Portland District Health was formed on the 1st July 2003, with the amalgamation of the Portland and District Community Health Centre and the Portland & District Hospital.

This latest phase of evolution builds on a rich history of community service that commenced with the establishment of a Benevolent Society on the 30th May 1849 and which led to the establishment of a Benevolent Asylum, the forerunner of the hospital.

The history of the Community Health Centre can be traced to early meetings in 1979, which were followed by the election of a provisional committee in June 1980, and the opening of a centre on the 18th September 1981.

Portland District Health now provides an integrated health service delivery model comprising acute, primary health and aged residential care services.

The aim of the amalgamation was:

• to improve the access of patients and clients to a broad array of services

• to create a ‘one stop health delivery service’ where community services are coordinated, streamlined and duplication avoided.

Through amalgamation, the attraction and retention of primary care staff has been improved, service delivery has expanded and the construction of a purpose built primary care facility is being pursued.
PORTLAND DISTRICT HEALTH

2nd Annual Report

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Mission, Vision and Values

Mission
To provide the highest standard of health services in a caring, friendly & safe environment.

Vision
We are the focus for health care in our community.
We provide an appropriately comprehensive range of health services.
We deliver caring & efficient services.
We respond to changing community needs & new technology.
We are a model for rural health services, providing best practice at all times.
We meet or exceed community expectations in the provision of health services.

Values

Teamwork - through open dialogue, cooperation and courage we achieve our common goals.

Respect - We are valued and treated as equals and play an important role in providing holistic care. We respect the rights and wishes of individuals and treat all matters with utmost confidentiality.

Accountability - We are accountable for our actions.

Health & Safety - Being responsible for the physical well-being of patients, residents, clients, staff and visitors, we provide and promote a safe and healthy environment

Family - We acknowledge the value and importance of family and loved ones in our lives and in the lives of our patients, residents, clients and visitors.

Personal Growth - We encourage all individuals to achieve their maximum potential.

Quality - We achieve best practice by ongoing education and continued quality improvement.
Board of Management

Vincent Gannon
President
Business Management
Appointed November 2002

Meryn Menzel
R.N., Assoc Dip Welfare Studies
Senior Vice President
Office Manager
Appointed November 2002

Greg Andrews
Environmental Health Officer
Appointed November 2002

Andrew Wilson
B.Com., A.S.A.
Treasurer
Businessman
Appointed November, 1998

William Basset
B.Ec, LLB
Solicitor
Appointed March, 1993

James Harpley
B Metallurgy
Senior Process Engineer
Appointed November 2003

Marianne Kuljis,
M. Psychology - (Clin & Health),
B Sc., (Hons Psychology)
Grad Dip Ed.,
HR Manager
Appointed November, 2004

Jennifer Purdie
PhD Engineering,
B.Eng (Chemicals & Materials,
1st Class Hons)
Manager
Appointed November 2003
Resigned January 2005

Ian Stanford
B.Bus (Land Econ)
Cert Business (Acc)
Property Valuer / Accountant
Appointed November, 1998
Resigned March 2005

Carmen Ward
Grad Dip Spec. Ed.
Grad Dip Reading Ed
School Principal
Appointed November 2002
Services provided by Portland District Health

Portland District Health is a Public Hospital with 69 approved acute beds, 30 nursing home beds and a 58 place Supported Residential Service. Through its primary and community care division, Portland District Health also offers a diverse range of community health services. A listing of services provided by the organisation is set out below.

**Medical:**
- Accident & Emergency
- Anaesthetics
- Chemotherapy
- Day Surgery
- Dermatology
- Diagnostic Imaging
  - CT Scanning
  - Doppler Ultrasound
- Endoscopy
- ENT Surgery
- General medicine
- Geriatrics
- High Dependency Unit
- Obstetrics & Gynaecology
- Operating Theatre & Recovery
- Ophthalmology
- Oral Surgery
- Orthodontics
- Orthopaedics
- Paediatrics
- Pain Management
- Pathology (Contract Service)
- Physician
- Psychiatry
- Rehabilitation
- Renal Dialysis
- Surgery General
- Urology

**Medical Ancillary:**
- Aboriginal Liaison Officer
- Audiology
- Dental Clinic
- Dietitian
- Health Information
- Occupational Therapy
- Orthotics
- Pharmacy (Contract Service)
- Physiotherapy
- Podiatry
- Sexual Assault
- Social Worker
- Speech Pathology

**Nursing:**
- Asthma Educator
- Breast Cancer Counselling
- Breast Care Nurse
- Cancer Support
- Cardiac Rehabilitation
- Continence Advisory Nurse
- Diabetic Nurse
- Discharge planning
- District Nursing Service
- Domiciliary Midwifery Care
- Drug & Alcohol Withdrawal
- Education Centre
- Hospital in the Home
- Hospital to Home
- Immunisation Service
- Infection Control Nurse

**Nursing Continued:**
- Lactation Counsellor
- Living with Cancer
- Lymphoedema
- Maternity Enhancement Service
- Nursing Home
- Home Oxygen
- Palliative Care
- Pharmacy support
- Post Acute Care
- Rehabilitation
- Respite Care
- Sterile Supply
- Stomal Therapy (Nurse)
- Postgraduate Nurse Training

**Other:**
- Antenatal Classes
- Engineering
- Environmental Services
- Equipment Borrowing Service
- Food Services Department
- General Administration and Clerical, Accounting, Payroll
- Hospital Library
- Safety & Security
- Supply
- Personal Laundry Service for Inpatients
- Prescribed Waste Removal
- Primary Care Partnerships
- Primary & Community Health

**Services to Other Agencies:**
- Accounting Services
  - Heywood Rural Health
  - Fuel Card
- Community Health Centre
- Western Dist. Employment Access
- Immunisation service
- Infection Control Advice
- IT Service Support
- Heywood Rural Health
- Coleraine Hospital
- Medical Administration
- Casterton Hospital
- Occupational Therapy and Speech Pathology
- Special Development School
- Dartmoor Bush Nursing Service
- Heywood Rural Health
- Payroll
- Community Health Centre
- Lewis Court Hostel
- Speech Pathology
- Kindergartens and Schools
- Supply
- Various
- Sterile Supply

**Services From And With Other Agencies:**
- Australian Red Cross
- Blood Bank
- Breastscreen Victoria
- Breastscreening
- Glenelg Shire Council
  - Maternal & Child Health Care
  - Meals on Wheels
- South West Aged Care
  - Aged Care Assessment
- South West Alliance of Rural Hospitals
  - Information Technology
- South West Health Care
  - Audiology
  - Bio Medical Engineering
- Western District Health Service
  - Linen

**Student Placements**
- Work Experience Placements
  - Secondary School Students
  - Adelaide University
    - Diagnostic Imaging
  - Aquinas College CU
    - Bachelor of Nursing - Clinical
  - Charles Sturt University
    - Podiatry - Clinical
  - Deakin University
    - Bachelor of Nursing - Clinical
    - Grad Dip Students (Theatre & Midwifery)
  - LaTrobe University
    - Medical Ancillary
    - Health Information
    - Occupational Therapy
    - Speech Pathology
    - Physiotherapy
    - Podiatry - Clinical
  - Flinders University SA
    - Bachelor of Nursing-Clinical
  - Melbourne University
    - Medical Ancillary
    - Health Information
    - Occupational Therapy
    - Speech Pathology
    - Physiotherapy
  - Monash University
    - Medical Undergraduate
  - RMIT
    - Bachelor of Nursing - Clinical
  - University of Ballarat
    - Midwifery Nursing
  - Bachelor of Nursing-Clinical
  - Victoria University of Tech.
    - Bachelor of Nursing-Clinical
President & Chief Executive Officer’s Report

The past year has presented many challenges and opportunities for Portland District Health (PDH).

The major challenge has been workforce issues that have impacted on our ability to meet activity targets. This has resulted in a loss of revenue and the need to strategically reposition the health service, so as to manage and forecast the best mix of resources and their allocation for future service delivery.

The primary focus of our efforts has, and will continue to be on the quality of services, the expected outcomes and cost of those services and access.

Over recent months Portland District Health has worked very closely with the Department of Human Services (DHS) in developing a Financial Recovery Plan. This framework will ensure the ongoing viability of Portland District Health and its ability to provide timely access to affordable quality services for the Portland district. We are very grateful for the support and flexible approach DHS has taken in working with Portland District Health towards positioning the health service to meet future needs.

The medical workforce issue is aligned with the national trend of an ageing and diminishing number of general practitioners (GPs), nurses and staff generally, working in rural Australia. For Portland, the impact of this trend was the inability of the local GPs to sustain the workload associated with maintaining an ‘on call after hours service’ with the available number of doctors. It was necessary to negotiate an immediate short-term solution that would support the present ‘on call service’ whilst negotiating a more sustainable model.

Negotiations with the GPs did find a short-term solution, and with the cooperation and collaboration of the GPs, a more sustainable model of primary medical care, including an after hours ‘on call’ service is being developed.

Other factors that contributed to the downturn in activity include the inability to recruit nursing staff and the resignation of Obstetrician and Gynaecologist (O&G) Dr Fulvio Bencina. The impact has been a decline in the number of births at PDH. Every effort is being made to recruit doctors with obstetric skills and to date the outcome looks promising.

The organisation has also taken action to ensure that sufficient numbers of midwifery trained nursing staff are available and have introduced an innovative new model of care known colloquially as the ‘Mid Model’. Similar models to this are increasingly being introduced across the state in order to cope with the scarcity of trained staff.

In June 2005, the Chief Executive Officer (CEO), Alwin Gallina completed his contract with Portland District Health. Pending a permanent appointment to the position, Dr Syd Allen was appointed Acting CEO.

The Board thanks Dr Allen for the leadership he provided, particularly in negotiations with the GPs, during this challenging period.

Accreditation

In August 2004, Portland District Health unsuccessfully underwent an organisation wide survey by the Australian Council of Healthcare Standards (ACHS). The matters underpinning the non-accreditation related to unresolved issues of corporate and clinical governance within the organization. These related to:

- After hours on call service
- Credentialing processes
- Involvement of GPs in clinical forums and quality activities
- Development of a model of obstetric and midwifery services following the resignation of Dr Bencina.

In March 2005 ACHS resurveyed the health service and awarded accreditation backdated to August 2004. The Board extends their congratulations to the Portland District Health team on achieving such an excellent result within such a short time frame.

Capital Works Approval

In April we learned that the nursing home redevelopment would be funded as part of the State Budget. In early June the Minister for Aged Care the Hon. Gavin Jennings officially announced this at a function held at Portland.

Minister for Aged Care, the Hon. Gavin Jennings
In addition to this the hospital will have a purpose-built day surgical unit constructed. This unit will be better placed to meet the needs of the increasing number of patients who are having their surgery undertaken on a day stay basis.

These projects have a budget of $7.5 m and should be completed by October 2006.

**Sea View House**
Another exceptionally good piece of news during the year was the conversion of the Sea View House loan from a commercial loan to a treasury-approved loan. This will secure savings of some $0.8m over the life of the loan and further contribute to the financial success of Sea View House, which currently enjoys full occupancy.

**Palliative Care**
We were delighted to officially open the refurbished special care ward in the presence of the members of the Portland Bay Rotary Club, which had done so much in the way of fund raising to make the project possible. The unit, which has been open since 2nd March 2005, has attracted very favourable comment.

Currently the specialist obstetrician and gynaecologists from the Warrnambool Wentworth Woman’s Clinic visit weekly. The clinic also has the services of a GP Obstetrician consulting weekly and Specialist Paediatricians who consult fortnightly. Midwives are now also being introduced to the staff in the clinic and it is envisaged that each antenatal clinic will have the active participation of a midwife.

**Trauma Training**
A large number of enthusiastic staff and medical officers have completed their training in Basic Trauma Life Support. This training builds on a trial project (in which Portland District Health staff also participated) where the protocols for preparing a casualty for transfer to a recognised trauma unit were developed.

**Overseas Nurses**
In an effort to address the chronic shortage of Div 1 registered nurses, the hospital recruited 5 nurses from Zimbabwe, Sth Africa & the UK to fill roles in Theatre, Dialysis, A&E and the wards. These staff appreciate the beautiful working environment that Portland offers and bring a fresh perspective to the organisation.

**Dental Clinic**
Our Dental Clinic has been successful in securing additional funding to address the waiting lists for public dentistry, which had grown to alarming proportions. With this funding it has been possible to employ two dentists and make significant inroads into the waiting list, which is still larger than desired. We are confident that if present trends can be maintained this issue will have been largely addressed by this time next year.
Primary Care Services
Our primary care staff have been successful in introducing innovative new programs to address community needs. One such program is the healthy heart project. This program aims to take a proactive approach to heart health, particularly for men in the age range of 30-60.

Primary care staff arranged a pilot for this program in partnership with community participants. From this a second phase of the project has commenced with funding of $40,800 being made available by way of the William Buckland Foundation.

In this program participants have their level of risk assessed against key criteria and are then offered assistance with physical activity, diet and medication.

In-home Child Care
Funded from the Commonwealth Government Department of Family and Community Services, this innovative program offers child care 24 hrs / day, 7 days per week and assists PDH to be a family friendly workplace. Six contracted childcare workers provide the care to children of hospital staff.

Award - Bev McIlroy
We congratulate Bev McIlroy who was recognised in the inaugural 2004 Rural Victorian Alcohol and Drug Awards. Her award recognised her significant energy and skills and provision of outstanding leadership and support for workers in the alcohol and drugs sector.

Emergency Response
The organisation takes seriously its responsibilities in relation to maintaining a professional response capability to emergencies that could occur in the community. To this end over 30 specific contingencies have been risk assessed and response plan developed. To maintain these skills a full exercise based on a bush fire emergency occurred in October 2004 and somewhat prophetically was followed by a large fire in February in the Dunmore forest.

Tsunami Fund Raising
Our staff were touched by the plight of the Boxing Day tsunami victims and through a payroll deduction scheme raised over $4500.00.

We commend the staff for their initiative. Our residents in Sea View house also took this cause to heart, organising a morning tea which raised some $2000.

Equipment Purchases
Although a tight year financially, several major projects were completed and several items of equipment were purchased including:
- Provision of new compactus unit to the Health Information department and rearrangement of office areas to accommodate this installation
- Replacement of air handling equipment for the kitchen
- Installation of equipment to provide emergency back up to the geo thermal hot water system
- Drainage upgrade near the main building
- Purchase of new ultrasonic cleaning unit for Central Sterile Supply Department.
- Purchase of new endoscopic equipment
- Purchase of lifting equipment
- Purchase of new mattresses for acute units.

Other issues of note
- The hospital has received the results for two waves of the statewide patient satisfaction surveys, which reveal a high level of patient satisfaction with the services provided by the Health Service.
- The Roy Aitken Memorial Scholarship for academic excellence was awarded to Ms Raelene Beckman, who is a 3rd year student nurse from Ballarat Aquinas College.
- The Bert Wilmot Memorial Scholarship which encourages ongoing education for staff was shared, being awarded to Miffy Maddox, Jo Spurge, Sam Sharp, Emily Wombell and four Accident and Emergency staff to undertake Basic Trauma Life Support training.
- The organisation continues to play an important role on several sub-regional initiatives such as: the Southwest Alliance of Regional Hospitals (SWARH), which continues to deliver state of the art information technology infrastructure and services.
Staff
The efforts of our staff are appreciated particularly over what has been a difficult year.
We acknowledge the role these staff play in providing quality care to our patients, residents and clients.
We also express our thanks to our Visiting Medical Officers for their participation and interest in the hospital, which includes their membership of a number of hospital sub-committees and internal committees and participation on the on call roster.
We would like to acknowledge the service provided to PDH and the community by Dr Peter Reid who after many years of service resigned in March 2005 to take up a position in Mount Gambier.
We congratulate those members of staff that have taken the initiative to further develop their skills and undertake ongoing education. Board members also have undertaken governance training through the NOUS organisation.
With limits on our expenditure, emphasis has been placed in providing education locally, and we thank our local educators including Bruce Caslake, Thea Brown, Jenny Ridler, Lyn McNaughton, Noeline Mabbitt, Gaynor Denboer, Lisa Pietschmann, Miffy Maddox, Caroline Berry, Loren Drought & Jenny Smith.
To those staff members who left during the year we thank them for their services and support. We welcome new staff appointed during the year and trust that their time at Portland District Health is satisfying and enjoyable.

Board Appointments – Portland District Health
We welcomed Marianne Kuljis to the Board in November 2004.
Mr Matt Pistner was also appointed to the Board however he received a transfer in his work before being able to take up his position.
During the year we said farewell to Dr Jenni Purdie who took up a senior position as manager of Point Henry Smelter and to Mr Ian Stanford who resigned in March 2005 after serving since 1998.
The Board expresses its appreciation to retiring members Mr Andrew Wilson, Mr William Bassett and Mrs Carmen Ward who have indicated that they are not seeking reappointment.
In November, Mr Vin Gannon was re-elected President of the Board of Management.
We thank all members of the Board for the contributions they have made to the organisation during this difficult period. The willingness of members to give so generously of their time is greatly appreciated.

Community Support
The community has again been generous in its support and we thank the service clubs and auxiliaries, our sponsors, volunteers, other groups and individuals that have provided support to the organisation during the year both financially and through their voluntary assistance. This support is most appreciated and has made events such as the fete, and Murray to Moyne possible.
The efforts of our volunteers daily brighten the lives of our patients, residents and clients.
The contribution made to the patients from visits by the clergy and community organisations is well received and appreciated.

Department of Human Service
The Department of Human Services (DHS) has been extremely supportive of the organisation during this difficult period. We look forward to the guidance and support of the DHS through our Regional Director of Health, Mrs Jan Snell, and officers of the Department, Mr Geoff Iles, Ms Jill Dunbar, Mr Gerry Sheehan and Mr Stuart Müller to securing the best health and support services for our district community.

Outlook for 2005/2006
Despite the difficulties of the past year, Portland District Health has much to look forward to.
We look forward to the commencement in early July of Marie Shea our new CEO. Marie comes to us with a wealth of experience from a range of senior roles in the health field.
We look forward to the review of the organisation’s strategic planning that will better align clinical services and service provision with human resources.
We look forward to a successful year as we rebuild our financial situation.
We look forward to an exciting year of capital works as our new nursing home takes shape and our day surgical unit is constructed.
We look forward to the development of the concept of a medical centre to assist with our on- call roster and shortage of medical staff.

Vin Gannon
President
Board of Management
Dr Syd Allen
Acting Chief Executive Officer
Services provided in 2004/05
During the year 5,080 acute inpatients were treated.
In addition to this our organisation also provided:

- 9,635 patient treatments in the Accident & Emergency department, many of these after hours and on weekends.
- 15,896 ‘meals on wheels’ to the community, courtesy of our wonderful volunteers who play a vital role in helping our elderly to maintain their independence at home.
- 20,258 days accommodation to residents in our supported residential facility, Sea View House, including 737 respite days.
- 10,516 bed days to 76 residents in our aged care residential facility, Seymour Cundy Wing
- We also offered a diverse range of Community and Primary Care services which includes amongst others:
  - Counselling
  - Diabetes education
  - Cardiac rehabilitation
  - Youth support
Meeting Standards / Quality

Within Australia, health care services are reviewed and overseen by various external professional bodies, on behalf of the State and Commonwealth government departments.

Through this independent process health care services are able to demonstrate their commitment to quality and the achievement of standards. In the case of Portland District Health we are able to demonstrate our commitment to you by the fact that we currently hold accreditation under two nationally recognised accreditation systems for health services. These are as follows:

- Australian Council of Health Care Standards
- Aged Care Standards Agency.

Increasingly health care agencies are coming under scrutiny for their clinical performance. For Boards of Management this means clinical governance is equally as important as corporate and financial governance.

Portland District Health works within an evolving quality framework laid down by accrediting bodies and other key industry groups such as the Victorian Quality Council.

Expectations and standards continue to rise and health agencies must adapt and change.

ACHS - Australian Council of Health Care Standards

The ACHS is an independent not for profit national organisation, dedicated to improving the quality and safety of health care in Australia.

Fourteen (14) standards cover all aspects of health care including the safety of the environment for patients and staff, maintaining medical records, management of finances, assets and staff and the way we improve our services for our patients.

As part of the requirements of maintaining accreditation, the organisation undertakes self-assessment and participates in surveys by external surveyors. A key part of this process is the follow up of recommendations made by the surveyors.

ACSA - the Aged Care Standards Agency.

Under Commonwealth legislation all aged care facilities need to show a high level of quality and safety in the services they provide in order to have ongoing funding from the Commonwealth government.

The Aged Care Standards Agency (ACSA) is the body responsible for overseeing compliance with the Commonwealth’s aged care standards.

In May 2005, our nursing home participated in its scheduled support visit by the Aged Care Standards Agency securing a very favourable report. This would indicate the facility is well placed to undertake its major survey in June 2006.

Issues to be assessed will include:

1. Management systems, staff organisational development (training for staff, meeting budgets etc.)
2. Health and personal care for residents.
3. Resident lifestyle
4. Physical environment and safe systems (enough bathrooms and toilets, high standards of cleaning etc)

Several other departments and services within the organisation have also been accredited or approved under other systems. For example,

- The laboratory is accredited by the National Association of Testing Authorities (NATA).
- Our District Nursing Service has been independently audited against standards developed by the Department of Veterans Affairs and by the Home and Community Care program (HACC).
- Our Food Services department complies with the requirements of the Food Safety Plan.
- Our Engineering department has achieved Form 10 certification for essential service & maintenance.

Clinical Risk Management

Clinical risk management is a systematic approach to:

- Minimising and where possible eliminating risks; and
- Minimising the impact of adverse events if they do occur.

There is a sharpening focus on how well hospitals undertake clinical governance and clinical risk management and adverse events in hospitals now attract wide press coverage.

Within Portland District Health an increasingly well-developed clinical risk management program is evolving. This program takes on board the lessons and learning of other organisations such as the Victorian Quality Council’s Safety And Quality Framework, Coroners findings, and DHS Risk Watch publication.

Issues such as credentialing and registration, orientation for medical staff, monitoring of adverse events, review of incident reports, review of coronial
findings in other organisations, development of appropriate policies and procedures are just some of the areas that are examined in this clinical risk management program.

During the past year the clinical risk management program has been further strengthened by improvements in the following risk areas:

- Credentialing & scope of practice
- Participation in the Limited Adverse Occurrence Screening (LAOS) Project
- Clinical case reviews.
- Root cause analysis of medication incidents.
- Falls prevention
- Wound management
- Sharps incidents
- Infection control

**Credentials and Scope of Practice - Medical Staff**

In order to provide good professional performance and minimise clinical risk it is vital that our medical officers and staff are qualified to undertake their duties.

For example only suitably qualified medical staff are permitted to perform anaesthetics or undertake obstetrics within the hospital.

This process, known as credentialing, occurs before a medical staff member is appointed. A specialist committee comprised only of medical staff undertakes this. A representative of the appropriate College is in attendance to provide independent expert advice.

The credentialing committee checks and advises the hospital’s Medical Appointments Advisory Committee as to whether an applicant is suitably qualified for the position they have applied for. This committee also advises as to what limitations to practice should apply.

During the year, a discussion document was prepared outlining the Clinical Scope of Practice for all disciplines of the Portland District Health medical workforce. This document was accepted by all VMOs and incorporated into the Credentialing policy. The credentialing process was conducted incorporating the guidelines from the Australian Council for Safety and Quality in Health Care. In all disciplines representatives of the relevant colleges were in attendance to comment on the college requirements for credentialing.

Portland District Health has completed this process and all VMOs of the service, are fully credentialled to work within their limitations (scope of practice). The process is ongoing and all VMOs will be credentialled every 3 years, to ensure that all disciplines comply with the quality and safety standards of PDH.

‘Limited Adverse Occurrence Screening’ (LAOS) Project

Portland District Health has been participating in the Otway Division of General Practice “Limited Adverse Occurrence Screening” (LAOS) Project for approximately 2½ years. This Clinical Risk Management Program is part of the Department of Human Services Strategy for “Improving Patient Safety in Victorian Hospitals”. The project has been implemented across the state (in Rural Victoria), and from this, we are starting to see state-wide trends in issues in patient safety.

A selection of medical records are copied and sent off site to a doctor in another area for review. Doctors from other towns provide feedback on our care, to ensure that we are doing our best. Your own doctor may also be involved. Educational issues arising from the record may then be discussed confidentially by doctors at a quality improvement meeting. This allows clinical lessons to be learned and shared with other doctors, hospitals and services across the region. Your personal information is not collated, reproduced, published or used for any other purpose.

Recommendations on clinical and systems issues are discussed at hospital quality forums, these recommendations are responded to by each individual hospital. The recommendations are forwarded to all the General Practitioners and hospital Chief Executive Officers participating in the program.

Since the last Quality of Care Report (12 months ago), 603 records have been received from the 10 hospitals participating. Of these 603 records, 38 cases were regarded as potentially containing an adverse event and 57 cases were regarded as presenting educational opportunities.

Some issues resulting in recommendations in this last year have included:

- GP management of patients with unstable angina
- Registrar training and supervision
- Dealing with a poorly compliant patient
- Home Medicines Review Program
- Warfarin Guidelines
- Training for patient decision making in Palliative Care
- Reviews of hospital narcotics and major trauma protocols
This process in Risk Management cannot find and fix all problems in relation to patient safety in Hospitals, it does however, aim to provide us with a snap shot of what GPs see as our most pressing problems in Rural Hospitals.

Through consultation and working together, we can look at ways to best address these issues, to the benefit of all. Therefore by sharing experiences at 10 small rural hospitals the philosophy of learning from each other's mistakes, and putting systems in place to prevent the same problems recurring elsewhere, resulting in a happier, healthier community.

**Clinical Case Reviews**

Another tool utilised in quality of care improvement is that of clinical case reviews. It is a no-blame approach with the aim of improving health outcomes.

The Director of Medical Services, Dr Meindert van der Veer has conducted 10 reviews. These reviews are multidisciplinary and involve doctors, nurses and support personnel. As a result of these reviews, system errors are identified and rectified.

Several areas of improvement have been identified including:
- Equipment management
- Policy or procedure review
- Documentation standards
- Staff education

**Better Practice in Medication Management**

In 2005 Portland District Health introduced a Pharmacy Nurse position into the Pharmacy Service as a result of an identified clinical risk gap, to improve the organisation’s performance in medication management.

Patients are vulnerable to mistakes being made in the many steps involved in the ordering, dispensing and administration of medications.

There are many causes of medication error some of which may be – inadequate knowledge of patients and their condition, inadequate knowledge of medications, calculation errors, illegible handwriting, and confusion regarding medication names.

Best practice indicates that admission should provide an opportunity for all patients to have their medications reviewed. A criteria was developed to screen patients at most risk of medication problems – age over 75, on four or more medications, on medications with a narrow therapeutic window eg Warfarin, referred by admitting doctor.

The target for patients meeting the criteria to receive medication counselling was set at 90%; this was exceeded in 3 out of the 5 months.

In response to a growing number of medication incidents the Pharmacist, Director of Medical Services and the pharmacy nurse now perform a Root Cause Analysis (RCA) of all medication incidents.

Utilising a no blame approach, all medication incidents are analysed to identify the system error leading to the event.

Staff involved are debriefed, counselled and educated, learning from the errors thus reducing the risks associated with administering medications.
Patient Education - Medications
Involving and educating patients about their medications prior to discharge reduces the risk of inadvertently taking the same medication, which may have two different brand names.

‘At risk’ patients are identified using specific criteria and referred for medication counselling with the pharmacist and pharmacy nurse.

In the 5 months since the introduction of this position patients receiving discharge pharmacy lists has risen from 66% to 87% (Fig 2). This was achieved as a direct result of the nurses working with the pharmacist to improve this area of the service.

Discharge Planning - Medications
The pharmacy nurses involvement with discharge planning has resulted in a smoother transition, particularly for patients returning to or entering nursing homes or hostels. The nurse explores a range of issues using a checklist to assist the process. Issues canvassed include management of medications, use of dosette or Webster pack, knowledge of medications being taken, reasons these are being taken and instructions, over the counter medications, storage practices, compliance with instructions, expiry dates and other issues.

Falls Prevention
Falls constitute the largest percentage of incidents at Portland District Health, which is a similar situation to most other organisations and is mainly due to the ageing population. A greater awareness of falls prevention strategies, such as risk assessments, exercise, equipment and education help in reducing the incidence of falls has been needed to deal with this.

At Portland District Health a Falls Prevention Program was introduced in 2003 and over the past 12 months further enhancement of this program has occurred. There has been ongoing staff education combined with the use of falls prevention strategies, new falls prevention equipment and upgraded risk assessment protocols. Increasingly there is a greater emphasis on assessing people at risk of falling and putting strategies in place to reduce the incidence. This is evidenced by Fig. 3 which shows a marked increase in completion of the assessment form between July 2004 and June 2005.

Pressure Ulcer Point Prevalence Study
Along with other acute care hospitals Portland District Health participated in the state-wide Pressure Ulcer Point Prevalence Study referred to as PUPPS. It was illustrated by the study in the previous year that the ongoing monitoring had paid dividends as we were able to increase the level of scrutiny, therefore identifying 31% of patients on this day as having high risk of pressure ulcers. Whilst we received a higher result than the previous year we have identified areas for improvement. The purchase of new mattresses for all the acute beds will assist in the prevention of pressure points. Along with the survey a staff education program was conducted developing the ability to assess patient risk of developing pressure areas, particularly if movement is limited due to surgery or other condition.

Regular wound management study days are conducted throughout the year to improve skin and wound management practice.

Sharps incidents
Analysis of sharps (Fig. 4) injuries to staff has revealed that all of the injuries related to a failure in procedure as opposed to an equipment or storage issue. This presents us with a difficult challenge as every one of us are prone to making a slip up from time to time. Ideally we would like to devise systems that eliminate exposure to this risk or would separate staff from
the risk however this is impractical at this stage. To help combat this, compulsory education sessions on the correct procedure for the disposal of sharps have been introduced to supplement education provided at orientation.

The introduction of a user friendly manual ‘What to do following needle-stick injury’ is now also available in every department.

![Sharps Injuries By Cause](image)

**Nursing staff**

Nurses from both Divisions 1 and 2 are registered with the Nurses Board of Victoria. Every nurse is required to present the annual practicing certificate, either at the beginning of the year or when starting employment.

We can assure the community that all our nurses are properly registered.

Our nursing educators ensure staff are clinically competent to perform lifesaving and technically advanced care.

**Allied Health Staff**

Our Allied Health staff are all members of their respective professional bodies and this is confirmed on appointment.

We ensure Allied Health staff have access to ongoing education and research related to their specialty.

**Corporate Services Staff**

There are a number of staff of different categories under the heading of corporate services. Several of these staff require professional qualifications in areas such as accounting, information technology, health information management, engineering and food services. A large number of staff require recognised trade qualifications such as our plumbers, electricians, carpenters, gardeners and chefs. Reviewing qualifications and registration certificates is an important role for Divisional Heads. Portland District Health also employs essential staff in positions that do not require formal qualifications. They do though, participate in a range of training programs to make sure they are able to do their work according to job specifications.

**Maintaining competence**

Portland District Health also has a process in place to ensure that staff maintain their competence. Under a new system introduced in the past year, staff must participate in annual mandatory training in areas such as:

- Minimal lift
- Basic life support
- Medication management
- Fire and safety
- Infection control

**Staff education**

Staff knowledge is a valued resource at Portland District Health and systems are in place to ensure staff have access to ongoing professional development.

- The staff orientation program is conducted monthly for all new staff.
- Compulsory health and safety updates for staff are provided on a monthly basis.
- In house training and lectures
- Invited speakers for study days
- Support for staff to attend seminars, study days, conferences
- Internet access for staff
- Portland District Health has many subscriptions with research organisations to help staff find and identify current best practice
- Staff participating in units of research in collaboration with local universities.
- We provide specialised accredited training opportunities for post graduate nurses (Graduate Nurse program & Peri operative nursing)

A diverse range of topics are available including wound management, diabetes education, clinical practice workshops, cytotoxic chemotherapy, personal assault & crisis management.

Training records are maintained to assist with monitoring the participation by staff in ongoing education. It is an expectation of staff that they attend relevant training in their area of practice to ensure that they are keeping up to date. The organisation supports and encourages staff undertaking further studies and has a range of assistance available.
Complaints and Compliments

Because your care is our prime concern we want to know if you are not satisfied with services or treatment provided. (We also like to hear when we do things well.)

We view each complaint as a window of opportunity for us to learn of the improvements that need to be made with our services.

During 2004-2005 we received 1354 compliments and 74 complaints.

From these complaints the following areas were reviewed:
• Notification to parents when children arrive in recovery to reduce unnecessary delays
• Admission process for patients in an agitated state to avoid escalation of agitation
• Removal of urethral catheters to reduce risk of trauma to the patient
• Recording custody of patients’ medications to avoid delay at discharge
• Improving the quality of the reception bell at the A&E waiting room to ensure staff are alerted to all presentations
• The process for checking accuracy of merged records when patients attend at admissions
• Prioritizing needs to minimize disturbance to sleeping patients.

Follow Up Telephone calls

Another source of useful feedback is derived from the follow up telephone calls.

After discharge efforts are made to contact patients to check that all is well, that information has been adequate and that arranged services have been commenced.

In 2004-05, 60% of our inpatients were contacted in this way and their feedback sought. This is down on the previous year (74%) however this is attributable to the fact that we have now commenced follow up phone calls to people who have presented to the Accident & Emergency Department to gather feedback on how we are performing in this area.

In addition to the numerous compliments received we found that opportunities for improvement fell into main areas these being:
• Communication
• Information about care
• Pain management
• Privacy & rights
• Treatment
• Waiting Times

This information is reviewed with staff both medical and nursing with a view to improving our service.

Infection Control

Infection control is aimed at minimising the transmission of infections and promoting healthy outcomes. It is an essential part of quality health care.

Portland District Health has an Infection Control Plan to ensure that infection control strategies are in place.

There are 5 key areas that the Infection Control committee has prioritised.
• Leadership
• Monitoring of Infection control
• The Environment
• Prevention of Adverse events
• Protecting Health Care Workers and Visitors

1. Leadership

Activities include:
• Regular review and updating of policies and procedures against best practice
• Development of Influenza Pandemic Contingency Plan in conjunction with DHS guidelines, which will see us well prepared should the situation arise
• Development of appropriate Code Brown – External Disaster response to outbreak management and isolation precautions

2. Monitoring of Infection Control

The infection control committee monitors this process and works with the Infection Control coordinator to manage actions required to achieve best practice.

Areas of specific monitoring include
• Prevention of adverse events
• Surveillance of hospital acquired infection
• Tracking equipment that has been sterilised to the patient
• Monitoring of antibiotic usage and ensuring that it is appropriate to the organism.
• Monitoring of surgical infections.
• Food safety audits

Another area of monitoring undertaken on a sub regional basis is that of compliance against the accepted standard AS/NZ 4187. PDH performs extremely well against its peers in the Barwon South Western region as can been seen by Fig. 5.
3. The Environment

Internal & external cleaning audits are undertaken to review the cleanliness of the organisation, they are also reported to Department of Human Services for comparison. Portland District Health has performed exceptionally well under these audits and continues to maintain an excellent standard.

For 2004-05 Portland District Health scored 97% in the external audits undertaken.

This result coincides with the feedback received from patients via telephone surveys and comment cards. For example in the latest patient satisfaction survey results our patients reported 100% satisfaction with cleanliness.

Portland District Health continues to contribute to the Hospital Acquired Infection Surveillance System (VICNISS) - which is benchmarked across the state. Indicators gathered relate to surgical site infection, hospital wide infection and vaccination rates. Once again Portland District Health consistently receives favourable results.

4. Prevention of Adverse Events

There is a system in place for monitoring and reporting the functioning of all equipment used for cleaning and sterilising equipment used for patient care. Staff receive education relating to the management of this equipment and the cleaning processes required.

5. Protecting Health Care Workers and Visitors

A priority is the protection of staff, patients and visitors against infections. Staff immunisation of Hepatitis B, Mumps, Measles and Rubella, and Mantoux screening have been offered and the uptake continues at a steady rate. A new “mobile” delivery mode of the Influenza Vaccination this year has proved very successful with a marked increase in the total number of recipients (Fig. 6).

The implementation of Compulsory Education days for all staff has markedly improved the awareness of infection control systems and provided staff with the opportunity to address any infection control, staff health or other issues as they arise.

The Infection Control Coordinator has delivered education on infection control issues to various groups within the community, which were well attended and well received.

Assessment of Risks - Pre admission

The majority of patients undergoing surgical procedures in theatre are assessed prior to admission for risks that may present as a result of an anaesthetic or associated with their condition or the procedure.

A visit to the Pre admission clinic is an important part of patient care, as information is gained on any special needs, education, medication services or treatment that may be required during the hospital stay or planning for your discharge.
During the hospital stay there is an ongoing risk assessment of your needs. The doctor or nursing staff caring for you will monitor your care each day.

Portland District Health is able to provide education relating to your needs for pain management or your proposed length of stay.

**Sub Acute /Rehabilitation**

The sub-regional rehabilitation program is committed to providing the best possible outcomes for all patients admitted to the program. In the past 12 months, fifty (50) patients have been able to access this level of care locally within the acute hospital setting. The program aims to achieve the maximum level of re-integration into the community by:

- Timely admission as agreed by the consultant physician
- Effective assessment of needs
- Structured care planning and implementation
- Discharge from the program being a smooth, seamless transition with an appropriate service plan in place.

We offer:

- Information
- An individually tailored program
- Appropriate exercises
- Home modification advice
- Aids and equipment
- Communication with general practitioners and specialists

The program aims to:

- Increase your independence and enable you to do more;
- Give you a greater understanding of the physical and emotional changes associated with your health problems;
- Assist you to further develop your skills in managing these changes;
- Provide support for you and your family in managing your condition.

**Deaths in Hospital**

During 2004 / 2005 there were 103 deaths in the hospital. In some situations of unexpected death or certain disease processes there is a requirement for these to be reported to the coroner. Not all deaths that are reported to the coroner will result in an inquest.

In some cases where the death is non reportable, the hospital may, with the relative's consent, seek a post mortem to assist with the review of the cause of death.

Of the 103 deaths that did occur in the hospital, 18 were reported to the coroner.

In common with other hospitals, Portland District Health has a mechanism in place to review deaths to ensure that the appropriate care has been given and that the death has not occurred because of something avoidable.

In most cases deaths that occur have been expected, resulting from the patient's age or condition.

Some times patients have come in to the hospital during the palliative stage of their illness to allow pain and discomfort to be better managed.

**Managing your Health Information**

It is essential that information about you is kept confidential and only provided to staff involved in your care. Our staff have education relating to privacy and sign a confidentiality agreement.

You may gain access to information about your treatment and care. The process for this is governed by the Freedom of Information Act.

For the past year there were 39 requests for health records under the FOI Act. 35 of these were granted in full and one in part. For two requests no documents existed and one other request was not proceeded with.

**How do I make a complaint or give a compliment?**

The designated Complaints Officer is the Deputy Director of Nursing.

Complaints may also be directed to the Health Services Commissioner on (03) 86015200 or toll free 1800 136 066.

Avenues for giving a compliment or making a complaint are not limited to this however. Other avenues for raising a concern include:

- Discuss with the Department or Unit Manager
- Complete a Department Improvement Form
- Complete a Patient Comment Card
- Inform the staff making a Discharge Follow-up phone call.
- Written letter or direct contact with the CEO, DON

When a complaint is received every effort is made to resolve the issue. Details are reported to the quality committee and a summary is forwarded to the Health Commissioner.

A complaint may be made anonymously, however if a name is provided we can provide feedback to the person on the outcome.
guidance of Sue Morrissey, Penny Wallis, Wayne Leishman and other Allied Health staff have continued
in this multidisciplinary model of care within Portland hospital in collaboration with other health agencies in
Southern Grampians /Glenelg region.
Equipment purchased this year has improved ward resources:
50 new mattresses will ensure comfort along with
maximum pressure relieving capability
A wonderful effort from the Portland Bay Rotary club
has seen the development of the Palliative Care suite.
A donation from the CWA has provided toilet bags
with basic essentials for patients who may have had
an emergency admission.
Over 130 babies were born this year at Portland
District Health, under the excellent care of Mr. Das,
Dr. Martin, Dr Rieger, Dr van der Veer and the
Obstetricians from Wentworth Clinic Warrnambool.
Despite receiving an extremely positive response
from the women of Portland & District we continue
to experience difficulty attracting midwives to our
hospital. This is an issue across the state of Victoria.
In excess of 1,000 surgical patients were admitted
through the Day Procedure Unit in the past 12
months. More than 80% of surgical procedures at
Portland District Health are completed as Day Stay
patients. The Dialysis unit provides care and support
for 8 patients attending the unit on a regular basis.
The unit is available 3 days per week and also allows
for a patient holiday program.
Post Acute Care / Discharge planning
The post acute care program has enjoyed another

Kathryn Eyre, Director of Nursing
busy year. 364 clients accessed services through the program.

This regional program enables clients with complex discharge needs to be discharged from the hospital back into the Portland community. This program is well recognized as a quality service improving the transition for consumers from public hospitals to their home setting.

Discharge Planning has grown considerably this year as knowledge levels and staff abilities have increased. Donna Eichler and Una Cancian have assessed 88 clients in the past 12 months. The development of a discharge planning manual and resource folder will enable a timely and appropriate referral process to occur. Discharge planning has had a positive impact on the co-ordination and planning for discharge, making the transition from hospital back to the community smooth and efficient.

Infection Control
The Infection Control management at Portland District Health has seen the commencement of Ros Jones in the coordinator role, following the retirement of Carol Pietschmann. Ros is responsible for overseeing cleaning and sterilization standards, administering staff immunizations and meeting the special needs of acute and aged care patients.

A great advantage is the combination of this role with Environmental Services, as most infection control begins with the cleanliness of the facility. Portland District Health have participated in the Department of Human Services trial for monitoring hospital acquired infections under VICNISS and we have received positive feedback on our participation and results. The wonderful clerical support provided by Janice Anderson enables the excellent development and maintenance of reports and records required by this division.

Accident & Emergency Department
The Accident & Emergency (A&E) Department has seen a change of command during this year. Jenny Ridler has handed the role over to Linzi Donlan. Linzi who comes from the UK has many ideas for the ongoing development of this dynamic department.

9,635 patients were seen in the A&E Department in the past year.

Bendigo Health Care Group involved Portland District Health staff in a rural trauma project. The aim being to improve the response and transport times of major trauma to Metropolitan Trauma Services through improved collaboration between Visiting Medical Officers, Rural Ambulance Victoria and nursing staff.

The Accident & Emergency Department staff continues to advance their utilization of the Medtrak electronic database for emergency patients.

Improved disaster protocols have been developed following staff attendance at chemical, biological and radiological (CBR) strategic planning programs and the introduction of an organisation wide medical emergency (Code Blue) response. Compulsory staff education in Basic Life Support has been lead exceptionally well by Noeline Mabbitt.

The process of receiving, recording and triaging patients has improved following the merging of health information management and patient triage.

Sue Jensen and Lindy Bird, enable Portland residents to receive their life sustaining treatment locally by supporting chemotherapy services in the Accident & Emergency Department.

Operating Theatre
The operating theatre nursing teams, ably lead by Julie Sealey, demonstrate a range of special skills which are enhanced by specific education in surgical nursing and through maintaining statewide networks with operating room nurses.

A diverse range of surgical procedures have been carried out by local and visiting surgeons, supported by local anesthetists Dr Reid & Dr Martin. In the past year over 2100 surgical procedures were undertaken. A number of new equipment items having been trialed and subsequently purchased to improve the quality and safety of surgical procedures and ensure parity with theatres in other regional and metropolitan areas. A successful DHS submission enabled the purchase of new endoscopy equipment.
The Central Sterilising Services Department (CSSD) has implemented many changes to ensure compliance with Australian Sterilising standards. Validation for CSSD according to Standards ASNZ 4187 was successfully obtained and will be undertaken on an annual basis.

Tania Hollis successfully completed her traineeship through Mayfield Education Centre.

**Pre admission / Pain & Emesis**
A visit to the Pre-admission clinic with Jenny Craig & Erica Clarke will ensure a smooth and uneventful process is achieved when a patient has an elective surgical procedure. Risk analysis is undertaken and the arrangement of pre-operative tests and postoperative supports is attended. This prior planning facilitates the smooth transition through the surgical phase.

If pain management is a requirement a visit by Loren Drought will assist in the identification and implementation of pain management treatments to ensure the patient has a pain minimized recovery. To support this process, nursing staff have undertaken education in intravenous (IV) pain protocol, patient controlled analgesia (PCA) pump and femoral block management.

**District Nursing Services**
Hazel Antony continues to manage the District Nursing Services. This expert team of nurses provide clinical care to clients within the Portland community enabling people to remain within their home or alternatively to be discharged from hospital and remain in the care of a competent nurse.

Nursing staff are skilled in working autonomously whilst maintaining vital health links with local medical services.

The District Nursing Services are measured for compliance against Home and Community care (HACC) and Department of Veteran Affairs (DVA) required standards. The ongoing requirement for continuous quality improvement is managed through the auditing program.

The District Nursing Service also provides local palliative care support. This service offers health care and emotional supports to patients living with a life threatening illness. Equipment has been purchased following the receipt of funding from the Barwon Regional Program.

The District Nursing Service also coordinates the Portland District Health Volunteer Program. This service, expertly coordinated by Annette Hinchcliffe, has seen excellent growth in the number of volunteers.

Currently there are 20 volunteers on the roster, enabling their participation in patient transfers, Palliative Care, Aged Care activities and assistance in the Acute units. The hospital volunteers are a dedicated and enthusiastic group of people sharing their time, skills and life experiences with staff and patients. The hospital will continue to enhance the volunteer program. Volunteers within the hospital are enthusiastic about extending the volunteer service to further assist staff and patients. I am sure all staff and patients appreciate the supreme effort of volunteers freely given to them.

**Aged Residential Care**
Julie Burke, Unit Manager and her wonderful team of aged care specialist staff continue to provide excellent care to the residents of Seymour Cundy Wing and their families. A visit from the Aged Care Standards agency during the year was positive ensuring the ongoing compliance with the Aged Care accreditation process. The aim of residential care is to provide a model of care, which closely resembles that of a home environment, empowering residents with autonomy of choice in their daily lives and activities.

Resident lifestyle is recognized as paramount to improving quality of life. Activity support hours continue to reflect this need, in the provision of activity coordinators, 7 days per week. An increase in the demands of staff participation in aged care saw the integration of nursing graduates undertake a rotation through Seymour Cundy Wing. This initiative has enabled new nursing graduates to achieve skills, experience, and appreciation and respect for the specialist care required in aged care.

Danielle Stuchberry has completed her Ward Clerk traineeship, receiving nominations in the Westvic Trainee of the year award.
The increased demands for documentation management to support the requirements for continuous quality improvement create heavy demands on this valuable role in the aged care unit.

**Physiotherapy**

David Walker continues to lead the team of Physiotherapists providing much needed care to the patients at Portland District Health.

The Physiotherapy Department has provided more than 1100 hours of treatment to inpatients both in the acute and aged care sectors.

The physiotherapy department has been extensively involved in the implementation of the individual comprehensive treatment program required in the rehabilitation process.

**Pharmacy**

The Nursing department has continued to oversee the day-to-day management of the contracted Pharmacy service provided by Amcal Pharmacy's Glenn Benett-Hullin.

The introduction of 2 part time Division 1 nurses into the service has resulted in an improvement in individual support given to patients in regard to their medication management. The nurses are responsible for performing a Root Cause Analysis on all medication incidents to improve our performance and reduce risks associated with medication administration and dispensing.

This year the pharmacy technicians along with the pharmacist have completed a formulary, which identifies the range of medications available, and thus will assist the doctors when ordering for their patients.

**Glenelg Southern Grampians Drug Treatment Service**

Bev McIlroy continues to provide excellent leadership of her specialised team. The multi skilled team have been able to provide a stable model of service delivery to enhance workforce capacity and service direction.

The emphasis this year has been on consolidation of practices and initiatives to establish sustainable and consistent service delivery to meet the demands of our various agreements with Department of Human Services, Portland District Health, service partners, clients, the staff and the community.

We have achieved 100%+ targets for Glenelg Southern Grampians Drug Treatment Service thanks to the ongoing commitment and energies of our Portland and Hamilton based staff.

Succession planning and training has been a significant part of our strategic planning. Our ‘growing our own’ strategy is working well for us, with another staff member Sue Johnson achieving Certificate IV in Alcohol and Other Drugs and working in allied health support.

Our commitment to the community this year has seen us working with schools and school leavers. This has taken the form of information and education sessions, support with policy development, early intervention and prevention initiatives such as community dreaming and creating conversations. The invitations to be involved in the school programs have increased 150% this year, due in no small part to the approach of our school liaison staff Jodie Outtram and Debbie Cobby.

Partnerships have been established and strengthened in this year. An alliance with a Geelong based youth service, Barwon Associated Youth Services and Accommodation (BAYSA) has seen the successful introduction of a youth outreach program where young people and their families are able to seek advice and support from skilled youth workers in an outreach model. This program has enhanced the work other agencies are doing with young people.

We have been well supported by our service partners: Police, Courts, Portland Housing Program, diversion programs, mental health services to mention a few.

New staff welcomed, Mrs. Carol Pietschmann as Alcohol Education Research Fund project coordinator, and Mrs. Helen Hegarty as pharmacotherapy support worker.

We wish to acknowledge the ongoing medical support and mentoring offered to the team and to Portland District Health by Drs Roger Brough and David Richards.

We gratefully acknowledge the generosity of Warrnambool Regional Alcohol and Drug Service...
(WRAD) in facilitating this access for pharmacotherapy support.

**Breast Care /Stomal Therapy**

This specialised stream of health care has seen the retirement of Ann Roberts. Her knowledge and contribution will be greatly missed. We welcome Julie Campbell to the breast care role and Jenny Ward to the Stomal therapy position. Earlier referral processes and pre-operative education and counselling have continued. Formal education sessions for staff have enhanced awareness of these valuable roles.

In many instances care has been provided from diagnosis and throughout the breast cancer journey. This has included education and counselling.

**Professional Development**

Nurse Educator, Thea Brown organizes, conducts and manages the nursing education calendar, displaying a wide range of internal and external educational programs. Thea has been joined by Jenny Ridler & Lyn McNaughton who provide clinical support on a daily basis to the clinical areas of the organisation. The commitment of Portland District Health to developing staff and maintaining competency is manifested by the participation of staff in ongoing education.

It is mandatory that staff attend an education day which encompasses sessions on Advanced And Basic Life Support (ALS/BLS), Medication Management, Infection Control, Fire & Safety and Back Injury Prevention.

Seven new graduate nurses commenced in January 2005, to replace the 5 nurses from 2003 who were completing their program.

Regular in-service programs have been available to ensure staff receive the latest information on equipment and nursing techniques. 30 staff completed the Advanced Trauma Life Support program.

Collaborative relationships have continued with Deakin University and RMIT with utilization of nursing staff as Clinical educators at Deakin University and Clinical facilitators for the many students who attend Portland District Health.

The Back Injury Prevention Program at Portland District Health has continued to advance under the expert direction and management of Miffy Maddox, Caroline Berry & Jenny Smith. The education, advice and assistance provided by this team have enabled the staff to feel confident in the manual handling approach to care provision.

Many education programs will be held in conjunction with Hamilton, Heywood, Coleraine and Casterton health agencies to maximize resources and access to professional presentations. Training and education has now moved into a new era with programs being offered On Line, via video and teleconferencing.

**Nursing Administration**

The nursing administration team of Maureen Patterson, Assistant Director of Nursing, the Nursing Unit Managers and the After Hours Nursing coordinators continue to manage daily staffing issues, patient care management, and complaints management and project development.

The nursing division relies on the expertise of the clerical staff in their documentation development, record and data base management. In this we are wonderfully supported by Kat Warner, Sue Holmes, Stan Ruis, Elaine McNeilly, Andrea Stafford, Marlene Tait, Danielle Stuchberry, Janice Anderson & Abby Wilson.

The nursing division also enjoyed the support of the executive team, which was greatly appreciated.

Finally thanks must go to the Allied Health, Primary Care, Medical, Catering, Environmental and Maintenance services for all their wonderful contributions.

**Outlook**

To continue in the development and evaluation of the Caseload Midwifery model.

To further advance the rehabilitation unit within the acute and community services.

To adequately prepare and implement the proposed redevelopment of the Day Procedure Unit and the Aged Care facility.

To continue to develop an innovative nursing education environment to ensure adequate recruitment and retention opportunities.

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**Kathryn Eyre**

**Director of Nursing**
Medical Services Division

Key Points

• Clinical Case Reviews: In order to improve the quality of services over a wide range of clinical services, a total of 10 case reviews was conducted from January 2005 – June 2005. Outcomes from these have improved systems related to quality of clinical care.

• Credentialing and Scope of Practice: A document was prepared outlining the Clinical Scope of Practice for all disciplines of the Portland District Health medical workforce. This document was accepted by all VMO’s and incorporated into the Credentialing policy. The credentialing process was conducted incorporating the guidelines from the Australian Council for Safety and Quality in Health Care. In all disciplines representatives of the relevant colleges were in attendance to comment on the college requirements for credentialing.

• PDH has completed this process and all VMO’s of the service, are fully credentialed to work within their limitations (scope of practice). The process is ongoing and all VMO’s will be credentialed every 3 years, to ensure that all discipline comply with the quality and safety standards of PDH.

• Documentation Audits: Documentation audits to ensure compliance with the quality standards are conducted on a monthly basis. From these audits improvements in clinical note keeping are becoming evident. The current documentation policy has been updated to reflect the change in quality requirements. Audits will now be conducted to ensure compliance with the policy.

• Mortality and Morbidity Meetings: All deaths at PDH are audited to ensure best care was provided at all times. The results of these audits are discussed in a multidisciplinary forum.

• Maternity Services: 2004 – 2005 saw the birth of the Woman and Child Health Clinic in Percy Street. The Wentworth women’s Clinic, Warrnambool Pediatrics Group and GP Obstetricians operate from these premises. These services are being integrated with midwifery services of PDH. We hope to expand this service to incorporate some Family and Child Health Services.

Performance

2004/2005 has been a turbulent year with various issues relating to the medical workforce being addressed.

The continuation of Medical services after hours has been a problem and a more permanent solution to the problem is being addressed at present.

Medical recruitment remains a high priority of Portland District Health. We are actively seeking GP’s, anesthetists and obstetricians to complement our current workforce.

Outlook

Our ultimate aim is maintenance and provision of a full range of appropriate quality medical and allied services to the community.

An exciting future awaits PDH with a major project being that of establishing a PDH Medical Centre to ensure accessibility to GP’s. I am positive that the after hours situation will be solved within the coming year.

Recruitment will continue to ensure continuation of services. As we have an aging specialist medical workforce, succession planning will include recruitment of specialist medical staff to Portland.

Radiology

Key Points

• Nancy Woolley retired in early June after 20 years as Radiology Receptionist/Medical typist. Nancy is currently holidaying overseas before returning to take up retirement at ‘Allora’ near Heywood where she and her husband Les have established an olive grove.

• Other staff changes have seen the addition of Marlene Tait as Receptionist/Medical Typist, and Jillian Goldsworthy has joined us in this area as well.

• Meegan Mulvogue is with us as Radiographer until early December when we hope to obtain the services of a new Graduate Radiographer.

• Visiting radiology group Western District Radiology have two new radiologists Dr John Nagorcka and Dr Neale Walters who now attend our Radiology department on a rotating roster
with the other radiologists from the group.
• Radiographers Robin Parry and Petrina Thomas and Radiographer/Sonographer Graham Bates, continue to upgrade and update as part of their respective continuing professional development (CPD) requirements. Robin has also recently completed her Certificate Of Clinical Competency in Mammography and is currently studying for an Advanced Diploma Of Business Human resources (HR).
• Nurses Megan Bunge & Lynne Mc Naughton have attended various upgrade courses as well in the last year, including Professional Assault Response Training (PART) training.
• Robin has given radiation safety in-services to the Theatre staff early this year. All staff in Theatre are now participating in personal radiation monitoring.
• In line with accreditation standards, the Radiology Department has introduced Glutaraldehyde free developer chemistry in the processor. This initiative ensures safe practice in a safe environment.
• August 2004 saw the purchase of a state of the art Philips mammography machine that was installed to replace older style equipment. As the orthopantogram (OPG) dental machine shared the mammography room, the opportunity was taken to relocate it to another part of the department thus forming a pleasant dedicated mammography room.
• Breastscreen sessions continue to run on Tuesday and Thursday mornings, with an average of 25 clients per week. Robin now performs all the Breastscreen examinations.

Performance
Comparing statistics with 2003/04 has seen slight increase in both patient and examination numbers by a factor of 400, however workload units are relatively steady.

Outlook
To work towards maintaining accreditation status at the August 2006 survey.
It is planned to introduce Computed Radiography in the near future, with many benefits including:
• Transfer of images to remote location for reporting if necessary
• Images stored on CD
• Images available to view on Web/Dr’s Surgery/Ward/A & E
• Less repeat radiographs
Staff are continuing to upgrade & update their knowledge and expertise in accordance with their professional body guidelines

Dr. Meindert Van Der Veer
Director Of Medical Services
As the Director responsible for 'primary and community health,' I am pleased to report that the Staff have provided increased services, developed innovative programs, and further streamlined their care within the integrated health service. The following represents a summary of the events and achievements for the year. The Senior Practitioners and Health Programs Manager have not only provided management support but also met their clinical target hours, and I personally thank them for their commitment during the year.

Business Systems

The following information has been provided by Keith Kallie the Business Systems Manager. We have a full year of consistent data, which will assist us in planning and reviewing our services, from our client information database.

Key Points
- The role of the business systems department incorporates both data management and reporting, as well as administrative support to all primary care staff at 2 locations.
- Congratulations to the administration team (Casey Millard, Rae Humphries and Maree Matters) for their continued efforts in providing excellent service to both staff and clients. This important role of ‘first point of contact’ is vital to the success of the any community oriented service.
- We would also like to farewell Terry Engel and acknowledge her efforts as part of the business systems team. Terry was an integral member of our team but has moved on to a new role with the Commonwealth Rehabilitation Service. We wish her well in her new position.

Performance

Our Primary Care Nurses possess a broad range of knowledge, skills and experience, particularly in the important areas of Diabetes, Asthma & Respiratory management & education, Cardiovascular health, Continence, PAP Screening and Breast Care. The Nurses are committed to maintaining high standards of service, evidenced this year by
- Continued high numbers of diabetes clients being serviced
- Successful “revamp” of Cardiac Rehab exercise & education sessions
- Up skilling in Spirometry to provide “Gold Standard” Lung Function Testing
- Conducting the successful “Towards A Healthy Heart Program”
• Promoting a variety of “do-able” physical activity options
• Continuing to run a wide range of programs and groups that are of obvious individual and community benefit
• Promoting & conducting screenings for Skin Cancer, Blood Pressure & Diabetes.

Outlook
We aim to continue to provide quality services and programs to clients, which meet community needs and organisational priorities whilst providing measurable outcomes for meaningful evaluation. We also intend to increase health-promoting options for clients through improved co-ordination and expansion of existing programs. We look forward to another busy and successful year and many positive client outcomes.

Maternal and Child Health
The maternal and child health nurses continue to provide an early intervention and support service to women and newborns in the Glenelg Shire Council region. This is a contracted service on behalf of the Glenelg Shire for the provision of maternal and child health services to the area. This service provides a high quality primary health service for newborns and parents which:
• Enhance their health, safety and wellbeing through community based involvement and family support.
• Enhance the social development of children; and
• Promotes self-help and the independence in individuals.

Service Initiatives / Variations
No new initiatives / variations to the service during this reporting period. There have been some discussions with (D.W.E.C) Windamara, Dhauwurd – Wurrung Aboriginal Elderly Citizens Association Ltd. regarding a Maternal and Child Health Nurse attending for sessions.

Monthly Service Statistics
Annual report and centre-by-centre statistics have been sent to DHS, copies also sent to Shire and Portland District Health. All centres have similar figures to last year except Casterton where there has been a large decrease in birth notifications - approximately 50% down on last years figures.

Counselling & Support
The following information has been provided by Merrilyn Risk the Senior of Counselling and Support.

This Incorporates:
• Senior Social Worker
• Mental Health Worker
• Relationship Counsellor
• In Home Child Care Coordinator
• Social Monitoring and Support
• Koori Liaison Officer
• Youth Health Worker

Key Points
• The team has continued to provide counselling and support to the community as well as provide Social Work to the acute sector of the hospital
• ‘Men On The Move Program’ established and now ongoing. Group of community members meet and make furniture to sell, proceeds go to charity.
• Carol Guidera joined our team to provide parenting and relationship counselling one to one or group work
• “Counseling in Community Health Centres” draft policy from DHS has been instrumental in the development of the team
• Gerry Leonard (Mental Health Worker) has been recently trained in Mental Health First Aid, he will provide mental health awareness to our community in the coming months
• In conjunction with Primary Mental Health Team, a six week Stress Management course was delivered through TAFE
• The team provided assistance to Food for Thought, Diabetes, Cardiac Rehabilitation, and Towards a Health Heart Programs.
• The team has also been involved with Advanced Care Planning for the community
• Critical Incident Stress Management has been provided to external organisations
• Strengthening of linkages with cross border services has occurred, to further enhance service delivery.
• Community Transport car was updated with assistance from Portland Aluminum and United Way.
• The team was able to provide emergency relief “Food Vouchers” to the community in conjunction with Salvation Army
• Sam Sharp (Youth Worker) is developing a sexual health promotion guide in conjunction with the Women’s Health Worker.
• Sexual health promotion has been delivered to over 1,000 secondary school students.
• A young parents group has been established and is continuing to grow. This is community collaboration in conjunction with the Glenelg
Shire, Windamara, Dhauwurd-Wurrung Aboriginal Elderly Citizens Association Ltd (DWEC) and Portland Housing.

- Koori Hospital Liaison review by DHS was undertaken by PDH to further improve the care for Aboriginal and Torres Strait Islander patients.
- The establishment of the Glenelg Aboriginal Services Advisory Group in conjunction with Shane Nichols, Aboriginal Services Manager, DHS.

Performance
Development of team policies and protocols. Establishment of processes to deal with case management, clinical supervision, client allocation and referrals.

Department of Human Services have provided training in Single Session Therapy, for those undertaking counselling, the aim to provide a more timely response to the community

Development and Marketing Flyers for Team

Primary & Community Care volunteer, Heather Burton won the Barwon South West Rural Health Award. Her contribution has been for 21 years to Telecare service.

The development and implementation of the “In-Home Child Care” Program, this program provides quality childcare in the home of the children.

Outlook
Provide community with a greater awareness of Counselling & Support Team

Develop stronger partnership with other service providers

Increase programs and services from the Counselling & Support Team

Health Promotion And Health Programs

The following information has been provided by Jacki Carmody the Health Programs Manager.

Key Points
Health Promotion is the process of addressing health issues within a community, engaging community members in improving their health and developing strategies and interventions to promote positive behavior change now and into the future.

Portland District Health provides a wide range of health promotion programs and services to the Portland and District community.

To incorporate new guidelines by the Department of Human Services, a review of the health priorities addressed by Portland District Health occurred in early 2004. As a result of the review, the priority areas were changed to reflect the changing needs of the community, region and state. Working towards addressing the current burden of disease, four key priority health areas were identified and selected by the health promotion unit for 2004/2005 (physical activity, chronic disease, mental health and social connectedness and nutrition). Within each area, programs were developed and implemented to address such needs.

2004 saw the completion of the Towards a Healthy Heart pilot and the beginning of a research focus into the prevention of heart disease in men. One of the key strategies for the health promotion unit in 2005/2006 will be to conduct a research program to evidence the Towards a Healthy Heart model and promote its framework throughout the health sector as an evidenced intervention for reducing heart disease. I would like to thank Keppel Prince and the participants for their assistance in piloting the program – the new research program would not have been possible without the support of the program facilitators, key stakeholders, consumer representatives and participants of the original pilot.

Performance

2004/2005 has seen many changes within the Health Promotion Unit of Portland District Health. The focus for the unit has shifted from one off programs to planned and evaluated long term interventions.

Some of the programs, groups and activities provided include:

Physical Activity
- Take it on Hockey
In 2005/2006 the health promotion unit has identified several key objectives:

- To create and promote an evidenced framework for preventing cardiovascular disease in men
- To consult with key stakeholders and community groups to conduct a needs analysis to establish a men's health strategy.
- To identify the gaps and to develop a program strategy to address the early intervention needs of children within the region.
- To develop an integrated health promotion plan with the Department of Human Services, Glenelg Shire Council, South West Health Care, Western District Health Care and the Glenelg and Southern Grampians Primary Care Partnership for 2006-2009
- To develop a quality improvement program for health promotion and health programs that is of the highest quality (spanning program planning through to program evaluation) and benchmarking with other health promotion units.

I would like to take this opportunity to thank the individuals and organisations that have supported and sponsored any of our programs and strategies in the past year. To the volunteers who help plan, deliver and evaluate our efforts, thank you for your invaluable contribution.

I look forward to working with the community, health professionals and organisations in the next year to address the health needs of our community.

Women's Health – Health Promotion

The following information has been provided by Lynda Smith (Donehue) the Women’s Health Resource Worker.

Key Points
- The Glenelg and Southern Grampians position formulates part of the Barwon South Western Region Women's Health, which includes workers based in Warrnambool, Colac and Geelong.
- Based at our Otway Street Campus- traveling to the Primary Care Partnership office in Hamilton one day per week and visiting Casterton regularly has seen the increase in the utilization of the Women’s Health Resource Worker across the two Shires. Over 22,000 kms have been traveled during the 2004-2005 financial year.
- Negotiations with peak bodies to deliver regional training include: Royal Women’s Drug and Alcohol Unit, Jean Hailles Foundation, Family Planning Victoria, Thea O’Connor-Body Image Consultant and Elizabeth Mallor-psychotherapist.
- Support was given to the following groups to secure funds for activities: Western District Health Services - Breast Health and Body image boosters, Portland Mental Health Committee - Women’s Night of Fun, Casterton Memorial Hospital- Midlife messages for women, Glenelg Outreach - Nelson Women’s Health Focus Group, Heywood Secondary College- Cross Cultural mural, Portland Neighborhood House - Pilates classes, PDH - Menopause sessions and International Women’s Day Celebrations in Hamilton, Casterton and Portland.
Performance
2005 has seen the birth of an exciting new health promotion strategy collaborating with our Youth Health worker called KISSE, which concentrates on sexual health and education around Sexually Transmitted Infections and Contraception. With over nine schools and 1,000 students already accessing information.

Outlook
To continue to improve the communities awareness and knowledge of women's health and promote ongoing improvements. Finalize the KISSE Strategy and implement to it's full potential, - attempt to secure funds to ensure it's success. Continue to increase access that embraces diversity.

Occupational Therapy
The following information has been provided by Jill Swinton the Senior of Allied Health.

The Occupational Therapists provide a comprehensive range of programs and services aimed at maximising the independence and well-being of community members in response to their needs. This encompasses health service based (i.e. acute rehabilitation, and aged care) and community based services for all age groups and includes individual and group therapy, health promotion, home modifications, and education. Our achievements for the year include the following.

- The Occupational Therapy Department finished the 2004 -2005 year on a successful note by achieving 98% of the targeted contact hours in community health. This was despite the OT department not having a full complement of staff for 6 months.
- Jacki Barnett commenced as a new graduate in January 2005, Jacki has been working in rotation through community health, paediatric services, acute wards, rehabilitation and aged care.
- Briony Trace returned in February and is currently working one day a week with paediatric clients.
- Catherine Mclnness commenced in March working in rehabilitation for Portland District Hospital 3 days a fortnight.
- Jill Swinton and Joan Cannon continue providing services to the acute and community sector.
- Joan has maintained the essential equipment loan service, which has seen items prescribed and loaned to patients and community clients.
- Specialist Children's Services - Early Intake
- Aged care facilities - Lewis Court, Seymour Cundy Wing, Seaview House Consultancy
- Close working relationships with community services at the Glenelg Shire, Community Options
- Rehabilitation Trip to The McKellar Centre, Geelong
- Undergraduate clinical placements have been provided for students from Latrobe University and Deakin University
- Nursing student and work experience opportunities have been provided which have been beneficial to those involved. These initiatives market the role and importance of occupational therapy in the integrated delivery of both hospital and community based services at Portland District Health.

Podiatry
Donna Shepherd Senior Podiatrist has provided the following information.

The Podiatry Department at Portland District Health has seen some highs and lows during the past year, continuing to provide the only public podiatry service in Portland to Home and Community Care (HACC) clients. Increased demand saw the waiting list for review clients creep out to six and a half months causing much community concern. Fortunately about this time the culmination of much work saw the department benefit from the flexible funding trial. This enabled an increase in hours available, and as a result the financial year was able to end with a waiting list review time of four and a half months.

Mid June 2005 saw a big move for podiatry, from Otway Street where it had been for over thirteen years to the Health Services Building (area formerly
occupied by blood bank). This fortunately caused little disruption to clients as reception staff have been vigilant in confirming changes prior to appointments.

Continuing to support Podiatry student rural placement programs from La Trobe and Uni SA has this past year again been beneficial to all parties involved and we are looking forward to expanding this in the coming years, with plans afoot!

Community education was limited somewhat in the past year due to client pressures although highlights included speaking to Portland Probus Ladies and the Diabetes Support Group.

The 2005-2006 will bring more changes with another new ‘home’ and new treatment chair on the way. This department has enjoyed the support of staff from many areas this past year, but to single out a few who have especially made the relocation an easier process, Casey, Keith, Rae and Maree for all that they do to make each day flow well; Ros Jones, Environmental services and Central Sterile Services Department staff for their support and services; Steve Jones and the maintenance staff - especially Stuart- for all their attention to make a space a suitable treatment area and Toni Young and the medical records staff for making me fit right in. Finally to Sam Ireland and Primary Care Staff for the work put into achieving extra funding and being there.

Dietetics

The following information has been provided by Fiona Storer the Senior Dietitian.

Key Points

• 2004-2005 was a year of consolidation for the Dietetics Department with our three staff Fiona Storer, Vinotha Vijayapalan and Jacqui Panter continuing to revise work practices to meet best practice.

• Inpatient, outpatient and home visit services continued, whilst we also participated in the new orthopaedic ward rounds, and initiated services to the new rehabilitation program.

• The dietetics department initiated an ongoing nutrition support service to the Royal Children’s Hospital Outreach Clinic for children with Type 1 Diabetes.

• Regular visiting services to Lewis Court
  • Home for the Aged and Portland Special Development School continued.
  • Outreach Service to Dartmoor Bush Nursing Centre continued on a monthly basis.

• Visiting Dietetic Services to Heywood Rural Health ceased in August 2004 when Glenelg Outreach took over provision of these services.

• Nutritional risk screening of residents of Seymour Cundy Wing was initiated to meet best practice guidelines.

• Jacqui Panter attended the International Congress of Clinical Nutrition and the Australian and NZ Nutrition Societies annual conference in Brisbane in August 2004 and Vinotha Vijayapalan attended the National Dietitian’s Association of Australia conference in Perth in May 2005, providing the department with a valuable update of professional dietetics skills.

• In addition, during 2004-2005 dietitians attended professional development sessions on body image, weight management, diabetes management, cardiac rehabilitation, public health nutrition and gastrointestinal nutrition, further enhancing clinical, community and public health nutrition skills.

• All dietitians attended Personal Assault Response Training during 2004-2005.

• As an amalgamated Department we were able to take our first ever Dietetic Student placement. In October 2005 two third year dietetic students from Monash University completed their rural nutrition placement. As a result of a positive experience, these students have elected to return to Portland in July 2005 to complete an eight week community nutrition placement

• In-servicing of nursing, catering and environmental staff re such topics as dysphasia management and diabetes management occurred through 2004-2005.

• The Food for Thought Healthy Lifestyle program involving Dietetics, Physiotherapy and Counselling Departments continued. Two new programs commenced this year, with positive feedback from participants.

• The format of the Cardiac Rehabilitation Program was reviewed in January 2005, with such events as supermarket tours now being included as a regular component of the program.

• Jacqui Panter and Vinotha Vijayapalan placed considerable effort into the development and implementation of the “Towards a Healthy Heart” program, which commenced in August 2004.

• The Diabetes Education Program ran several times during 2004-2005.

• A fun and educational Health Promotion
activity was held at the Portland Kidzstuff Festival in January 2005, with around 100 children participating by making their own fruit smoothies.

- Many other community nutrition talks and health promotion displays were provided to local businesses and community organizations during the year.

Performance
2004-2005 has been a challenging year for the Dietetics Department. Inpatient services altered with the decrease of bed numbers and the initiation of rehabilitation services, whilst demand for outpatient, health promotion and community services continued to grow. Our emphasis on continuing professional development has maintained a high level clinical skills, these skills being placed into practice with the diverse range of acute and community services provided by the department. In addition, changes in management practices of the department have enhanced our ability to provide best practice care for Portland and District Community.

Outlook
2005-2006 looks to be another eventful and challenging year for the dietetics department. Improvement in best practice care and department management will be ongoing, with a formalized Management and Quality Assurance Plan being implemented. We will strengthen our ties with Universities through provision of dietetics student training, resulting in completion of nutritional needs assessment of primary school children in the Portland and District. We will also continue to foster optimal nutritional health for the entire Portland and District Community crossing the span from primary to tertiary health care.

Speech Pathology
The following information has been provided by Jenni-Lee Rees as a Certified Practicing Speech Pathologist.

Key Points
Several inservices to nursing staff on the topic of dysphagia have been conducted both in the acute and aged care sectors over the course of the year with a view to increasing staff knowledge about the signs, risks and management requirements associated with swallowing difficulties.

The Rehabilitation Unit requirements for speech pathology services have meant a shift in focus on services in order to accommodate the increase inpatient needs within the hospital environment.

Unfortunately, the demand for rehabilitation hours has necessitated a decrease in the number of hours available for preschool age therapy services.

A number of work experience and nursing students were hosted throughout the year.

Performance
The role as full time Speech Pathologist at Portland District Health requires knowledge and competency in a wide variety of key areas. Jenni-Lee Rees was pleased to attend the Speech Pathology Australia National Conference held in Canberra in May. She received partial funding from the Rural Professional Improvement Fund to attend. Of particular interest was a workshop on infant and child feeding problems.

In February, Jenni-Lee undertook a 2-day course in Melbourne about increasing the use of verbs in young children to increase their range of vocabulary. This course was given a most enthusiastic reception by all who attended.

In order to improve the diagnosis of dysphagia with acute patients, Jenni-Lee completed a course in cervical auscultation. This involves using a stethoscope to listen to key sounds made during a swallow and identifying the presence of sounds associated with aspiration.

Caroline Shepherd attended a 2-day course in Adelaide to learn about the Picture Exchange Communication System, which is used to help autistic children improve their everyday communicative efforts.

Outlook
Jenni-Lee and Caroline Shepeherd have fulfilled the requirements for Speech Pathology Australia's Continuing Professional Development scheme and are now eligible to use the title Certified Practicing Speech Pathologist.

Due to the ongoing success of using fully trained Dysphagia Nurses to assess patients for the presence of dysphagia when the speech pathologist is unavailable, Western District Health Service have decided to follow our example. Jenni-Lee Rees will train up to ten staff in Hamilton in October 2005.

Samuel J Ireland
Director Primary and Community Health
Whilst across the organisation it has been a difficult year, there have been exceptional results recorded for departments within the General Services and the Administrative Service Division.

A highlight for these services was their performance in the August accreditation survey, with the surveyors glowing in their compliments and commendations.

The announcement towards the end of the year of funding for the Aged Care Project / Day Surgical projects provided a welcome boost as does participation in the world first pilot for the Virtual Services Project which will trial the use of remote medical consultation via sophisticated IT / Video links.

This past year we welcomed Ros Jones as Environmental Services Supervisor / Infection Control Nurse taking over from Carole Pietschmann who we sadly farewelled.

Carole who is highly regarded by us all, ostensibly retired, however the drug and alcohol service managed to coax her into another valuable role within Portland District Health – a role which she no doubt will excel in.

Thank you to Kevin Tait, Wayne Pettingill, Wendy Sculley, Steve Jones, Ros Jones and Steve Henderson and their staff for an excellent contribution to Portland District Health.

The next year offers much to be positive about.

**Engineering Services**

The Engineering Department had a very productive year completing a substantial works and equipment list, maintaining essential services compliance, and undertaking plant and equipment upgrades.

Ward Maintenance - This year the closure of South Ward for annual maintenance went very well. These works were completed utilising both in-house tradesmen and sub-contractors. Again we thank the staff and VMO’s for their support.

Plant Upgrades – The past year has seen a continued effort towards ongoing plant upgrades. Much of the plant has been upgraded in recent years, however there is still plant remaining, requiring cyclic upgrades. These tasks will be scheduled in the future.

Essential Services – Checks and repairs continue regularly at specified intervals and quarterly inspections by Stokes Consulting take place to ensure ongoing Form 15 Essential Services Compliance is maintained. Again the Engineering Services staff are to be commended for the diligent manner in which they conduct and record these mandatory tasks.

Contract Management – Throughout the past year Janice Anderson has implemented a system to ensure we meet the legal requirements of Worksafe, in regard to record keeping and compliance. It is essential to have a system in place to record inductions, copies of insurances, certificates and Red Card certificates. Earlier this year Alan and Jenny Rivett were successful in tendering for the garden and grounds contract. Since this arrangement has been in place, there has been a noticeable improvement to the visual aspect of the facility and many favourable comments have been received.

Energy Reduction – As reported last year, all DHS facilities are required to meet new energy reduction strategies. Notwithstanding that we have already met and exceeded the required reductions with water and gas, in the past year we have managed to reduce our power consumption by 6,000 kWh. We will continue to implement strategies to reduce electricity use.

Project Control Groups – Engineering Services has been heavily involved in the design development for the Aged Care and Day Procedure Unit. Flowing from this the department also has involvement in relocating the Dental Suite and Pharmacy. As part of this the department has been working with the architects, service engineers and user groups. Design has been finalised with works due to commence. We thank the various user groups for their contributions.

Refrigeration Mechanic / Electrician – Peter Reynolds completed his training, attaining excellent results and we have signed his early apprenticeship release. This in-house service has enhanced the department’s service provision and has realised financial gains.

**Works & Equipment – Completed Tasks**

- Kitchen / cafeteria evaporative cooler replacement
- Replace illuminated signs at main entrance and Accident & Emergency
- Replace kitchen exhaust unit
- Palliative Care Suite
- Women and Children's Clinic
- Ongoing plant upgrades
- Rework radiology
- South Ward closure
- Create dual consult suite – Pre admissions
- Relocate Nurse Unit Manager’s office in South Ward
- Spoon drain west spine
- Plans finalised for the dental suite
- Installation of double glazing in North Ward
We would like to thank the Engineering Services staff for their continued support and the manner in which they perform their tasks.

Environmental Services

Congratulation to Ros Jones and staff on the high standard of service provided during the year.

The Environmental Services Department continues to deliver a high quality service to Portland District Health, which is evident by the two commendations the department received from the recent ACHS Survey - Standard 5.1.3 Infection Control & 5.1.9 Waste Management. The credit lies with each and every member of the environmental services team, well-done team.

Environmental Services cleaning role incorporates all areas within the hospital environment along with the Otway Street and their campus, Wentworth Women and Children’s Clinic, Allied Health, Dr Taylor’s rooms and Drug and Alcohol service. This department endeavours to maintain a very clean, pleasant and safe environment for all patients, staff and visitors who utilise the facility.

Key Points
- Internal cleaning audit results continue to demonstrate our commitment to cleanliness by delivering consistently high scores. This is substantiated by the compulsory external cleaning audit we are required to participate in by returning and audit result of 97%. The Victorian Public Hospitals Cleaning Standards have recently raised the acceptable cleaning score from 80% to 85%.
- Sadly the department farewelled Carole Pietschmann, Nathan Nejasmic and Rachael McKenzie, we wish them well in their new ventures.

Education Offered
The majority of the Environmental staff have enthusiastically embraced the opportunity for personal development and undertaken the education that has been offered.
- Thirteen members of the Environmental Services team are currently undertaking Certificate III in Health Support Services (Cleaning Support Services). Originally a two-year course, all members will have completed the course in 12 months and are due to complete the course by August this year.
- Five members of the Laundry Service are currently undertaking Certificate III in Laundry Operations (Existing Worker program). This is a two-year course however members will have completed this course in 18 months; they are due to complete their course in February 2006.
- Two Staff members each month are rostered to attend compulsory education whereby they partake in Occupational Health & Safety, Infection Control, Fire safety, Basic Life Support and No lift education.
- BOC training – Safe handling of oxygen cylinders.
- Micro Fibre in-service.
- PART- Professional Assault Response Training.
- Physiotherapy in-service by David Walker – Discussing issues and injuries that can affect environmental services staff and providing education and simple techniques and exercises on how to avoid injury.

Appointments
- Ros Jones was appointed as the Infection Control & Environmental Services Manager
- Shiralee Newton has been appointed to the outdoors maintenance position.
- Janne Morrison is the newly appointed OH&S representative for Environmental Services.
- Tanya Hollis is the newly appointed Porter.
- The department welcomes, Lynne West, Pat Leyonhjelm, Rhonda Hill and Maxine King.

Performance
Overall the department has had a very dynamic year with reviewing of department processes and work practices, many quality activities have been undertaken, changes in roles have occurred and a major goal of 2005 –2006 is implementation of the Waste Wise Program throughout the hospital campus.

Food Services

Key Points
- Upgrade of cleaning practices and more frequent timing of audits, to compliment introduction of micro fibre cleaning.
- 9 staff commenced the Certificate III in Hospitality (Operations) being provided through the University of Ballarat.
- Upgrading of menu to a more seasonally based menu and addition of vegetarian meals to the main menu.
- Altered salad options to provide an increased variety.
• Limiting processed food utilised by the kitchen, by cooking more fresh produce.
• Contracts for the provision of prisoner meals and Meals on Wheels have been extended.
• Increased liaison with Dietetics Department to update Food Services staff knowledge of alternative diets e.g. diabetic, low fat and to enhance the meals provided to increase menu choice and variety.

Performance
• Food Safety Audits were conducted, with the Food Services Department passing all requirements.
• Regular visits from the Environmental Health Office for the Glenelg Shire Council were also conducted.
• Our first Apprentice Chef in many years has obtained excellent results during her placements with external service providers and has engaged in additional work experience with a variety of local service providers.
• Tom Treloar, Christie Parsons and Ben Marshall have all moved on to further endeavours and we wish them well. Brad Pumpa, Barbara Pumpa, Tamara Holien, Melissa Currie and Kylie Dawson all joined the Department and we also welcomed back Emma Walters from Maternity Leave.

Outlook
• We intend to continue to provide nutritious, fresh cooked meals that meet the needs of our clientele.
• To continue improving staff knowledge through regular in-services conducted with internal departments.
• Participation and achievement of annual Food Safety Audit and to participate in ACHS Accreditation.
• Provision of diet specific menus to clientele.
• Continued upgrade and review of menu.
• As funds permit we will further upgrade kitchen equipment.
• Decrease in waste by increasing the amount of waste processed by the worm farm, giving greater emphasis to recycling, reduced usage of portion control stock and interaction with suppliers to reduce excess packaging.
• Our Apprentice Chef will complete her apprenticeship in October 2005 having obtaining excellent results during her placements.

Information, Communications and Technology Department

Key Points
The Information, Communications and Technology Department (ICT) has improved the communications network over the past year by commissioning a large quantity of new equipment to support the growing development of organisation’s services, including the new Women and Children’s Clinic.

This department has also been heavily involved with a number of developments within the South West Alliance of Rural Health.

Portland District Health is to be a pilot site for the new Virtual Services Project, which will allow doctors to assess patients at remote sites by video. This will enable rural communities to access specialist health care and support services without having to leave their local community.

Performance
The total downtime for all users during the year was less than 0.02%.

All data is securely archived to DVD. Enhanced backup facilities have been installed.

Outlook
The development of health care services to the community in the future will depend heavily on ICT services for effective delivery.

It is important to manage the effective upgrade paths for our systems and to continue the integration of vendor services.

Through strategic planning we will continue to increase and implement innovative solutions to help minimise costs. The deployment of new applications, including those developed by the South West Alliance of Rural Health Services (SWARH) member committees through various projects, together with the ability to access resources never before available, has vastly improved the value received from this investment in our Information Technology (IT) resources.

The assistance of IT Technician Nik Kedzia and the support from Information Technology staff within SWARH has been crucial to our continued success in the delivery of IT services, thank you Nik.

There is always room for improvement in service delivery, and this department actively monitors it’s own performance. The recent staff satisfaction survey, conducted by an independent source, has provided
information that will help us to enhance this service, and we are always ready to adapt.

We are fortunate in belonging to a dedicated team of people - the staff of Portland District Health, and we extend our thanks for their continued active support. Another busy year will follow.

**Sea View House**

**Key Points**
- Achievement of ACHS accreditation.
- Advance Care Planning.
- Department of Human Services-Desk top Audit.
- Funding for Falls Prevention which enabled the purchase of exercise equipment for residents.
- Mosaic plaque by residents.
- Six (6) Staff members completed Cert III / IV Community Services (Aged Care Work).
- Staff member completing Cert III Community Services (Aged Care).
- Staff member completing Cert III Hospitality.
- Two (2) staff undertaking Cert IV in Health (Nursing).
- Video & T.V. purchased for staff education.

**Performance**

2004 – 2005 has been a busy year with full occupancy of rooms. Respite places are proving very popular and we have been booked well in advance for these places. Our staff have provided an excellent standard of care and have been willing participants in completing further education.

Our service undertook accreditation along with the rest of Portland District Health and celebrated the successful result in March 2005. We believe Sea View House to be amongst the very first to achieve this status.

Congratulations to staff on excellent results in study - Kerry Hancock, Judith Hillier, Gloria Gower, Kareen Beasley, Roslyn Marshall and Sonia Brown for achieving Certificate III & IV Community Services (Aged Care Work). Well done on this fantastic achievement.

During the year an authorised officer from the Department of Human Services completed a desk top audit / evaluation using an assessment system based on the principles of Health Services Act 1988 (The Act) and the Health Services (Supported Residential Services) Regulations 2001. The evaluation demonstrated that...
Sea View House SRS was compliant with the Health Services Act 1988 and the Health Services (Supported Residential Services) Regulation 2001.

Activities 2005

The residents at Portland Sea View House have had a very interesting and exciting time trying an abundance of new activities this year. Thanks to our activities assistants Rosie Collins, Debbie Taylor and Frances Kelly.

Some of the popular activities being offered at Portland Sea View House include:

- Indoor Lawn Bowls
- Indoor / Outdoor Croquet
- Piano Lessons
- Knitting Groups for the Greater Community
- Chair Aerobics
- Kitchen “Herb” Garden
- Poetry Workshop
- Bingo
- Musical Sing-a-longs
- Bocce
- Modified Indoor Darts Competition
- Walking Groups
- Creative Writing
- Mosaic Creations
- Fete Organisation
- Library Group
- Birthday Parties

In addition to this there have also been some fantastic bus trips to Port Fairy, Halls Gap and Tower Hill just to name a few. It's a wonderful chance for Sea View residents to go on scenic drives and reminisce.

Residents also have the opportunity to go for picnics and eating out in Portland. Fish and Chips is always very popular!

A few months ago the residents were invited to attend C.E.M.A. arts centre to see a fashion parade organised by the Portland Secondary School. All of the clothes used in the parade were ‘pre-loved’ items. Our residents had a great time and enjoyed a scrumptious afternoon tea.

Neighbourhood House very successfully organised a ‘Mock Wedding’ and invited Portland Sea View House. A group of residents attended the wedding and had a very enjoyable time.

For the first time this year Portland Sea View House organised a ‘Fun Bowls Day’ at the Portland RSL Memorial Bowling Club. Lewis Court, Seymour Candy, Portland Aged Care and Heywood Rural Health were invited. Hot lunch and indoor bowls was on the agenda for the day. Over 40 people attended and everyone is keen and excited at the prospect of another day out at the Portland RSL Memorial Bowling Club.

So as you can see Portland Sea View House has an extremely successful activities program and is very grateful to all the volunteers who donate their valuable time and assistance.

Outlook

Quality of Care and Quality of Lifestyle for residents are the foundation on which our supportive services at Sea View House are built.

We look forward to providing services that enable our residents to maintain their independence and enrich their lives.

Phil Hynes
D/CEO

Wayne Armistead
Director of Finance

Chef, Kylie Dawson
The past twelve months have been a time of consolidation for Sea View House and its residents.

Our first year was busy with establishing our new community within the Portland concept; this second twelve months has seen us firmly visible in the town as a vibrant, capable addition to life here in the Southwest area of the State.

Highlights of the year, which were featured in our early days, continued during this second time-sphere, with the Choir leading the Christmas celebrations with several Carols. They sang again for Commonwealth Day, and came to the fore at Easter time with songs suitable for the occasion. The Easter Bunny called during the judging of our Easter bonnets, and gave each of us an Easter Egg—a gift from Management, which we all enjoyed.

Our great Christmas party was held in style again, and the inclusion of two invited guests for every resident added to the fun and informality of the occasion. Santa Claus’ visit during the festivities was hailed, and he had a gift for every resident--- again a generous touch from Management.

Visiting musicians come regularly to lead Community singing each week, and our “Bingo” caller is another regular and generous caller.

Several community groups and school students entertained residents at times, and their talents are appreciated.

The continuing goodwill and care shown to all who live at Sea View House is wonderful, and the staff are to be commended highly for their patience and cheeriness with each one of us on all occasions. It is now an easy task to keep nearly sixty people comfortable and relaxed, warm, well fed and individually attended to, but Wendy and her well-chosen staff command our warmest gratitude and respect.

To all connected to the smooth conduct of Sea View House, we residents say a hearty “Thank you.”

Betty Jennings
Portland Sea View House
(Mrs Jennings passed away 25th July 2005 and will be sadly missed by all at Portland Sea View House.)
Other Reports

Building Condition Report
In accordance with legislative requirements building condition inspection reports are undertaken on a regular basis. Recommendations arising from these reports have been incorporated into the ongoing works and equipment program and site and services planning.

Portland District Health has also obtained the necessary Form 15 certification in connection with the Essential Services Legislation.

National Competition Policy
The organisation complies with the requirements of the National Competition Policy and State Competitive Neutrality Policy as revised.

Consultants
During the year Portland District Health utilised the services of 8 consultants. The cost of these being $123,987.

Fees & Charges
Portland District Health charges fees in accordance with the Department of Human Services’ directives.

Industrial Relations and Occupational Health & Safety
During 04/05 4382 hours were lost as a result of Workcare claims or 2.10 EFT. This compares with 8736 hours and 4.20 EFT lost in 03/04.

No hours were lost as a result of industrial action during the last financial year.

Pecuniary Interest
Members of the Board of Management are required to notify the President of the Board of any pecuniary interests, which might give rise to a conflict of interest, in accordance with Hospital policy. Refer also Note 25 of the Financial Statements.

Publications
Portland District Health has published various documents, which are available from administration and include:
- By Laws and Standing Orders
- Board Member Information Folios
- Missions, Visions and Values Statements
- Freedom of Information Policy
- Strategic Plan
- Palliative Care Policy
- Hospital Wide Policy Manual
- Waste Control Policy Manuals
- Board and Operational Policy & Procedure
- Safety Requirements for Contractors, Equal Employment Opportunity Policy, Quality Assurance Policy, Safety and Infection Control Manuals, Information Booklets for staff, department heads and patients.

Whistleblowers Protection Act 2001
Portland District Health has policies and procedures in place to enable total compliance with the Act and which provide a safe environment in which disclosures can be made, people are protected from reprisal and the investigation process is clear and provides a fair outcome. The privacy of all individuals involved in a disclosure is assured of protection at all times. Portland District Health is committed to the principles of the Act and at no time will improper conduct by Portland District Health or any of its employees be condoned.

A copy of the policy is available upon request. Web sites of interest for complaint procedures are:

http://www.ombudsman.vic.gov.au

Disclosures
Since the introduction of the Act in 2002 there have been zero disclosures and zero notification of disclosures to the Ombudsman or any other external agency.

Disclosures will be received by the Assistant Director of Nursing, Portland District Health’s designated Complaints Officer or to the Ombudsman, Level 22, 459 Collins Street Melbourne, Victoria 3000.

Telephone 1800 806 314
## Comparative Statistics for the Past Five Years

<table>
<thead>
<tr>
<th>Service / Indicator</th>
<th>Sub Item</th>
<th>00/01</th>
<th>01/02</th>
<th>02/03</th>
<th>03/04</th>
<th>04/05</th>
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<tr>
<td>Number of Inpatient Days</td>
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<td>17,234</td>
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<td>10,748</td>
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<td>-Hospital</td>
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<td>47.9</td>
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<td>28.8</td>
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<td>Average Stay (Days)</td>
<td>-Hospital</td>
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<td>3.2</td>
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<td>Births</td>
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<td>Dental Clinic Treatments</td>
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<td>1,816</td>
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<td>Hospital In The Home</td>
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<td>Mammography Screening</td>
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<td>961</td>
<td>823</td>
<td>1,019</td>
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<td>Meals On Wheels Delivered</td>
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<td>22,721</td>
<td>17,989</td>
<td>18,249</td>
<td>15,896</td>
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<td>Meals Served (Total)</td>
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<td>141,261</td>
<td>162,289</td>
<td>164,638</td>
<td>152,897</td>
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<td>Occupational Therapy</td>
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<td>Podiatry</td>
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<td>345</td>
<td>359</td>
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<td>Operations Performed</td>
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<td>Physiotherapy Treatments</td>
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<td>Outpatients</td>
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<td>Speech Pathology</td>
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<td>Ultrasound Attendances</td>
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<td>X-Ray</td>
<td>Inpatients</td>
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<td>1,401</td>
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<td>Examinations</td>
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<td>Number of Staff Employed)</td>
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<td>Number of Staff Employed (Eft)</td>
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<td>188.32</td>
<td>205.55</td>
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<td>241.23</td>
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<td>Time Lost Through Workcare Claims (Eft)</td>
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<td>Time Lost Through Industrial Disputes (Hrs)</td>
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<td>0.00</td>
<td>0.00</td>
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<td>Sick Leave As % of Basic Salaries</td>
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<td>3.4%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.3%</td>
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<td>Costs:</td>
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<td></td>
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<td>Cost Per Inpatient Day:</td>
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<td>$724</td>
<td>$735</td>
<td>$791</td>
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<td>Cost Per Inpatient Treated:</td>
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</table>
As part of the 2004/2005 Health Service Agreement with the Department of Human service, activity and efficiency targets were set. Set out in this report is a summary of the activity levels.

<table>
<thead>
<tr>
<th>ITEM / INDICATOR</th>
<th>03/04</th>
<th>04/05</th>
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<tbody>
<tr>
<td>1. Discharged Patients (separations)</td>
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<td>Acute Same Day</td>
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<td>2523</td>
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<td>Overnight Stay</td>
<td>2751</td>
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<td>Nursing Home Type</td>
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<td>Total Separations</td>
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<td>4959</td>
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<td>2 Admitted Patient Bed Days</td>
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<tr>
<td>Acute</td>
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<td>Nursing Home Type</td>
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<td>Total Admitted Patient Days</td>
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<td>13885</td>
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<tr>
<td>3 Total Acute Patient Weighted Inlier Equivalent Separations</td>
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<td>4 Average Inlier Equivalent DRG Weight</td>
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<td>Acute Excluding Same Day (Days)</td>
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<td>All Acute Admitted Patients (Days)</td>
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<td>Nursing Home Type (Days)</td>
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<td>Average Length of Stay of Admitted Patients (Days)</td>
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<td>2.80</td>
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<tr>
<td>6 Occupancy - Admitted Patients</td>
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<tr>
<td>7 Non-Admitted Patient Occasions of Services</td>
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<tr>
<td>Accident and Emergency</td>
<td>12,192</td>
<td>9,635</td>
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<td>Other Non-Admitted Patient Services</td>
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<td>Total Occasions of Service</td>
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<td>8 Efficiency</td>
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<td>Admitted Patient Costs ($000s)</td>
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<td>Other</td>
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<td>Non-Admitted Patient Costs ($000s)</td>
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<td>Accident and Emergency</td>
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<td>Other</td>
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<td>Total Non-Admitted Patient Cost</td>
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<td>Total Acute Hospital Costs</td>
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<tr>
<td>Total Residential &amp; Other Costs</td>
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<td>9 Residential Services - Patient Costs</td>
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<td>11 Quality Assurance - Accreditation Status</td>
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<td>2 yrs to August 2006</td>
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## Comparative Financial Analysis

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<td>$'000</td>
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<td>(1,462)</td>
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<tr>
<td>Retained Surplus at 1st July</td>
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<td>(1,462)</td>
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<td>Adjustment Resulting in Change in</td>
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<td>Accounting Policy</td>
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<td>Retained Surplus 30 June</td>
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<td>(1,462)</td>
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<td>Retained Earnings</td>
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<td>(1,462)</td>
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<tr>
<td>Total Equity</td>
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<td>24,106</td>
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*The information requirements listed in The directions of the Minister for Finance part 9.1.3 (iv) have been prepared and are available to the minister, Member of Parliament and the public on request.*

*As a result of the amalgamation between the Portland & District Hospital and Portland and District Community Health Centre on the 1/7/2003, there is no comparative data for periods prior to this date.*
Officers and Office Bearers

Board Members
President: Mr V Gannon
Senior Vice President: Mrs M Menzel
Junior Vice President: Mr G Andrews
Treasurer: Mr A Wilson
Members: Mr W E Bassett, Mr J Harpley, Ms M Kuljis,
Dr J Purdie (Resign. Jan ’05) Mr I D Stanford (Resign. Feb ’05),
Ms C Ward.
Auditors: Auditor General Victoria, Agent – Coffey, Hunt & Co.
Internal Auditors: WHK Archer Group
Bankers: ANZ Banking Group

Executive Staff
Acting Chief Executive Officer: Dr S Allen, P.S.M., M.B. B.S., B.H.A., F.R.A.N.Z.C.O.G.,
F.R.C.O.G., A.C.H.S.E.
Chief Executive Officer: Mr A Gallina, B.H.A. (NSW), Grad. Dip. Mgt., M. Bus., R.N.,
Director of Medical Services: Dr M van der Veer, M.B., Ch.B., F.R.A.C.G.P., M.R.A.C.M.A.
Director of Nursing: Mrs K Eyre, RN DIV1, BN, M.Health Mgt. AFCHSE, MRCNA
Director of Primary Care: Mr S Ireland, Elec. Eng. Cert., BHA, M Bus., AFCHSE, CHE
Deputy Chief Executive Officer: Mr P S Hynes, Dip. H.A.
Assistant Director of Nursing: Mrs M Patterson, RN DIV1., RM., B.N., Cert. Critical Care
Finance Manager: Mr W Armistead, B. Com., C.P.A., M.Bus.

Senior Staff
After Hours Nursing Coordinators: Mrs H Anderson, RN DIV1., RM
Miss E Barker, RN DIV1.,RM,BN,Cert. Lymphodoema.
Mrs E McCarthy, RN DIV 1, RM, BN
Mrs J Westlake, RN DIV1.
Ms. D. Orme, RN DIV1.,RM
Mrs R. Flower, RN DIV1 RM,BN, IBCLC
Mrs A Stephenson, RN DIV1. (Relieving)
Engineering Services Manager: Mr S Jones, I.H.E.A., A.F.C.H.S.E.
Food Services Manager: Mr S Henderson
Director of Pharmacy: Mr G. Bennet-Hullin , B.Pharm., M.P.S., M.R.Pharm.
(Contract Service)
Drug & Alcohol Unit Manager: Mrs B Mcllroy, RN DIV1, R.M.
Health Information Manager: Ms T. Young, B.HIM.
Infection Control Officer / Environmental Care ( Resigned January 2005)
Mrs C Pietschmann, RN DIV1.,Cert.I.C.,Cert Peri. Op.,Cert.
Intensive Services Supervisor
Mrs R Jones RN Div 1 , Cert I.C. Accredited Cert. of Immunisation
Accredited, HIV& Hep C counsellor,(Commenced January 2005)
I.T. Manager Mr K Tait
Laboratory Manager: Mr C van Diemen, B.App.Sc. (St. John of God Pathology)
Nurse Educator: Mrs A Brown, RN DIV1, RM, BN,MRCNA
Nursing Unit Managers:
Mrs H Antony, RN DIV1, (District Nursing)
Mr B Bowman, RN DIV1, R.M. (North Ward)
Mrs J Burke, RN DIV1, (Nursing Home) BN
Mrs H Wormington, RN DIV1. ( South Ward)
Mrs J Sealey, RN DIV1. (Theatre)
Ms J Ridler, RN DIV1, (Accident & Emergency)
(Resigned January 2005)
Officers and Office Bearers

Nursing Unit Managers:  
Ms L Donlan, RN Div 1, Grad Dip A&E, Grad Dip Teach & Assess't  
Emergency Nurse Practitioner (UK) (Accident & Emergency)  
(Commenced March 2005)

Pay Officer:  
Mrs P A Cain

Primary Care Seniors  
Counselling & Support  
Ms M Risk, RN Div 1, BSW.

Community Nursing  
Mrs R Cole, RN Div 1, RM, BN, Grad Cert (Diab.Ed), MCH, FCNA.

Primary Care Programs and Business Systems Ext, Assoc MAPS  
Ms J Carmody, BBEHAVSC, BBUS(HONS) Post Grad Dip Psych

Allied Health  
Ms J Swinton, RN DIV1, B Sc. (OT)

Volunteers Co-ordinator:  
Ms Annette Hinchcliffe

Medical Staff  
Visiting Medical Officers:  
Dr. Maan Bashour M.D.
Dr. Baghat Bassili MB, ChB, B.Sc.
Mr J Das, M.B., B.S., F.R.C.S., F.I.C.S
Dr M Martin, MB, BS.
Dr W Rieger, B.Pharm., B. Sc. (Hons), MB, ChB.
Dr. J. Risk, MB, BS.
Dr. M van der Veer, MB, ChB., F.R.A.C.G.P., PG.DIPGP.
M.R.A.C.G.P. AFA.C.H.S.E.
Dr. S. Hindley, (locum tenens) B.Sc., MB, BCh.
Dr. D. Singh, MB, BS., F.R.A.C.G.P.

Anaesthetists:  
Dr M Martin, MB, BS, F.A.C.R.R.M.
Dr J Stapleton, MB., F.A.N.Z.A.
Dr A Fielke MB, BS. D.A.

Specialist Surgeon:  
Mr. J. Das, M.B.B.S., F.R.C.S., F.I.C.S.

Medical Staff  
Visiting Surgeons:  
Mr S Clifforth, MB, BS., F.R.A.C.S.
Mr D Bird, MB, BS., F.R.A.C.S.
Mr P Tung, MB, BS., F.R.A.C.S.

Specialist Physician:  
Dr D Taylor, MB, ChB., F.R.C.P., F.R.A.C.P.

Visiting Obstetrician & Gynaecologist:  
Dr. C. Beaton, MB, ChB., F.R.A.N.Z.C.O.G., M.R.C.G.P.
F.R.C.O.G.
Dr. K. Braniff, MB, BS., F.R.A.N.Z.C.O.G.
Dr E. Uren, MB, BS., F.R.A.N.Z.C.O.G.

Visiting E.N.T. Specialists:  
Ms M Cass, MB, BS., F.R.A.C.S.
Mr L Ryan, F.R.A.C.S., D.L.O.

Visiting Ophthalmologist:  
Dr V Lee, F.R.A.C.O., F.R.A.C.S.

Visiting Paediatrician:  
Dr G Pallas, B.Med., F.R.A.C.P. (Paed)
Dr. N. Thies, MB, BS., D.CH., F.R.A.C.P. (Paed)

Visiting Pathologists:  
Dr C M Pilbeam, B.Med.Sc., MB, BS., Ph.D., F.R.C.P.A., M.I.A.C.

Visiting Radiologists:  
Dr N Houghton, MB, BS., (Lond), M.R.C.S., L.R.C.P., F.R.A.C.R.
F.R.A.C.R.
Dr. J. Nagorecka, MB, BS., F.R.A.C.R.
Dr. N. Walters, F.R.A.C.R.

Orthopaedic Surgeon:  
Mr P Kierce, MB, BS., F.R.A.C.S., (Ortho), F.A., Orth.A.
Visiting Urologist: Mr. R. Grills, M.B. B.S., F.R.A.C.S.
Visiting Psychologist: Mr J. Clark
Visiting Oral Surgeon: Mr B Robinson, B.D.Sc.(Adel), B.Sc.Dent.(Hons), M.D.S.
Visiting Alcohol & Drug Physician: Dr D Richards, M.B.B.S., A.P.S.A.D.
Visiting Orthodontist: Dr Suresh Chandra, M.B.B.S. (Melb), F.A.C.D. (Melb).
Dental Officer: Dr L. Cox
Visiting Dental Officers: Dr. M. Stubbbs., Dr K Stock, B.D.Sc., Dr M Thow, B.D.Sc.

Staff by Gender and Employment Status

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time</td>
<td>24</td>
<td>23</td>
<td>71</td>
<td>67</td>
</tr>
<tr>
<td>Part Time</td>
<td>11</td>
<td>12</td>
<td>214</td>
<td>202</td>
</tr>
<tr>
<td>Casual</td>
<td>1</td>
<td>1</td>
<td>24</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>36</td>
<td>36</td>
<td>309</td>
<td>296</td>
</tr>
</tbody>
</table>

Staff Numbers in Equivalent Full Time

In equivalent full time terms the following staff were employed:

<table>
<thead>
<tr>
<th>Category of Staff</th>
<th>00/01</th>
<th>01/02</th>
<th>02/03</th>
<th>03/04</th>
<th>04/05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursing</td>
<td>124.77</td>
<td>120.43</td>
<td>123.29</td>
<td>134.34</td>
<td>132.50</td>
</tr>
<tr>
<td>Administration &amp; Clerical</td>
<td>24.24</td>
<td>19.26</td>
<td>22.50</td>
<td>21.79</td>
<td>20.74</td>
</tr>
<tr>
<td>Medical &amp; Allied Health</td>
<td>15.41</td>
<td>25.84</td>
<td>24.36</td>
<td>26.79</td>
<td>40.57</td>
</tr>
<tr>
<td>Other Support Services</td>
<td>38.38</td>
<td>40.02</td>
<td>49.76</td>
<td>58.31</td>
<td>55.51</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>202.80</strong></td>
<td><strong>205.55</strong></td>
<td><strong>219.91</strong></td>
<td><strong>241.23</strong></td>
<td><strong>249.32</strong></td>
</tr>
</tbody>
</table>
# Donors & Sponsors

<table>
<thead>
<tr>
<th>Donors</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dipalo, Thelma (Estate of the late)</td>
<td>5560</td>
<td>11600</td>
</tr>
<tr>
<td>Donation In Memory of Sam Englezos</td>
<td>1000</td>
<td>278</td>
</tr>
<tr>
<td>Donation Various Under $50</td>
<td>58</td>
<td>300</td>
</tr>
<tr>
<td>Fund Raising - Net takings (Rodeo, Fete,)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Murray to Moynie</td>
<td>41433</td>
<td>250</td>
</tr>
<tr>
<td>Jenkins-Fry, Wilma (In memory of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alfred Sibbison</td>
<td>100</td>
<td>300</td>
</tr>
<tr>
<td>Lucas, Mrs Cora</td>
<td>100</td>
<td>1000</td>
</tr>
<tr>
<td>Mibus, Mr Ted</td>
<td>50</td>
<td>2000</td>
</tr>
<tr>
<td>Oborn, Moira</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>Phillips, K &amp; HL</td>
<td>50</td>
<td>41080</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115,458</strong></td>
<td><strong>$115,458</strong></td>
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</tbody>
</table>

## Sponsors

| Action Auto Pro - Portland                  | Melbourne Food and Wine Festival |
| Admella’s Orchard                           | Mortlake Buskers Festival        |
| AFL Hall of Fame                            | Muffin Break - Warrnambool       |
| Barrettes Wines                             | Remo PartenzaPharmacy           |
| Bassett and Sharkey Solicitors              | Pinky’s Pizza - Portland        |
| Better Health Channel                       | Portland Aluminium              |
| Brookes                                     | Portland Coast Water            |
| Cameron Young Accountant                    | Portland Gymnastics Club        |
| Coastal Wholesalers                         | Portland IGA Supermarket        |
| Colletts Amcal Pharmacy                     | Portland Signworks              |
| Dreamworld on the Gold Coast               | Portland Star Cinema            |
| Duck Inn Café                               | Portland Surf In                |
| Family Video Land                           | Portland YMCA                   |
| Flag Staff Hill - Warrnambool               | Pump House Springs Warrnambool  |
| Glenelg Warehouse and Action Centre         | Quit Victoria                   |
| Hollick’s Wine - Coonawarra                 | Rosanna Bramente Premier Balloons|
| Kelso Wines                                 | Safeway Portland                |
| KFC – Warrnambool                           | Sungold Milk                    |
| Kingsley Wines                              | Soverign Hill                   |
| La Pochetta - Warrnambool                   | Video Ezy - Portland            |
| Mc Donald’s - Hamilton                      | Wendy’s – Warrnambool           |
| Mc Donald’s - Warrnambool                   | William Buckland Foundation     |

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### Sincere Thanks

*Portland District Health sincerely thanks each and every Donor and Sponsor for their support.*

*We also acknowledge the numerous donations made to specific fund raising projects, individual departments and wards.*
We pay tribute to those individuals who previously have been recognised for their support of the Portland District Hospital and Portland & District Community Health Centre.

As at 30th June 2005

Life Members of the former Portland & District Community Health Centre

Association for the Blind
Portland Neighbourhood House
Mr Jack Finck
Mrs Gwen Finck
Mr Jeff Knuckey
Mr W (Bill) Collett

Mrs Shirley Elliott
Mr Jeff Baulch
Mrs Marilyn Baulch
Mr David Harris
Mrs Anne Lanyon

Life Governors of the former Portland & District Hospital

Aitken, Mrs. M.E.
Apex Club of Portland
Baxter, Percy (Trust)
Barker, Mr R
Brownlaw, Miss E.J.
Chipperfield, Mr. B.
Edwards, Mrs. Brenda
Edwards, Mrs. Betty
Elford, Mrs. P.
Farrands, Miss S.M.
Fyfe, Mrs. S.
Godfrey-Smith, Mrs. P.
Jennings, Mrs. M.L.
Kermond, Mrs. J
Lighbody, Miss E.
Lions Club of Portland
McDiven, Mrs. B.
Maling, Mr. W.G.C.
Mitchell, Mrs. P.

Ough, Mr. A.K.
Panozzo, Mrs. S.
Pettit, Mr. P.
Plantinga, Mrs. M.
Portland Aluminium
Portland Professional Women's Service Club
Poon, Mr. S.
Pritchard, Mrs. S.I.
Rotary Club of Portland
Saunders, Mr. E.A.
Sharrock, Mrs. M.M.
Smith, Helen Macpherson (Trust)
Smith, Mrs. R.
Stewart, Miss J.
Wigan, Mr. J.C.
Wilmot, Mrs. P.
Wombwell, Miss J.

Distinguished Service Award of the former Portland & District Hospital

Das, Mr J. 1994

Presentation and Distribution of this Report

This report is released to the public at the Annual General Meeting and is also available as follows:

Web Site: www.pdh.net.au
Distribution mailing list
Consumer Advisory Network
From Portland District Health Administration

Your Feedback is welcomed and may be made on the enclosed form
PORTLAND DISTRICT HEALTH

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30th JUNE, 2005
Portland District Health

Accountable Officer’s, Chief Finance Accounting Officer’s and Member of Responsible Body’s Declaration

We certify that the attached financial statements for Portland District Health have been prepared in accordance with Part 4.2 of the Standing Directions of the Minister for Finance under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of financial performance, statement of financial position, statement of cash flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2005 and financial position of the Hospital as at 30 June 2005.

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

Chairperson
Mr Vincent Gannon

Chief Executive Officer
Mrs Marie Shea

Chief Finance & Accounting Officer
Mr. Wayne Armistead

Dated the 25th of August 2005
Portland, Victoria
# Financials

**Portland District Health**

**Statement of Financial Performance for the Year Ended 30 June 2005**

<table>
<thead>
<tr>
<th>Note</th>
<th>2004-05 $'000</th>
<th>2003-04 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue From Ordinary Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.2a</td>
<td>24,451</td>
<td>23,271</td>
</tr>
<tr>
<td><strong>Expenses From Ordinary Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>15,501</td>
<td>14,109</td>
</tr>
<tr>
<td>Fee for Service Medical Officers</td>
<td>2,568</td>
<td>2,558</td>
</tr>
<tr>
<td>Agency Costs - Nursing</td>
<td>120</td>
<td>72</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>2,641</td>
<td>2,975</td>
</tr>
<tr>
<td>Borrowing Costs</td>
<td>195</td>
<td>220</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>[3] 1,786</td>
<td>1,639</td>
</tr>
<tr>
<td>Share of Net Result of Associates &amp; Joint Ventures accounted for using Equity Model</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Other Expenses From Ordinary Activities</td>
<td>3,071</td>
<td>2,518</td>
</tr>
<tr>
<td><strong>2b</strong></td>
<td>25,913</td>
<td>24,125</td>
</tr>
<tr>
<td><strong>Net Result for the Year</strong></td>
<td>(1,462)</td>
<td>(854)</td>
</tr>
<tr>
<td><strong>Total Changes in Equity other than those resulting from Changes in Contributed Capital</strong></td>
<td>(1,462)</td>
<td>(854)</td>
</tr>
</tbody>
</table>

*This Statement should be read in conjunction with the accompanying notes.*
**Portland District Health**

**Statement of Financial Position As At 30 June 2005**

<table>
<thead>
<tr>
<th>Note</th>
<th>2005 $'000</th>
<th>2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Assets</td>
<td>[7]</td>
<td>-</td>
</tr>
<tr>
<td>Receivables</td>
<td>[8]</td>
<td>615</td>
</tr>
<tr>
<td>Inventory</td>
<td>[9]</td>
<td>222</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>17</td>
</tr>
<tr>
<td>Other Assets</td>
<td>[10]</td>
<td>216</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>1,070</td>
</tr>
<tr>
<td>Non Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>[8]</td>
<td>842</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>[17]</td>
<td>28,994</td>
</tr>
<tr>
<td><strong>Total Non Current Assets</strong></td>
<td></td>
<td>29,836</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>30,906</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Bearing Liabilities</td>
<td>[12]</td>
<td>298</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>[13]</td>
<td>2,470</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>[14]</td>
<td>315</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>4,320</td>
</tr>
<tr>
<td>Non Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Bearing Liabilities</td>
<td>[12]</td>
<td>1,793</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>[13]</td>
<td>1,541</td>
</tr>
<tr>
<td><strong>Total Non Current Liabilities</strong></td>
<td></td>
<td>3,334</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>7,654</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td>23,252</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed Capital</td>
<td>[16]</td>
<td>25,568</td>
</tr>
<tr>
<td>Accumulated Surpluses/(Deficit)</td>
<td>[16]</td>
<td>(2,316)</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td>23,252</td>
</tr>
</tbody>
</table>

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

Statement of Cash Flows for the Year Ended 30 June 2005

<table>
<thead>
<tr>
<th></th>
<th>2004-2005 $'000</th>
<th>2003-2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grants</td>
<td>18,450</td>
<td>17,006</td>
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<tr>
<td>Capital Grants - Government</td>
<td>312</td>
<td>295</td>
</tr>
<tr>
<td>Patient Fees</td>
<td>4,367</td>
<td>4,898</td>
</tr>
<tr>
<td>Donations</td>
<td>34</td>
<td>385</td>
</tr>
<tr>
<td>Interest</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>335</td>
<td>628</td>
</tr>
<tr>
<td>GST Recovered from ATO</td>
<td>729</td>
<td>828</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td>24,235</td>
<td>24,052</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>(15,322)</td>
<td>(13,607)</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>(6,665)</td>
<td>(7,644)</td>
</tr>
<tr>
<td>GST Paid to ATO</td>
<td>(1,907)</td>
<td>(1,254)</td>
</tr>
<tr>
<td><strong>Total Payments</strong></td>
<td>(23,894)</td>
<td>(22,505)</td>
</tr>
<tr>
<td><strong>Net Cash Flows From Operating Activities</strong></td>
<td>[19] 341</td>
<td>1,547</td>
</tr>
<tr>
<td><strong>Cash Flows from Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Properties, Plant and Equipment</td>
<td>(957)</td>
<td>(702)</td>
</tr>
<tr>
<td>Proceeds from Sale of Properties, Plant and Equipment</td>
<td>53</td>
<td>103</td>
</tr>
<tr>
<td><strong>Net Cash Used in Investing Activities</strong></td>
<td>(904)</td>
<td>(599)</td>
</tr>
<tr>
<td><strong>Cash Flows from Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of Borrowings</td>
<td>(346)</td>
<td>(356)</td>
</tr>
<tr>
<td>Contributed Capital from Government</td>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Cash From/(Used in) Investing Activities</strong></td>
<td>154</td>
<td>(356)</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease) in Cash Held</strong></td>
<td>(409)</td>
<td>592</td>
</tr>
<tr>
<td>Cash at July 1 2004</td>
<td>286</td>
<td>(306)</td>
</tr>
<tr>
<td>Cash at June 30 2005</td>
<td>[5]</td>
<td>(123)</td>
</tr>
</tbody>
</table>

This Statement should be read in conjunction with the accompanying notes.
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 1: Statement of Accounting Policies

The general purpose financial report has been prepared on an accrual basis in accordance with the Financial Management Act 1994, Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Consensus Views.

It is prepared in accordance with the historical cost convention, except for certain assets and liabilities which, as noted are at valuation. The accounting policies adopted, and the classification and presentation of items, are consistent with those of the previous year, except where a change is required to comply with an Australian Accounting Standard or Urgent Issues Group Consensus View, or an alternative accounting policy permitted by an Australian Accounting Standard is adopted to improve the relevance and reliability of the financial report. Where practicable, comparative amounts are presented and classified on a basis consistent with the current year.

(a) Amalgamations and Mergers

Assets and Liabilities of the amalgamated entities were taken up at book value at date of amalgamation. Crown assets acquired remain the property of the Crown, however they are reported as assets of the entity, because effective control passes to the entity along with a substantial benefit. Amalgamation between Portland & District Hospital and Portland and District Community Health Centre occurred on 1 July 2003.

(b) Adoption of International Financial Reporting Standards (IFRS)

For reporting periods beginning on or after 1 January 2005, all Australian reporting entities are required to adopt the financial reporting requirements of the Australian equivalents to International Financial Reporting Standards (IFRS).

Portland District Health has established a project team to manage the transition to A-IFRS, including training of staff and system and internal control changes necessary to gather all of the required financial information.

The project team has analysed all of the A-IFRS and A-IFRS Financial Reporting Directions to identify the accounting policy changes that will be required.

The known or reliably estimable impacts on the financial report for the year ended 30 June 2005 had it been prepared using A-IFRS are set out in Note 29.

(c) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where doubt as to the collection exists.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined principally by the weighted average cost method.

(e) Other Financial Assets

Other Financial Assets are valued at cost and classified between current and non-current assets based on the Hospital Board of Management’s intention at balance date with respect to the timing of disposal of each investment. Interest revenue from other financial assets is brought to account when it is earned.

(f) Revaluation of Non-Current Assets

Subsequent to the initial recognition as assets, non-current physical assets, other than plant and equipment, are measured at fair value. Plant and Equipment and Furniture and Fittings are measured at cost. Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date. Revaluations are assessed annually and supplemented by independent assessments, at least every three years. Revaluations are conducted in accordance with the Victorian Government Policy Paper Revaluation of Non-Current Physical Assets.
Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised immediately as revenue in the net result.

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

Revaluation increments and decrements are offset against one another within a class of non-current assets.

(g) 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 using the straight-line method. Estimates of the remaining useful lives for all assets are reviewed at least annually. This depreciation charge is not funded by the Department of Human Services.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>Up to 50 years</td>
<td>Up to 50 years</td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>Up to 10 years</td>
<td>Up to 10 years</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>Up to 10 years</td>
<td>Up to 10 years</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>Up to 5 years</td>
<td>Up to 5 years</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>Up to 5 years</td>
<td>Up to 5 years</td>
</tr>
<tr>
<td>Leased Assets</td>
<td>Up to 5 years</td>
<td>Up to 5 years</td>
</tr>
<tr>
<td>Other Equipment</td>
<td>Up to 10 years</td>
<td>Up to 10 years</td>
</tr>
</tbody>
</table>

(h) Payables

These amounts represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The normal credit terms are usually Net 30 days.

(l) Interest Bearing Liabilities

Interest bearing liabilities in the Statement of Financial Position are carried at face value less unamortised discount/premium. Any discount/premium is treated as an interest charge and amortised over the term of the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except for receivables and payables which are stated with the amount of GST included and except where the amount of GST incurred is not recoverable, in which case GST is recognised as part of the cost of acquisition of an asset or part of an item of expense or revenue. GST receivable from and payable to the Australian Taxation Office (ATO) is included in the Statement of Financial Position. The GST component of a receipt or payment is recognised on a gross basis in the Statement of Cashflows in accordance with Accounting Standard AAS 28.

(k) Employee Benefits

Employee benefit liabilities are based on pay rates expected to apply when the obligation is settled. On-costs such as Workcover and superannuation are included in the calculation of leave provisions.
Long Service Leave
The provision for long service leave is determined in accordance with Accounting Standard AASB 1028. The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits as a current liability. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits as a non-current liability and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Wages and Salaries, Annual Leave and Accrued Days Off
Liabilities for wages and salaries, annual leave and accrued days off expected to be settled within 12 months of the reporting date are recognised as a current liability, and are measured as the amount unpaid at the reporting date in respect of employees' services up to the reporting date and are measured as the amounts expected to be paid when the liabilities are settled.

Superannuation
The amount charged to the Statement of Financial Performance in respect of superannuation represents the contributions made by Portland District Health to the superannuation fund.

Employee Benefit On-Costs
Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(l) Borrowing Costs
Borrowing costs are recognised as expenses in the period in which they are incurred, except where they are included in the costs of qualifying assets.

Borrowing costs include:
- interest on bank overdrafts and short term and long term borrowings:
- amortisation of discounts or premiums relating to borrowings:
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings:
- finance charges in respect to finance leases recognised in accordance with AAS17 "Accounting for Leases".

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Hospital's outstanding borrowing during the year.

(m) Nursing Home
The Seymour Cundy Wing Nursing Home is an integral part of the Hospital and share its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation.

(n) Leased Property and Equipment
A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains all risks and benefits. Where a non-current asset is acquired by means of a finance lease, the minimum lease payments are discounted at the interest rate implicit in the lease. The discounted amount is established as a non-current asset at the beginning of the lease term and is amortised on a straight-line basis over its expected economic life. A corresponding liability is established and each lease payment is allocated between the principal component and the interest expense. Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are expensed in the periods in which they are incurred.

(o) Revenue Recognition
Revenue is recognised in accordance with AAS15. Income is recognised as revenue to the extent it is earned. Unearned income at reporting date is reported as income received in advance.

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

Grants are recognised as revenue when the Hospital gains control of the underlying asset. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Indirect Contributions

- Insurance is recognised as revenue following advise from the Department of Human Services.
- Long Service Leave - Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Acute Health Division Hospital Circular 16/2004.

Patient Fees

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

Private Practice Fees

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

Donations and Other Bequests

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

(p) Fund Accounting

The Hospital operates on a fund accounting basis and maintains two funds: Operating and Capital funds. The Hospital’s Capital Fund includes unspent capital donations and receipts from fundraising activities conducted solely in respect of this fund.

(q) Services Supported by Health Services Agreement and Services Supported by Hospital and Community Initiatives.

The activities classified as Services Supported by Health Services Agreement (HSA) are substantially funded by the Department of Human Services while Services Supported by Hospital and Community Initiatives (Non HSA) are funded by the Hospital’s own activities or local initiatives.

(r) Comparative Information

Where necessary the previous year’s figures have been reclassified to facilitate comparisons.

(s) Rounding Off

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

(t) Contributed Capital

Consistent with UIG Abstract 38 ‘Contributions by Owners Made to Wholly-Owned Public Sector Entities’ and Financial Reporting Direction 2 “Contributed Capital”, transfers that are in the nature of contributions or distributions, have been designated as contributed capital.

(a) Portland District Health has applied the going concern basis, in the preparation of this financial report. The going concern basis continues to be appropriate with the expected renewal of the Health Service’s bank overdraft and a letter of comfort provided by the Department of Human Services to continue to support the operations of Portland District Health has been received.
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 2: Revenue

Revenue from Operating Activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrent</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Government Contributions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Department of Human Services</td>
<td>16,133</td>
<td>-</td>
<td>16,133</td>
<td>15,095</td>
</tr>
<tr>
<td>- Dental Health Services Victoria</td>
<td>283</td>
<td>-</td>
<td>283</td>
<td>68</td>
</tr>
<tr>
<td>- State Government - Other</td>
<td>745</td>
<td>-</td>
<td>745</td>
<td>685</td>
</tr>
<tr>
<td>- Commonwealth Government</td>
<td>855</td>
<td>-</td>
<td>855</td>
<td>755</td>
</tr>
<tr>
<td>Indirect Contributions by Human Services</td>
<td>415</td>
<td>19</td>
<td>434</td>
<td>403</td>
</tr>
<tr>
<td>Patient &amp; Resident Fees (refer note 2c)</td>
<td>2,101</td>
<td>23</td>
<td>2,124</td>
<td>2,313</td>
</tr>
</tbody>
</table>

Sub-Total Revenue from Operating Activities | 20,874 | 610 | 21,484 | 20,361 |

Revenue from Non-Operating Activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Diagnostic Imaging</td>
<td>-</td>
<td>1,128</td>
<td>1,128</td>
<td>995</td>
</tr>
<tr>
<td>Supported Residential service</td>
<td>-</td>
<td>1,621</td>
<td>1,621</td>
<td>1,678</td>
</tr>
<tr>
<td>Meals on Wheels</td>
<td>-</td>
<td>165</td>
<td>165</td>
<td>134</td>
</tr>
<tr>
<td>Proceeds from Sale of Non-Current Assets (refer note 2d)</td>
<td>-</td>
<td>53</td>
<td>53</td>
<td>103</td>
</tr>
</tbody>
</table>

Sub-Total Revenue from Non-Operating Activities | - 2,967 | 2,967 | 2,910 |

Total Revenue from Ordinary Activities | 20,874 | 3,577 | 24,451 | 23,271 |

Indirect Contributions by Human Services

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

Note 2a: Analysis of Revenue by Source

Revenue from Services Supported by Health

<table>
<thead>
<tr>
<th></th>
<th>Acute Care</th>
<th>Aged Care</th>
<th>Primary Health</th>
<th>Other</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services Agreement</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Department of Human Services</td>
<td>15,641</td>
<td>-</td>
<td>1,419</td>
<td>396</td>
<td>17,456</td>
<td>16,631</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Dental Health Services Victoria</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>283</td>
<td>283</td>
<td>68</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Commonwealth Government</td>
<td>- 381</td>
<td>-</td>
<td>-</td>
<td>581</td>
<td>581</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indirect Contributions by Human Services</td>
<td>384</td>
<td>34</td>
<td>12</td>
<td>4</td>
<td>434</td>
<td>403</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Insurance</td>
<td>384</td>
<td>34</td>
<td>12</td>
<td>4</td>
<td>434</td>
<td>403</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Long Service Leave</td>
<td>214</td>
<td>-</td>
<td>-</td>
<td>214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patient &amp; Resident Fees (refer note 2c)</td>
<td>403</td>
<td>1,665</td>
<td>33</td>
<td>23</td>
<td>2,124</td>
<td>2,313</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>-</td>
<td>-</td>
<td>244</td>
<td>244</td>
<td>63</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sub-Total Revenue from Services Supported by Health | 16,642 | 2,080 | 1,464 | 950 | 21,136 | 19,859 |

Revenue from Services Supported by Hospital and Community Initiatives

<table>
<thead>
<tr>
<th></th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Units</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Diagnostic Imaging</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,128</td>
<td>1,128</td>
<td>995</td>
</tr>
<tr>
<td>- Supported Residential service</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,621</td>
<td>1,621</td>
<td>1,678</td>
</tr>
<tr>
<td>- Meals on Wheels</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>165</td>
<td>165</td>
<td>134</td>
</tr>
<tr>
<td>Other Activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Purpose Income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>312</td>
<td>312</td>
<td>107</td>
</tr>
<tr>
<td>Proceeds from Sale of Non-Current Assets (refer note 2d)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>53</td>
<td>53</td>
<td>103</td>
</tr>
<tr>
<td>Donations and Bequests</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>34</td>
<td>34</td>
<td>385</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

Sub-Total Revenue from Services Supported by Hospital and Community Initiatives | - 3,315 | 3,315 | 3,412 |

Total Revenue from all Sources | 16,642 | 2,080 | 1,464 | 4,265 | 24,451 | 25,271 |
### Portland District Health
**Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005**

**Note 2b: Analysis of Expenses by Source**

<table>
<thead>
<tr>
<th>Services Supported by Health Services Agreement</th>
<th>Acute Care</th>
<th>Aged Care</th>
<th>Primary Health</th>
<th>Other</th>
<th>2004-05</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>9,382</td>
<td>1,398</td>
<td>1,336</td>
<td>144</td>
<td>12,260</td>
<td>10,889</td>
</tr>
<tr>
<td>WorkCover</td>
<td>172</td>
<td>40</td>
<td>33</td>
<td>9</td>
<td>254</td>
<td>318</td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>96</td>
<td>15</td>
<td>11</td>
<td>8</td>
<td>130</td>
<td>130</td>
</tr>
<tr>
<td>Superannuation (refer note 23)</td>
<td>963</td>
<td>125</td>
<td>120</td>
<td>33</td>
<td>1,241</td>
<td>1,317</td>
</tr>
<tr>
<td>Non Salary Labour costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees for Visiting Medical Officers</td>
<td>1,740</td>
<td></td>
<td>-</td>
<td>42</td>
<td>1,782</td>
<td>1,762</td>
</tr>
<tr>
<td>Agency Costs - Nursing</td>
<td>120</td>
<td></td>
<td>-</td>
<td>-</td>
<td>120</td>
<td>72</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drug Supplies</td>
<td>425</td>
<td>17</td>
<td>-</td>
<td>-</td>
<td>442</td>
<td>516</td>
</tr>
<tr>
<td>Medical and Surgical Supplies</td>
<td>1,256</td>
<td>35</td>
<td>42</td>
<td>33</td>
<td>1,366</td>
<td>1,680</td>
</tr>
<tr>
<td>Food Supplies</td>
<td>217</td>
<td>52</td>
<td>9</td>
<td>-</td>
<td>278</td>
<td>276</td>
</tr>
<tr>
<td>Other Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Services</td>
<td>241</td>
<td>41</td>
<td>2</td>
<td>-</td>
<td>284</td>
<td>275</td>
</tr>
<tr>
<td>Insurance Costs funded by DHS</td>
<td>384</td>
<td>34</td>
<td>12</td>
<td>4</td>
<td>434</td>
<td>403</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td>578</td>
<td>52</td>
<td>14</td>
<td>-</td>
<td>644</td>
<td>598</td>
</tr>
<tr>
<td>Patient Transport</td>
<td>102</td>
<td></td>
<td>-</td>
<td>-</td>
<td>102</td>
<td>72</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>907</td>
<td>62</td>
<td>61</td>
<td>263</td>
<td>1,293</td>
<td>864</td>
</tr>
</tbody>
</table>

**Sub Total Expenses from Services Supported by Health Services Agreement**

| 16,583 | 1,871 | 1,640 | 536 | 20,630 | 19,172 |

**Services Supported by Hospital and Community Initiatives**

| Employee Benefits                             |            |           |                |       |         |         |
| Salaries and Wages                            | -          | -         | -              | 1,443 | 1,443   | 1,328   |
| WorkCover                                     | -          | -         | -              | 30    | 30      | 26      |
| Long Service Leave                            | -          | -         | -              | 18    | 18      | 18      |
| Superannuation (refer note 23)                | -          | -         | -              | 125   | 125     | 83      |
| Non Salary Labour costs                       | -          | -         | -              | 786   | 786     | 796     |
| Supplies and Consumables                      | -          | -         | -              | 365   | 365     | 354     |
| Medical and Surgical Supplies                 | -          | -         | -              | 190   | 190     | 149     |
| Food Supplies                                 | -          | -         | -              | 9     | 9       | 7       |
| Other Expenses                                | -          | -         | -              | 85    | 85      | 70      |
| Administrative Expenses                       | -          | -         | -              | 154   | 154     | 130     |

**Sub Total Services supported by Hospital**

| 3,205 | 3,205 | 2,961 |

**Depreciation and Amortisation (refer note 3)**

| 1,045 | 245 | 101 | 395 | 1,786 | 1,639 |

**Audit Fees**

| Auditor General's                           | - | - | - | 10 | 10 | 10 |
| Other                                        | - | - | - |   |   |   |

**Borrowing Costs (refer note 4)**

| 41    | - | - | 154 | 195 | 220 |

**Share of Net Result of Associates & Joint Ventures for using Equity Model (refer Note 21)**

| - | - | - | 31 | 31 | 34 |

**Written Down Value of Assets Sold (refer note 2 d)**

| - | - | - | 56 | 56 | 89 |

**Total Expenses for Ordinary Activities**

| 17,669 | 2,116 | 1,741 | 4,387 | 25,913 | 24,125 |
### Portland District Health
**Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005**

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

<table>
<thead>
<tr>
<th></th>
<th>Total 2004-05 $’000</th>
<th>Total 2003-04 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Patient and Resident Fees Raised:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recurrent</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Inpatients</td>
<td>403</td>
<td>632</td>
</tr>
<tr>
<td>- Outpatient</td>
<td>33</td>
<td>55</td>
</tr>
<tr>
<td>Residential Aged Care</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Nursing Home</td>
<td>1,665</td>
<td>1,619</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,124</td>
<td>2,313</td>
</tr>
</tbody>
</table>

**Note 2d: Sale of Non Current Assets**

<table>
<thead>
<tr>
<th></th>
<th>2004-05 $’000</th>
<th>2003-04 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proceeds from Disposal of Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Motor Vehicles</td>
<td>53</td>
<td>103</td>
</tr>
<tr>
<td><strong>Total Proceeds from Disposal of Assets</strong></td>
<td>53</td>
<td>103</td>
</tr>
<tr>
<td><strong>Less: Written Down Value of Assets Sold</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Motor Vehicles</td>
<td>(56)</td>
<td>(89)</td>
</tr>
<tr>
<td><strong>Total Written Down Value of Assets Sold</strong></td>
<td>(56)</td>
<td>(89)</td>
</tr>
<tr>
<td><strong>Net gain on disposal</strong></td>
<td>(3)</td>
<td>14</td>
</tr>
</tbody>
</table>

**Note 2e: Analysis of Expenses by Business Unit for Services Supported by Hospital and Community Initiatives**

<table>
<thead>
<tr>
<th></th>
<th>2004-05 $’000</th>
<th>2003-04 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Diagnostic Imaging</strong></td>
<td>1,169</td>
<td>1,042</td>
</tr>
<tr>
<td><strong>Sea View House</strong></td>
<td>1,528</td>
<td>1,532</td>
</tr>
<tr>
<td><strong>Meals on Wheels</strong></td>
<td>126</td>
<td>113</td>
</tr>
<tr>
<td><strong>Dental Clinic</strong></td>
<td>269</td>
<td>85</td>
</tr>
<tr>
<td><strong>Palliative Care</strong></td>
<td>42</td>
<td>40</td>
</tr>
<tr>
<td><strong>Catering</strong></td>
<td>39</td>
<td>42</td>
</tr>
<tr>
<td><strong>Other Activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fundraising</strong></td>
<td>18</td>
<td>35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,191</td>
<td>2,889</td>
</tr>
</tbody>
</table>
## Note 3: Depreciation and Amortisation

<table>
<thead>
<tr>
<th></th>
<th>2004-05</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>573</td>
<td>573</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>423</td>
<td>451</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>181</td>
<td>165</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>305</td>
<td>228</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>93</td>
<td>88</td>
</tr>
<tr>
<td>Other Equipment</td>
<td>74</td>
<td>72</td>
</tr>
<tr>
<td><strong>Total Depreciation Expenses</strong></td>
<td>1,649</td>
<td>1,577</td>
</tr>
<tr>
<td><strong>Amortisation:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leased Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>56</td>
<td>55</td>
</tr>
<tr>
<td>Other Equipment</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Computers</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Amortisation Expenses</strong></td>
<td>61</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total Depreciation and Amortisation before Joint Venture</strong></td>
<td>1,710</td>
<td>1,639</td>
</tr>
<tr>
<td>Information Technology Joint Venture - Computers</td>
<td>76</td>
<td>92</td>
</tr>
<tr>
<td><strong>Total Depreciation and Amortisation</strong></td>
<td>1,786</td>
<td>1,731</td>
</tr>
<tr>
<td><strong>Allocation of Depreciation /Amortisation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services Supported by Health Services Agreement</td>
<td>1,428</td>
<td>1,311</td>
</tr>
<tr>
<td>Services Supported by Hospital and Community Initiatives</td>
<td>358</td>
<td>328</td>
</tr>
<tr>
<td><strong>Total Depreciation and Amortisation</strong></td>
<td>1,786</td>
<td>1,639</td>
</tr>
</tbody>
</table>

## Note 4: Borrowing Costs

<table>
<thead>
<tr>
<th></th>
<th>2004-05</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Charges on Finance Leases</td>
<td>41</td>
<td>42</td>
</tr>
<tr>
<td>Interest on Borrowings - Short Term</td>
<td>154</td>
<td>178</td>
</tr>
<tr>
<td><strong>Finance Lease Liability</strong></td>
<td>195</td>
<td>220</td>
</tr>
</tbody>
</table>

## Note 5: Cash Assets

For the purposes of the Statement of Cash Flows, 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.

<table>
<thead>
<tr>
<th></th>
<th>2004-05</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at Bank</td>
<td>-</td>
<td>286</td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>(123)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(123)</td>
<td>286</td>
</tr>
</tbody>
</table>
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 6: Financial Instruments

(a) Interest Rate Risk Exposure

The Hospital’s exposure to interest rate risk and effective weighted average interest rate by maturity periods is set out in the following timetable. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements. Exposure arises predominantly from assets and liabilities bearing variable interest rates.

<table>
<thead>
<tr>
<th>Interest Rate Exposure as at 30/6/2005</th>
<th>Weighted Average Interest Rates %</th>
<th>Floating Interest Rate $'000</th>
<th>1 Year or Less $'000</th>
<th>Greater than 1 Year $'000</th>
<th>2004-05 $'000</th>
<th>2003-04 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Assets</td>
<td>2.6%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>286</td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>2.3%</td>
<td>615</td>
<td>-</td>
<td>842</td>
<td>1,457</td>
<td>954</td>
</tr>
<tr>
<td>Other Assets</td>
<td>2.3%</td>
<td>216</td>
<td>-</td>
<td>216</td>
<td>471</td>
<td></td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td><strong>831</strong></td>
<td><strong>-</strong></td>
<td><strong>842</strong></td>
<td><strong>1,673</strong></td>
<td><strong>1,711</strong></td>
<td></td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>3.5%</td>
<td>1,237</td>
<td>-</td>
<td>1,237</td>
<td>1,254</td>
<td></td>
</tr>
<tr>
<td>Borrowings:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Overdraft</td>
<td>3.8%</td>
<td>123</td>
<td>-</td>
<td>123</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>- Lease</td>
<td>8.7%</td>
<td>4</td>
<td>-</td>
<td>4</td>
<td>216</td>
<td></td>
</tr>
<tr>
<td>- Treasury Corporation Victoria - Current</td>
<td>5.7%</td>
<td>171</td>
<td>-</td>
<td>171</td>
<td>240</td>
<td></td>
</tr>
<tr>
<td>- Treasury Corporation Victoria - Non-Current</td>
<td>5.7%</td>
<td>1,793</td>
<td>-</td>
<td>1,793</td>
<td>1,715</td>
<td></td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td><strong>3,328</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>3,328</strong></td>
<td><strong>3,425</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Net Financial Assets and Liabilities</strong></td>
<td><strong>(2,497)</strong></td>
<td><strong>-</strong></td>
<td><strong>842</strong></td>
<td><strong>(1,655)</strong></td>
<td><strong>(1,714)</strong></td>
<td></td>
</tr>
</tbody>
</table>

(b) Credit Risk Exposure

Credit risk represents the loss that would be recognised if counterparties fail to meet their obligations under the respective contracts at maturity. The credit risk on financial assets of the entity have been recognised on the statement of financial position, as the carrying amount, net any provisions for doubtful debts.

(c) Net Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and liabilities contained within these financial statements is representative of the net fair value of each financial asset or liability.

<table>
<thead>
<tr>
<th>Net Fair Value</th>
<th>2004-05</th>
<th>2003-04</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Book $'000</td>
<td>Net Value $'000</td>
</tr>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade Debtors</td>
<td>1,457</td>
<td>1,457</td>
</tr>
<tr>
<td>Other Assets</td>
<td>216</td>
<td>216</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>1,673</td>
<td>1,673</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>1,237</td>
<td>1,237</td>
</tr>
<tr>
<td>Borrowings*</td>
<td>298</td>
<td>298</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>1,535</td>
<td>1,535</td>
</tr>
</tbody>
</table>

*Net fair values are capital amounts

(Net fair values of financial instruments are determined on the following basis:
1. Cash, deposit investments, cash equivalents and non-interest bearing financial assets and liabilities (trade debtors, other receivables, trade creditors and advances) are valued at cost which approximates net fair value.
2. Interest Bearing Liabilities amounts are based on the present value of expected future cash flows, discounted at current market interest rates, quoted for trade (Treasury Corporation of Victoria)
### Note 7: Cash Assets

<table>
<thead>
<tr>
<th></th>
<th>Operating</th>
<th>Capital</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>286</td>
</tr>
<tr>
<td>A.N.Z. Bank</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>286</td>
</tr>
</tbody>
</table>

### Note 8: Receivables

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Patient Debtors</td>
<td>199</td>
<td>162</td>
</tr>
<tr>
<td>Other Trade Debtors</td>
<td>323</td>
<td>95</td>
</tr>
<tr>
<td>Revenue Receivable - DHS</td>
<td>-</td>
<td>72</td>
</tr>
<tr>
<td>Revenue Receivable - Other</td>
<td>70</td>
<td>-</td>
</tr>
<tr>
<td>South West Alliance of Rural Hospitals</td>
<td>36</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total Current</strong></td>
<td>628</td>
<td>339</td>
</tr>
<tr>
<td>Non Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DHS Debtor</td>
<td>842</td>
<td>628</td>
</tr>
<tr>
<td><strong>Total Non Current</strong></td>
<td>842</td>
<td>628</td>
</tr>
<tr>
<td><strong>Total Receivables</strong></td>
<td>1,470</td>
<td>967</td>
</tr>
<tr>
<td><strong>Less Provision for Doubtful Debts</strong></td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,457</td>
<td>954</td>
</tr>
</tbody>
</table>

### Note 9: Inventory

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceuticals</td>
<td>44</td>
<td>62</td>
</tr>
<tr>
<td>Catering Supplies</td>
<td>24</td>
<td>22</td>
</tr>
<tr>
<td>House Keeping Supplies</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Medical and Surgical Supplies</td>
<td>104</td>
<td>110</td>
</tr>
<tr>
<td>Administration Stores</td>
<td>35</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
<td>222</td>
<td>242</td>
</tr>
</tbody>
</table>

### Note 10: Other Financial Assets

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Held in Trust</td>
<td>16</td>
<td>29</td>
</tr>
<tr>
<td>Refundable Entrance Fees</td>
<td>80</td>
<td>263</td>
</tr>
<tr>
<td>SRS Ingoing Debtors</td>
<td>120</td>
<td>179</td>
</tr>
<tr>
<td><strong>Total Other Assets</strong></td>
<td>216</td>
<td>471</td>
</tr>
</tbody>
</table>
Portland District Health  
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

**Note 11: Payables**  
<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>1,023</td>
<td>972</td>
</tr>
<tr>
<td>Accrued Expenses</td>
<td>75</td>
<td>155</td>
</tr>
<tr>
<td>GST Payable</td>
<td>139</td>
<td>127</td>
</tr>
<tr>
<td><strong>Total Payables</strong></td>
<td>1,237</td>
<td>1,254</td>
</tr>
</tbody>
</table>

**Note 12: Interest Bearing Liabilities**  

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>123</td>
<td>-</td>
</tr>
<tr>
<td>Australian Dollar Borrowings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Finance Lease Liabilities (refer Note 15)</td>
<td>4</td>
<td>53</td>
</tr>
<tr>
<td>- Loan - Treasury Corporation Victoria</td>
<td>171</td>
<td>-</td>
</tr>
<tr>
<td>- Trade Bills - NAB</td>
<td>-</td>
<td>240</td>
</tr>
<tr>
<td><strong>Total Australian Dollar Borrowings</strong></td>
<td>298</td>
<td>293</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Non-Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Dollar Borrowings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Finance Lease Liabilities (refer Note 15)</td>
<td>-</td>
<td>163</td>
</tr>
<tr>
<td>- Loan - Treasury Corporation Victoria</td>
<td>1,793</td>
<td>-</td>
</tr>
<tr>
<td>- Trade Bills - NAB</td>
<td>-</td>
<td>1,715</td>
</tr>
<tr>
<td><strong>Total Australian Dollar Borrowings</strong></td>
<td>1,793</td>
<td>1,878</td>
</tr>
</tbody>
</table>

|                        |        |        |
| Total Interest Bearing Liabilities | 2,091 | 2,171 |

**Note 13: Employee Benefits**  

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>626</td>
<td>526</td>
</tr>
<tr>
<td>Accrued Wages and Salaries</td>
<td>432</td>
<td>430</td>
</tr>
<tr>
<td>Annual Leave</td>
<td>1,373</td>
<td>1,255</td>
</tr>
<tr>
<td>Accrued Days Off</td>
<td>39</td>
<td>45</td>
</tr>
<tr>
<td><strong>Total Current Employee Benefits</strong></td>
<td>2,470</td>
<td>2,256</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>1,541</td>
<td>1,408</td>
</tr>
<tr>
<td><strong>Total Non-Current Employee Benefits</strong></td>
<td>1,541</td>
<td>1,408</td>
</tr>
</tbody>
</table>

Movement in Long Service Leave  

|                        |        |        |
| Balance 1 July         | 1,934  | -      |
| Provision made during the year | 361   | 2,082  |
| Settlement made during the year | (128) | (148) |
| **Balance 30 June**    | 2,167  | 1,934  |

The following assumptions were adopted in measuring present value:  

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted Average Increase in employee costs</td>
<td>2.6%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Weighted average Discount Rates</td>
<td>2.4%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Weighted Average Settlement period</td>
<td>12.5</td>
<td>12</td>
</tr>
</tbody>
</table>

---
Portland District Health

Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 14: Other Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for Fee Sharing</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Monies Held in Trust</td>
<td>216</td>
<td>471</td>
</tr>
<tr>
<td>Other - PCP</td>
<td>60</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>315</td>
<td>551</td>
</tr>
</tbody>
</table>

Note 15: Commitments

As at 30th June 2005, Portland District Health had commitments totalling $2,089,000 which includes the contribution made to South West Alliance of Rural Hospitals of which Portland District Health is committed for a further 1 year.

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Not Later than one year</strong></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td><strong>Later than one year and not later than ten years</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Commitments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other - SWARH</td>
<td></td>
<td></td>
<td></td>
<td>321</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>321</td>
</tr>
<tr>
<td><strong>Lease Commitments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Lease</td>
<td>64</td>
<td>57</td>
<td>121</td>
<td>95</td>
</tr>
<tr>
<td>Finance Lease</td>
<td>4</td>
<td>-</td>
<td>4</td>
<td>216</td>
</tr>
<tr>
<td>Loan</td>
<td>171</td>
<td>1,793</td>
<td>1,964</td>
<td>1,955</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>239</td>
<td>1,850</td>
<td>2,089</td>
<td>2,266</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>239</td>
<td>1,850</td>
<td>2,089</td>
<td>2,587</td>
</tr>
</tbody>
</table>

Note 16: Equity

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accumulated Surpluses/(Deficit)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at Beginning of Year</td>
<td>(854)</td>
<td>-</td>
</tr>
<tr>
<td>Net result for the Year</td>
<td>(1,462)</td>
<td>(854)</td>
</tr>
<tr>
<td><strong>Accumulated Surplus/(Deficit) at the end of the financial year</strong></td>
<td>(2,316)</td>
<td>(854)</td>
</tr>
</tbody>
</table>

**Contributed Capital**

<table>
<thead>
<tr>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the reporting period</td>
<td>25,068</td>
</tr>
<tr>
<td>Capital Contribution received during the period (refer Note 25)</td>
<td>-</td>
</tr>
<tr>
<td>Capital Contributed From the Victorian Government</td>
<td>500</td>
</tr>
<tr>
<td><strong>Balance at the end of the reporting period</strong></td>
<td>25,568</td>
</tr>
</tbody>
</table>

**Equity**

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of reporting period</td>
<td>24,214</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Changes in Equity Recognised in the Statement of Financial Performance</strong></td>
<td>(1,462)</td>
<td>(854)</td>
</tr>
<tr>
<td>Capital Contributed From the Victorian Government</td>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td>Amalgamation</td>
<td>-</td>
<td>25,068</td>
</tr>
<tr>
<td><strong>Total Equity at Reporting Date</strong></td>
<td>23,252</td>
<td>24,214</td>
</tr>
</tbody>
</table>
### Portland District Health

**Notes to an Forming Part of the Financial Statements for the Year Ended 30 June 2005**

**Note 17: Property, Plant and Equipment**

<table>
<thead>
<tr>
<th></th>
<th>2005 $'000</th>
<th>2004 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At Cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>665</td>
<td>474</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>115</td>
<td>86</td>
</tr>
<tr>
<td></td>
<td>550</td>
<td>388</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>6,323</td>
<td>6,183</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>4,030</td>
<td>3,543</td>
</tr>
<tr>
<td></td>
<td>2,293</td>
<td>2,640</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>2,328</td>
<td>2,047</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>1,718</td>
<td>1,539</td>
</tr>
<tr>
<td></td>
<td>610</td>
<td>508</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>1,814</td>
<td>1,590</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>1,487</td>
<td>1,116</td>
</tr>
<tr>
<td></td>
<td>327</td>
<td>474</td>
</tr>
<tr>
<td>Other Equipment</td>
<td>592</td>
<td>517</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>346</td>
<td>271</td>
</tr>
<tr>
<td></td>
<td>246</td>
<td>246</td>
</tr>
<tr>
<td><strong>At Valuation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crown Land (at 2003 Valuation)</td>
<td>2,900</td>
<td>2,900</td>
</tr>
<tr>
<td>Buildings (at 2003 Valuation)</td>
<td>22,900</td>
<td>22,900</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>1,145</td>
<td>573</td>
</tr>
<tr>
<td></td>
<td>21,755</td>
<td>22,327</td>
</tr>
<tr>
<td><strong>Total Property, Plant &amp; Equipment</strong></td>
<td>28,994</td>
<td>29,859</td>
</tr>
</tbody>
</table>

Reconciliation of the carrying amounts of each class of land, buildings, plant & equipment at the beginning and end of the current and previous financial year are set out below:

<table>
<thead>
<tr>
<th></th>
<th>Crown Land</th>
<th>Buildings</th>
<th>Plant &amp; Equipment</th>
<th>Medical Equipment</th>
<th>Computer Equipment</th>
<th>Other Equipment</th>
<th>Motor Vehicles</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2005</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance at start of Year</td>
<td>2,900</td>
<td>22,715</td>
<td>2,640</td>
<td>508</td>
<td>474</td>
<td>246</td>
<td>376</td>
<td>29,859</td>
</tr>
<tr>
<td>Assets bought to account via amalgamation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>170</td>
<td>137</td>
<td>282</td>
<td>225</td>
<td>77</td>
<td>87</td>
<td>978</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation Expense</td>
<td>- (580)</td>
<td>(484)</td>
<td>(180)</td>
<td>(372)</td>
<td>(77)</td>
<td>(57)</td>
<td>(57)</td>
<td>(1,786)</td>
</tr>
<tr>
<td><strong>Carrying amount at end of year</strong></td>
<td>2,900</td>
<td>22,305</td>
<td>2,293</td>
<td>610</td>
<td>327</td>
<td>246</td>
<td>313</td>
<td>28,994</td>
</tr>
</tbody>
</table>
### Note 18: Leased Assets

**| Total 2005 | Total 2004 |
---|---|---|
**Cost** | | |
Finance Leased Assets | | |
- Plant & Equipment | 6 | 308 |
less Accumulated Amortisation | (2) | (114) |
**Total Written Down Value** | 4,194 | 194 |

Reconciliation of the carrying amounts of Leased Assets at the beginning and end of the current and previous financial year are set out below

| Leased Assets | Leased Assets |
---|---|---|
| $’000 | $’000 |
Carrying amount at start of year | 194 | - |
Transfer of assets on amalgamation | - | 261 |
Additions | - | - |
Expires | (188) | (5) |
Amortisation Expense | (2) | (62) |
Carrying amount at end of year | 4 | 194 |

### Note 19: Reconciliation of Net Cash Used in Operating Activities to Operating Result

| | 2005 | 2004 |
---|---|---|
| $’000 | $’000 |
Net Result for the Year | (1,462) | (854) |
Depreciation | 1,786 | 1,731 |
Long Service Leave Expense | 342 | 583 |
Long Service Leave Paid | (128) | (148) |
Loss on Sale of Assets | 3 | (14) |
Changes in Operating Assets and Liabilities: | | |
Increase/(Decrease) in Payables | (20) | 308 |
Increase/(Decrease) in Borrowings | (97) | (168) |
Increase/(Decrease) in Employee Benefits | 347 | 626 |
Increase/(Decrease) in Other Current Liabilities | (224) | (423) |
(Increase)/Decrease in Prepayments | 25 | 21 |
(Increase)/Decrease in Stores | 20 | (6) |
(Increase)/Decrease in Receivables | (506) | (307) |
(Increase)/Decrease in Other Current Assets | 255 | 198 |
**Net Cash Flows From Operating Activities** | 341 | 1,547 |
## Portland District Health

### Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

#### Note 20: Lease Liabilities

Aggregate Lease Expenditure contracted for at Balance Date.

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Lease</strong></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Not later than one year</td>
<td>8</td>
<td>49</td>
</tr>
<tr>
<td>Later than 1 but not later than five years</td>
<td>6</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14</td>
<td>95</td>
</tr>
</tbody>
</table>

**Finance Lease**

Commitment in relation to finance leases are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>4</td>
<td>53</td>
</tr>
<tr>
<td>Later than 1 but not later than five years</td>
<td>-</td>
<td>163</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4</td>
<td>216</td>
</tr>
</tbody>
</table>

Minimum Lease Payments

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Future Finance Charges</td>
<td>-</td>
<td>(36)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4</td>
<td>180</td>
</tr>
</tbody>
</table>

Representing Lease Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>4</td>
<td>102</td>
</tr>
<tr>
<td>Non-Current</td>
<td>-</td>
<td>209</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4</td>
<td>311</td>
</tr>
</tbody>
</table>

#### Note 21: S.W.A.R.H. Alliance

The Hospital has 11.40% interest in the S.W.A.R.H. Alliance whose principal activity is the implementing and processing of an information technology system and an associated telecommunication service suitable for use by each member hospital.

The hospitals share of assets, liabilities and income is:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Cash Asset</td>
<td>83</td>
<td>87</td>
</tr>
<tr>
<td>Receivables</td>
<td>36</td>
<td>10</td>
</tr>
<tr>
<td>Prepayments</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>125</td>
<td>127</td>
</tr>
</tbody>
</table>

Non-current assets

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>158</td>
<td>166</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>(112)</td>
<td>(95)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>46</td>
<td>71</td>
</tr>
</tbody>
</table>

**Total Assets**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>171</td>
<td>198</td>
<td></td>
</tr>
</tbody>
</table>

Current Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>41</td>
<td>45</td>
</tr>
<tr>
<td>Employee Entitlements</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>58</td>
<td>55</td>
</tr>
</tbody>
</table>

Share of Net Result of Associates & Joint Ventures

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>for using Equity Model</td>
<td>(31)</td>
<td>(34)</td>
</tr>
</tbody>
</table>

These assets and liabilities are included in the Statement of Financial Position for Portland District Health.
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 22: Contingent Liabilities/Assets

As at balance date the Board of Management is unaware of the existence of any contingent liabilities/assets that may have a material effect on the Statement of Financial Performance as a result of any future event which may or may not happen.

Note 23: Superannuation

Superannuation contributions for the reporting period are included as part of salaries and associated costs in the Statement of Financial Performance of the Hospital.

The name and details of the major employee superannuation fund and contributions made by the Hospital are as follows:

<table>
<thead>
<tr>
<th>Contribution for the year</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Super Fund</td>
<td>1,366</td>
<td>1,400</td>
</tr>
</tbody>
</table>

Total 1,366 1,400

The unfunded superannuation liability in respect to members of State Superannuation Schemes and Health Super Scheme is not recognised in the Statement of Financial Position. Portland District Health's total unfunded superannuation liability in relation to these funds has been assumed by and is reflected in the financial statements of the Department of Treasury and Finance.

The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the years ended 30 June.

All employees of the agency are entitled to benefits on retirement, disability or death from the Government Employees Super Fund. This fund provides defined lump sum benefits based on years of service and annual average salary.

In accordance with the Directions of the Minister for Finance under the Financial Management Act 1994, contributed income sector bodies are required to make certain disclosures regarding superannuation. Accordingly the following items are disclosed:

(i) Name of the Fund - Health Super Fund
(ii) Total contributions made by the Hospital to the schemes during 2004-05 were $1,366,475
(iii) As at balance date there were no outstanding contributions in respect of the 2004-05 financial year;
(iv) Contributions are paid in accordance with the Hospitals Superannuation Act 1988 and the State Superannuation Act 1988;
(v) There were no loans made from the Hospitals Superannuation Fund to the Hospital.

Note 24: Valuation of Land & Buildings

Portland & District Hospital contracted the services of Alison Mcleod AAPI from Land Link Property Group to revalue the land and buildings owned by Portland & District Hospital. Valuations were completed on 30/6/03 and totalled $2,900,000 for Land (previously $1,000,000 - 1999) and $22,900,000 for buildings (previously $19,000,000 - 1999). These assets were transferred to Portland District Health on 1st July 2003 and in the Board of Management's opinion, there is no material change to the value of these assets.

Note 25: Amalgamation Portland & District Hospital and Portland & District Community Health Centre

An order pursuant to Sections 8(1), 33(7), 34(1) and 65 of the Health Services Act 1988 confirmed that the amalgamation of Portland and District Hospital and Portland & District Community Health Centre proceed and that the new entity would be known as Portland District Health.

The order took effect on 1 July 2003.

The net assets of the two entities were recognised as Contributed Capital in the Statement of Financial position of the new Entity.

<table>
<thead>
<tr>
<th></th>
<th>Portland &amp; District Hospital</th>
<th>Portland and District Community Health</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2003</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centre Total Assets</td>
<td>33,175</td>
<td>238</td>
<td>33,413</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>8,237</td>
<td>108</td>
<td>8,345</td>
</tr>
<tr>
<td>Net Assets</td>
<td>24,938</td>
<td>130</td>
<td>25,068</td>
</tr>
</tbody>
</table>
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 26: Remuneration of Auditors

<table>
<thead>
<tr>
<th>Total 2004-2005</th>
<th>Total 2003-2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Audit fees paid to the Victorian Auditor-General’s Office for audit of the Hospitals financial report

- Paid as at 30 June 2005: 4
- Payable as at 30 June 2005: 6

Note 27: Segment Reporting

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Segment Revenue from

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Total Revenue

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Allocated Segment Expense

- Depreciation and 

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Total Expense

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Net Result from Ordinary Activities

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Segment Assets

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Total Assets

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Segment Liabilities

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Total Liabilities

<table>
<thead>
<tr>
<th>Total 2005 2004</th>
<th>Total 2004 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Business Segments</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>Acute Health</td>
</tr>
<tr>
<td>Nursing Home</td>
<td>Aged Care</td>
</tr>
<tr>
<td>Primary Health</td>
<td>Primary Care</td>
</tr>
<tr>
<td>Supported Residential Service</td>
<td>Supported Residential Service</td>
</tr>
</tbody>
</table>

Geographical Segment

Portland District Health operates predominantly in the South West of Victoria. All revenue, net surplus from ordinary activities and segment assets relate to operations in Portland, Victoria.
Portland District Health
Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 2005

Note 28: Responsible Person Related Disclosures

(a) Responsible Persons

The names of persons who were Responsible Persons at any time during the financial year for the purposes of the Financial Management Act 1994 are:

Mr. Christopher J. Conway  Mr. Vincent Gannon  Mr. Ian Stanford
Mr. Andrew Wilson  Mrs Merlyn Menzel  Mr. William E. Bassett
Mr. Stephen Garner  Ms Jennifer Purdie  Mr Greg Andrews
Mrs Carman Ward  Mr. James Harpley  Ms Marianne Kuljis
Mr. Alwin Gallina  Dr. Peter (Syd) Allen (Acting CEO)

Mrs Marie Shea (CEO, appointed 4/7/05)

(b) Remuneration of Responsible Persons

No responsible person received remuneration from the Health Service in relation to their duties as responsible persons.

The remuneration of the Accountable Officer who is not a member of the Board is reported under "Executive Officer Remuneration"

(c) Amount Attributable to other transactions with Responsible persons:

<table>
<thead>
<tr>
<th>Responsible Person</th>
<th>Transaction</th>
<th>Total 2005</th>
<th>Total 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Christopher J. Conway</td>
<td>Physiotherapy Services</td>
<td>2</td>
<td>56</td>
</tr>
<tr>
<td>Dr. M. Thow</td>
<td>Dental Services</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

(d) Executive Officer Remuneration

The number of Executive Officers whose total remuneration exceeded $110,000 are shown below in their relevant income Bands:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000-$159,999</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>
Following the adoption of Australian equivalents to International Financial Reporting Standards (A-IFRS), the Agency will report for the first time in compliance with A-IFRS when results for the financial year ended 30 June 2006 are released.

It should be noted that under A-IFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with IFRS requirements. The Agency is established to achieve the objectives of government in providing services free of charge or at prices significantly below their cost of production for the collective consumption by the community, which is incompatible with generating profit as a principal objective. Consequently, where appropriate, the Agency applies those paragraphs in accounting standards applicable to not-for-profit entities.

An A-IFRS compliant financial report will comprise a new statement of changes in equity in addition to the three existing financial statements, which will all be renamed. The Statement of Financial Performance will be renamed as the Operating Statement, the Statement of Financial Position will revert to its previous title as the Balance Sheet and the Statement of Cash Flows will be simplified as the Cash Flow Statement. However, for the purpose of disclosing the impact of adopting A-IFRS in the 2004-2005 financial report, which is prepared under existing accounting standards, existing titles and terminologies will be retained.

With certain exceptions, entities that have adopted A-IFRS must record transactions that are reported in the financial report as though A-IFRS had always applied. This requirement also extends to any comparative information included within the financial report. Most accounting policy adjustments to apply to A-IFRS retrospectively will be made against accumulated surplus/(deficit) at the 1 July 2004 opening balance sheet date for the comparative period. The exceptions include deferral until 1 July 2005 of the application and adjustments for:

- AASB 132 Financial Instruments: Disclosure and Presentation;
- AASB 139 Financial Instruments: Recognition and Measurement;
- AASB 4 Insurance Contracts;
- AASB 1023 General Insurance Contracts (revised July 2004); and
- AASB 1038 Life Insurance Contracts (revised July 2004).

The comparative information for transactions affected by these standards will be accounted for in accordance with existing accounting standards.

The Agency has taken the following steps in managing the transition to A-IFRS and has achieved the following scheduled milestones:
- established a steering committee to oversee the transition to and implementation of the A-IFRS;
- established an A-IFRS project team to review the new accounting standards to identify key issues and the likely impacts resulting from the adoption of A-IFRS and any relevant Financial Reporting Directions as issued by the Minister for Finance;
- Portland District Health’s Finance Staff participated in an education and training process for finance staff to raise awareness of the changes in reporting requirements and the processes to be undertaken; and
- initiated reconfiguration and testing of user systems and processes to meet new requirements.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP). We have not identified any items with a significant difference between Australian GAAP and A-IFRS that will potentially have a material impact on the Agency's financial position and financial performance following the adoption of A-IFRS. The following tables outline the estimated significant impacts on the financial position of the Agency as at 30 June 2005 and the likely impact on the current year result had the financial statements been prepared using A-IFRS.

The estimates disclosed below are the Agency's best estimates of the significant quantitative impact of the changes as at the date of preparing the 30 June 2005 financial report. The actual effects of transition to A-IFRS may differ from the estimates disclosed due to:

a) change in facts and circumstances
b) ongoing work being undertaken by the A-IFRS project team;
c) potential amendments to A-IFRS and Interpretations; and
d) emerging accepted practice in the interpretation and application of A-IFRS and UIG Interpretations.
INDEPENDENT AUDIT REPORT

Portland District Health

To the Members of the Parliament of Victoria and Members of the Board of Portland District Health

Scope

The Financial Report

The accompanying financial report for the year ended 30 June 2005 of Portland District Health consists of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial report, and the supporting declaration.

Members’ Responsibility

The Members of the Board of Portland District Health are responsible for:

- the preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- the maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

Audit Approach

As required by the Audit Act 1994, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

The audit procedures included:

- examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- obtaining written confirmation regarding the material representations made in conjunction with the audit
- reviewing the overall presentation of information in the financial report.

These procedures have been undertaken to form an opinion as to whether the financial report is presented in all material respects fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, so as to present a view which is consistent with my understanding of the Hospital’s financial position, and its financial performance and

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 are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, the financial position of Portland District Health as at 30 June 2005 and its financial performance and cash flows for the year then ended.

MELBOURNE
29 August 2005

JW CAMERON
Auditor-General
Portland District Health is a body corporate, listed in the Health Services Act 1988, and operates under the provisions of this act. The Minister responsible for the administration of the Health Services Act is the Minister for Health, The Hon. Bronwyn Pike MLA.

The functions of Portland District Health are:

a) To oversee and manage the hospital.

b) To ensure that the services provided by the hospital comply with the requirements of the Health Services Act and the objects of the hospital.

The Board consists of up to 12 members appointed by the Governor in Council. Each member of the Board holds office for a term not exceeding three (3) years and is eligible for re-appointment.

The registered office of the Portland & District Hospital is Bentinck Street, Portland 3305.

Telephone 03 55210333

Glossary of terms

ACHS - Australian Council on Health Care Standards
DHS - Department of Human Services
EFT - Effective Full Time
EQuIP - Evaluation Quality Improvement Program
HITH - Hospital in the Home
PCP - Primary Care Partnerships
SWARH - South West Alliance of Rural Health
VMO - Visiting Medical Officer
WIES - Weighted Inlier Equivalent Separation

Adverse Events - An untoward event, which is not the result of the patient's disease.

Audit – An official review or assessment of results of documents in order to determine performance outcomes.

Benchmarking - the continuous process of measuring and comparing products, services and practices with similar systems for continual improvement

Best Practice – the way leading edge organizations manage the delivery of world class standards of performance in all aspects of their operations.

Clinical indicators - A measure of the clinical management and outcome of care, a method of monitoring patient care and services which attempts to identify problem areas, evaluate trends and therefore direct attention to these issues.

Credentialed - Authorized to provide specific client care and treatment, within defined limits, based on an individual's licence, education, training, experience and competence.

EQuIP - Evaluation and quality Improvement program

Improving performance - continuous study and adaptation of processes in order to achieve desired outcomes and meet the needs and expectations of customers.

Incident - An event which could have or did lead to unintended or unnecessary harm to a person, and/or a complaint, loss or damage.

Multidisciplinary - care or a service given with input from more than one discipline or profession.

Overall Care Index - To obtain reliable measures of patient satisfaction, an Overall Care Index is calibrated based on patient responses to 27 questions. The overall care index is on a 0-100 scale.

Sentinel event - An untoward incident of great significance to the patient.

Risk management - the culture processes and structures that are directed towards the effective management of potential opportunities and adverse events.
29 August 2005

Mr A. Gallina
Chief Executive Officer
Portland District Health
Bentinck Street
Portland VIC 3305

Dear Mr Gallina,

The audit opinion on Portland District Health’s financial report for the year ended 30 June 2005 was forwarded to you on 29 August 2005. This audit opinion was for inclusion in Portland District Health’s Annual Report to the Parliament.

Under relevant auditing guidelines issued by Australian Accounting Bodies, a separate audit opinion is required where an organisation presents its financial statements on its internet web site. This opinion incorporates an additional paragraph addressing audit issues relating to the electronic presentation of financial reports.

Accordingly, I now enclose a signed opinion on Portland District Health’s financial report for the year ended 30 June 2005 for inclusion on your web site.

Please contact Yves Tawil, Director Financial Audit, on (03)8601-7191, if you have any queries concerning this matter.

Yours sincerely,

JW CAMERON
Auditor-General
INDEPENDENT AUDIT REPORT

Portland District Health

To the Members of the Parliament of Victoria and Members of the Board of Portland District Health

Matters Relating to the Electronic Presentation of the Audited Financial Report

This audit report for the financial year ended 30 June 2005 relates to the financial report of Portland District Health included on its web site. The Members of the Board of Portland District Health are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Scope

The Financial Report

The accompanying financial report for the year ended 30 June 2005 of Portland District Health consists of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial report, and the supporting declaration.

Members' Responsibility

The Members of the Board of Portland District Health are responsible for:

- the preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- the maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

Audit Approach

As required by the Audit Act 1994, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.
Independent Audit Report (continued)

The audit procedures included:

- examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- obtaining written confirmation regarding the material representations made in conjunction with the audit
- reviewing the overall presentation of information in the financial report.

These procedures have been undertaken to form an opinion as to whether the financial report is presented in all material respects fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, so as to present a view which is consistent with my understanding of the Hospital’s financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

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 are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, the financial position of Portland District Health as at 30 June 2005 and its financial performance and cash flows for the year then ended.

MELBOURNE
29 August 2005

JW CAMERON
Auditor-General