
Balance at the end of the reporting period	279	279	279	279
Total Reserves	6,729	6,729	6,729	6,729
(b) Contributed Capital				
Balance at the beginning of the reporting period	9,345	9,345	9,345	9,345
Balance at the end of the reporting period	9,345	9,345	9,345	9,345
(c) Accumulated Surpluses/(Deficits)				
Balance at the beginning of the reporting period	4,521	5,518	5,845	6,769
Net Result for the Year	(1,088)	(1,120)	(1,067)	(1,047)
Transfers to and from Reserve	-	123	-	123
Balance at the end of the reporting period	3,433	4,521	4,778	5,845
(d) Total Equity at end of financial year	19,507	20,595	20,852	21,919

Note 15: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Net Result for the Year	(1,058)	(1,120)	(1,037)	(1,047)
Depreciation & Amortisation	1,894	1,821	1,894	1,821
Provision for Doubtful Debts	3	13	3	13
Change in Inventories	27	(80)	27	(80)
Resources/Assets Received Free of Charge	(60)	-	(60)	-
Net (Gain)/Loss from Sale of Plant and Equipment	(11)	51	(11)	51
Change in Operating Assets & Liabilities				
(Increase)/Decrease in Receivables	(106)	166	(127)	155
(Increase)/Decrease in Other Assets	(9)	(124)	(9)	(124)
(Increase)/Decrease in Prepayments	29	(29)	29	(29)
Increase/(Decrease) in Payables	(157)	(120)	(157)	(120)
Increase/(Decrease) in Employee Benefits	78	(30)	78	(30)
Increase/(Decrease) in Other Liabilities	127	131	127	131
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	757	679	757	741

Note 16: Financial Instruments

(a) Financial Risk Management Objectives and Policies

The Health Service's principal financial instruments comprise of:

- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

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

Note 16: Financial Instruments (continued)

Categorisation of financial instruments

	Carrying Amount 2011 \$'000	Carrying Amount 2010 \$'000
Financial Assets		
Cash and cash equivalents	4,901	4,423
Loans and Receivables	670	502
Total Financial Assets	5,571	4,925
Financial Liabilities		
Payables	1,223	1,358
Other Financial Liabilities	571	441
Total Financial Liabilities	1,794	1,799

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

	Carrying Amount 2011 \$'000	Carrying Amount 2010 \$'000
Financial Assets		
Cash and Cash Equivalents	253	225
Total Financial Assets	253	225

(b) Credit Risk

In the context of the Health Service, credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Financial instruments particular to Stawell Regional Health which would be subject to credit risk include:

- Cash Equivalents
- Receivables
- Trade Creditors and Accruals

As regards to credit risk for Cash Equivalents, it is the Health Services's policy to only invest funds in reputable Australian deposit taking institutions listed as recommended by the Victorian Department of Treasury. Credit risk should be minimised as such institutions have their capital adequacy monitored by the Australian Prudential Regulatory Authority (APRA).

Receivables are regularly monitored by management and should collection be doubted, a specific provision is created. It is the Health Service's policy that provisions over a certain threshold are approved by management and the Board. Receivables in both the monthly management reports and annual financial statements are shown as net of provisions.

The Health Service does not have any significant credit risk exposure to any single counter party or any group of counter parties having similar characteristics, other than the Department of Health as the material funder of the Health Service's operations.

The Health Service's exposure to credit risk is set out in the following table. For interest rates applicable to each class of asset refer to individual notes to the financial statements.

Note 16: Financial Instruments (continued)

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

2011	Financial institutions (AAA credit rating) \$'000	Government agencies (AAA credit rating) \$'000	Government agencies (BBB credit rating) \$'000	Other (min BBB credit rating) \$'000	Total \$'000
Financial Assets					
Cash and Cash Equivalents	1,303	-	-	-	1,303
Receivables					
- Trade Debtors	-	137	-	130	267
- Other Receivables	-	-	-	403	403
Other Financial Assets					
- Term Deposit	1,580	-	-	2,018	3,598
Total Financial Assets	2,883	137	-	2,551	5,571
2010					
Financial Assets					
Cash and Cash Equivalents	578	-	-	-	578
Receivables					
- Trade Debtors	-	110	-	163	273
- Other Receivables	-	-	-	229	229
Other Financial Assets					
- Term Deposit	1,848	-	-	1,997	3,845
Total Financial Assets	2,426	110	-	2,389	4,925

Ageing analysis of Financial Asset as at 30 June

	Consol'd 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	
2011	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash and Cash Equivalents	4,901	4,901	-	-	-	-	-
Receivables							
- Trade Debtors	267	245	3	17	-	-	2
- Other Receivables	403	360	4	23	-	-	16
Total Financial Assets	5,571	5,506	7	40	-	-	18
2010							
Financial Assets							
Cash and Cash Equivalents	4,423	4,423	-	-	-	-	-
Receivables							
- Trade Debtors	273	230	14	5	11	-	13
- Other Receivables	229	145	61	18	3	-	2
Total Financial Assets	4,925	4,798	75	23	14	-	15

Note 16: Financial Instruments (continued)

(c) Liquidity Risk

In the context of the Health Service, liquidity risk refers to the risk that the Health Service will encounter difficulty in meeting obligations associated with financial liabilities.

Financial instruments particular to Stawell Regional Health which would be subject to liquidity risk include:

- Trade Creditors and Accruals
- Monies Held In Trust
- Other Liabilities

The Health Service is a statutory corporation that is primarily funded by the Department of Health. It is the Board's policy to manage the organisation under the Financial Management Act to ensure that it meets its financial obligations as and when they fall due.

Trade Creditors and Accruals are generally paid within trading terms. It is the Health Service's policy to monitor and review the capabilities and credit worthiness of counter parties on a regular basis. The Health Service maintains a list of approved suppliers and overlays a delegation of authority for supplies over certain monetary thresholds.

The Board also recognises that, where obligated by specific legislation to quarantine financial assets to meet future financial liabilities that it does so without using these financial assets to meet day to day liquidity needs.

The Board also recognises that, where obligated by specific legislation to quarantine financial assets to meet future financial liabilities, that it does so without using these financial assets to meet day to day liquidity needs.

The following table discloses the contractual maturity analysis for the 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
2011						
Financial Liabilities						
Payables	1,223	1,223	1,223	-	-	-
Other Financial Liabilities	571	571	571	-	-	-
Total Financial Liabilities	1,794	1,794	1,794	-	-	-
2010						
Financial Liabilities						
Payables	1,358	1,358	1,358	-	-	-
Other Financial Liabilities	441	441	441	-	-	-
Total Financial Liabilities	1,799	1,799	1,799	-	-	-

Note 16: Financial Instruments (continued)

(d) Market Risk

The 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 paragraphs below.

Currency Risk

The Health Service is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement. Liabilities are recognised and paid at the spot rate prevalent at that time.

Interest Rate Risk

The Health Service is only subject to interest rate risk on investments. The Health Service is not empowered to borrow funds subject to interest on the principal and is therefore not subject to market risk on financial liabilities.

Other Price Risk

The Health Service has not identified any other price risks.

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

	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-Interest Bearing \$'000
2011					
Financial Assets					
Cash and Cash Equivalents	5.52	4,901	3,598	1,301	2
Receivables					
- Trade Debtors	-	267	-	-	267
- Other Receivables	-	403	-	-	403
		5,571	3,598	1,301	672
Financial Liabilities					
Payables	-	1,223	-	-	1,223
Other Financial Liabilities	-	571	-	-	571
		1,794	-	-	1,794
2010					
Financial Assets					
Cash and Cash Equivalents	4.64	4,423	3,845	576	2
Receivables					
- Trade Debtors	-	273	-	-	273
- Other Receivables	-	229	-	-	229
		4,925	3,845	576	504
Financial Liabilities					
Payables	-	1,358	-	-	1,358
Other Financial Liabilities	-	441	-	-	441
		1,799	-	-	1,799

Note 16: Financial Instruments (continued)

(d) Market Risk (cont)

Sensitivity Disclosure Analysis

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

- A shift of +2% and -2% in market interest rates (AUD) from year-end rates of 6%;
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%

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

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-2%		+2%		-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2011									
Financial Assets									
Cash and Cash Equivalents	4,901	(98)	(98)	98	98	-	-	-	-
Receivables									
- Trade Debtors	267	-	-	-	-	-	-	-	-
- Other Receivables	403	-	-	-	-	-	-	-	-
Financial Liabilities									
Payables	1,223	-	-	-	-	-	-	-	-
Other Financial Liabilities	571	-	-	-	-	-	-	-	-
		(98)	(98)	98	98				
2010									
Financial Assets									
Cash and Cash Equivalents	4,423	(88)	(88)	88	88	-	-	-	-
Receivables									
- Trade Debtors	273	-	-	-	-	-	-	-	-
- Other Receivables	229	-	-	-	-	-	-	-	-
Financial Liabilities									
Payables	1,358	-	-	-	-	-	-	-	-
Other Financial Liabilities	441	-	-	-	-	-	-	-	-
		(88)	(88)	88	88				

Note 16: Financial Instruments (continued)

(e) Fair Value

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

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

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

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

Comparison between carrying amount and fair value

	Consol'd Carrying Amount 2011 \$'000	Fair value 2011 \$'000	Consol'd Carrying Amount 2010 \$'000	Fair value 2010 \$'000
Financial Assets				
Cash and Cash Equivalents	4,901	4,901	4,423	4,423
Receivables				
- Trade Debtors	267	267	273	273
- Other Receivables	403	403	229	229
Total Financial Assets	5,571	5,571	4,925	4,925
Financial Liabilities				
Payables	1,223	1,223	1,358	1,358
Other Financial Liabilities	571	571	441	441
Total Financial Liabilities	1,794	1,794	1,799	1,799

Note 17: Commitments for Expenditure

Capital Expenditure Commitments

Payable:

Computer Software

Total Capital Commitments

Lease Commitments

Commitments in relation to leases contracted for at the reporting date:

Operating Leases

Total Lease Commitments

Operating Leases

Cancellable

Not later than one year

Later than 1 year and not later than 5 years

Sub Total

TOTAL

Total Commitments for Expenditure (inclusive of GST)

less GST recoverable from the Australian Tax Office

Total Commitments for Expenditure (exclusive of GST)

	Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
Capital Expenditure Commitments				
Payable:				
Computer Software	-	16	-	16
Total Capital Commitments	-	16	-	16
Lease Commitments				
Commitments in relation to leases contracted for at the reporting date:				
Operating Leases	175	174	175	174
Total Lease Commitments	175	174	175	174
Operating Leases				
Cancellable				
Not later than one year	42	48	42	48
Later than 1 year and not later than 5 years	133	126	133	126
Sub Total	175	174	175	174
TOTAL	175	174	175	174
Total Commitments for Expenditure (inclusive of GST)	175	190	175	190
less GST recoverable from the Australian Tax Office	(16)	(17)	(16)	(17)
Total Commitments for Expenditure (exclusive of GST)	159	173	159	173

Note 18: Contingent Assets and Contingent Liabilities

As at 30 June 2011 Stawell Regional Health has no knowledge of any contingent assets or liabilities. (Nil for 30 June 2010.)

Note 19: Segment Reporting

	RAC		Acute		Other		Consol'd	
	2011	2010	2011	2010	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
External Segment Revenue	3,680	3,366	13,156	12,421	3,963	4,140	20,799	19,927
Total Revenue	3,680	3,366	13,156	12,421	3,963	4,140	20,799	19,927
EXPENSES								
External Segment Expenses	(4,223)	(3,676)	(13,454)	(13,453)	(4,412)	(4,070)	(22,089)	(21,199)
Total Expenses	(4,223)	(3,676)	(13,454)	(13,453)	(4,412)	(4,070)	(22,089)	(21,199)
Net Result from ordinary activities	(543)	(310)	(298)	(1,032)	(449)	70	(1,290)	(1,272)
Interest Income	-	-	-	-	253	225	253	225
Net Result for Year	(543)	(310)	(298)	(1,032)	(196)	295	(1,037)	(1,047)
OTHER INFORMATION								
Segment Assets	5,122	5,319	18,696	19,416	1,793	1,862	25,611	26,597
Total Assets	5,122	5,319	18,696	19,416	1,793	1,862	25,611	26,597
Segment Liabilities	952	934	3,475	3,408	333	327	4,760	4,669
Total Liabilities	952	934	3,475	3,408	333	327	4,760	4,669
Investments in Associates and Joint Venture Partnership	37	39	134	141	13	14	183	193
Acquisition of Property, Plant and Equipment and Intangible Assets	87	197	318	718	31	69	436	983
Depreciation & Amortisation Expense	379	364	1,383	1,329	133	127	1,894	1,821

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

Business Segments

Residential Aged Care Services (RAC)

Acute Health

Others

-Primary Health

-District Nursing

-Radiology Services

-Catering Services

-Day Centre

-Phone Triage

-Consulting Rooms

-Fundraising

Services

High Level and Psychogeriatric Aged Care

Acute Medical & Surgical Services

Geographical Segment

Stawell Regional Health operates predominantly in the Grampians region in Victoria. 100% of revenue, net surplus from ordinary activities and segment assets relate to operations in the Grampians region, Victoria.

Note 20: Jointly Controlled Operations and Assets

Name of Entity	Principal Activity	Ownership Interest	
		2011 %	2010 %
Grampians Region Health IT Alliance	IT Systems	5.18	6.20

Stawell Regional 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 \$'000	2010 \$'000
Current Assets		
Cash and Cash Equivalents	116	220
Total Current Assets	116	220
Non Current Assets		
Property, Plant and Equipment	33	35
Total Non Current Assets	33	35
Total Assets	149	255
Current Liabilities		
Payables	44	72
Total Current Liabilities	44	72
Total Liabilities	44	72
Total Net Assets	105	183

Stawell Regional Health's interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

	2011 \$'000	2010 \$'000
Revenues		
Grants	-	66
Other	174	308
Total Revenue	174	374
Expenses		
Information Technology and Administrative Expenses	222	375
Investment Revaluation	30	-
Total Expenses	252	375
Profit/(Loss)	(78)	(1)

Contingent Liabilities and Capital Commitments

As at 30 June 2011 Stawell Regional Health has no knowledge of any contingent assets or liabilities arising from the Grampians Region Health IT Alliance. (2010: \$ Nil).

Note 21a: 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.

Responsible Ministers:

The Honourable Daniel Andrews, MLA, Minister for Health
The Honourable David Davis, MP, Minister for Health and Ageing
The Honourable Mary Woodridge, MLA, Minister for Mental Health

Governing Boards

Mrs J M Brilliant
Mrs K Douglas
Mr N S Dunn
Mr P J Martin
Mrs K Harris
Mrs J Molan
Mr H L Cooper
Mr D G Stanes
Mr R Hatton
Mrs L Jenz

Accountable Officers

Mr P Edwards
Mrs M C Letts
Mr R Fitzgerald

Period
01/07/2010 - 02/12/2010
02/12/2010 - 30/06/2011
02/12/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 30/06/2011
01/07/2010 - 31/12/2011
01/01/2011 - 29/05/2011
30/05/2011 - 30/06/2011

Remuneration of Responsible Persons

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

Income Band

\$0 - \$9,999
\$10,000 - \$19,999
\$110,000 - \$119,999
\$120,000 - \$129,999
\$180,000 - \$189,999

Total Numbers

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:

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

Other Transactions of Responsible Persons and their Related Parties.

There have been no other transactions with responsible persons or their related parties during the reporting period.

	Parent		Consol'd	
	2011 No.	2010 No.	2011 No.	2010 No.
	10	10	10	10
	1	-	1	-
	1	-	1	-
	1	-	1	-
	-	1	-	1
	13	11	13	11
	\$250,251	\$187,704	\$250,251	\$187,704
	\$'000	\$'000	\$'000	\$'000
	-	-	-	-

Note 21b: Executive Officer Disclosures

Executive Officers' Remuneration

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

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

	PARENT				CONSOLIDATED			
	Total Remuneration		Base Remuneration		Total Remuneration		Base Remuneration	
	2011 No.	2010 No.	2011 No.	2010 No.	2011	2010	2011	2010
\$80,000 - \$89,999	-	-	1	-	-	-	1	-
\$90,000 - \$99,999	-	-	1	-	-	-	1	-
\$110,000 - \$119,999	1	1	1	2	1	1	1	2
\$120,000 - \$129,999	2	1	-	-	2	1	-	-
Total	3	2	3	2	3	2	3	2
Total Remuneration	\$ 365,829	\$ 239,741	\$ 286,839	\$ 231,973	\$ 365,829	\$ 239,741	\$ 286,839	\$ 231,973

Note 22: Events Occurring after The Balance Sheet Date

No significant events occurred after the reporting date.

Note 23: Remuneration of Auditors

Audit fees paid or payable to the Victorian Auditor-General's Office for audit of the health services's current financial report

Total Paid and Payable

Parent Entity 2011 \$'000	Parent Entity 2010 \$'000	Consol'd 2011 \$'000	Consol'd 2010 \$'000
13	13	16	16
13	13	16	16

Note 24: Controlled Entities

Name of entity	Country of incorporation	Equity Holding
Stawell Regional Health Foundation	Australia	100%

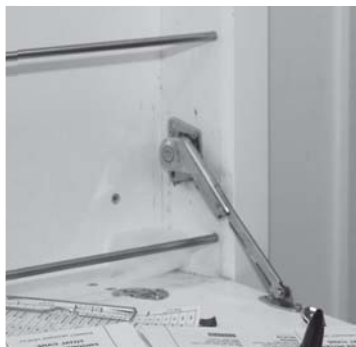
Note 25: Economic Dependency

Stawell Regional Health is dependent on the Victorian Department of Health for its revenue from Government Grants.



2010/11 Stawell Regional Health

Annual Report



Stawell VIC 3380
(03) 5358 8500
www.srh.org.au

Stawell Regional Health

Annual Report

Our Mission

Stawell Regional Health provides a complete continuum of integrated health and related services, by providing the highest quality facilities and skills delivered in a personalised and caring environment.