We achieved outstanding results in the Australian Council of Healthcare Standards (ACHS) Organisational Review p11.

We achieved Aged Care Standards Accreditation for Belfast House and Moyneyana Hostel p11.

We achieved a surplus before capital and specific items of $379,872 as a result of improved operating revenue pp12, 16, 58.

We approved the revised base tender price for the construction of the Community Health Centre p10.

We purchased 26 Villiers Street, Port Fairy which will ensure that Moyne Health Services has adequate land for future expansion of the aged care services pp9, 10, 37.
JAMES PURCELL MP SUPPORTS URGENT CARE CONSTRUCTION PROJECT.

L-R: Moyne Health Services Board of Management President Ralph Leutton, Member for Western Victoria James Purcell MLC, Moyne Health Services Chief Executive Officer David Lee after discussing the proposed construction of a $2.1 million Urgent Care Centre on Regent Street, Port Fairy.

SHADOW MINISTER FOR HEALTH INSPECTS MOYNE HEALTH SERVICES

L-R: Senior Vice President Moyne Health Services Board of Management Peter O’Keeffe, Chief Executive Officer Moyne Health Services David Lee, Shadow Minister for Health, Mary Woolbridge MLC and Member for South West Denis Naphine MLA.

URGENT CARE CONCEPT DESIGN.

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YEAR IN BRIEF

FINANCIALS ($000)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>+ / - change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue #</td>
<td>$14,400</td>
<td>$14,163</td>
<td>$13,897</td>
<td>2%</td>
</tr>
<tr>
<td>Total Expenditure *</td>
<td>$14,030</td>
<td>$14,125</td>
<td>$13,844</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Surplus before capital purpose income, depreciation and abnormal items</td>
<td>$380</td>
<td>$38</td>
<td>$53</td>
<td>900%</td>
</tr>
<tr>
<td>Total accommodation bonds</td>
<td>$11,863</td>
<td>$10,985</td>
<td>$9,282</td>
<td>8%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$35,986</td>
<td>$35,325</td>
<td>$32,416</td>
<td>2%</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$15,686</td>
<td>$14,073</td>
<td>$12,217</td>
<td>12%</td>
</tr>
<tr>
<td>Total Equity</td>
<td>$20,300</td>
<td>$21,252</td>
<td>$20,199</td>
<td>-5%</td>
</tr>
</tbody>
</table>

STAFF


SERVICE ACTIVITY

Acute Care
- Average length of stay: 6.1 days (2015), 6.1 days (2014), 4.6 days (2013)

Aged Care

QUALITY


# Total revenue excluding capital purpose income.
* Total expenditure excluding depreciation and capital expenditure.
The above figures are rounded off to the nearest $000.
**OVERVIEW**

**STRATEGIC DIRECTIONS 2015-2020**

- We provide effective, responsible and proactive leadership of our health service in accordance with the Vision, Mission and Values.
- We consistently provide high quality and safe care services to our communities and we promote a culture of safety, quality and well-being.
- We provide cost effective, efficient and sustainable healthcare services to our local community.
- We value and continually cultivate our workforce culture and capability.
- We have a strong and responsive relationship with our communities and partner organisations and other stakeholders.
- We provide comfortable, maintained and purpose-designed buildings and equipment for our communities.

<table>
<thead>
<tr>
<th>Directions</th>
<th>Strategies</th>
<th>Outcomes</th>
<th>Status</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEADERSHIP AND GOVERNANCE</td>
<td>• Structure the Board to facilitate effective governance.</td>
<td>• Completed the design of the Community Health Centre.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Develop Board and executive succession plans.</td>
<td>• Prepared and facilitated, as far as practicable, for the Port Fairy Ambulance station to be collocated to the Hospital.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Continuously monitor and evaluate the organisation’s master and service plans.</td>
<td>• Developed a strategy for the redevelopment of urgent care.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Continuously explore the future direction of our health care services.</td>
<td>• Completed the ‘early works’ program including the construction of the new linkway.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Completed a strategic risk assessment of the Murray to Moyne event.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Conducted a business case for the establishment of a private Port Fairy dental clinic.</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**SAFETY, QUALITY AND RISK MANAGEMENT**

- We consistently provide high quality and safe care services to our communities and we promote a culture of safety, quality and well-being.

<table>
<thead>
<tr>
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<th>Outcomes</th>
<th>Status</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ensure the safe and effective delivery of health care services.</td>
<td>• Completed an External Audit Cogent Cleaning score of 99% in June, 15 against an acceptable quality score of 85%.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Manage performance and facilitate compliance to optimise safe and high quality care.</td>
<td>• Completed the Port Fairy Medical Clinic (PFMC) management for the urgent care area p11.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Maintain and exceed our accreditation requirements.</td>
<td>• Outsourced sterilising services to St John of God.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Provide health care services to our local communities that are responsive to the needs of our local communities.</td>
<td>• Completed the Business Continuity Plan.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Identify and avoid or minimise risks to residents, patients, employees, clients, volunteers, contractors and visitors.</td>
<td>• Implemented CommunityTrak.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Collaborate and develop partnerships with our health care consumers and other agencies to optimise and improve health services to our local communities.</td>
<td>• Sourced an appropriate community aged care software package.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Work in partnership with our health care consumers to improve the patient experience and health care outcomes.</td>
<td>• Remove the emergency signage and replaced with suitable and appropriate signage.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>• Conduct a building compliance review of Moyneyana Hostel.</td>
<td>• Upgraded the back kitchen area.</td>
<td>x</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Achieved ACHS Accreditation.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Achieved Aged Care Accreditation.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Conducted a building compliance review of Moyneyana Hostel.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

**KEY**

- ✓ Complete
- x Not Complete
- % Ongoing

---

**Directions**

**Strategies**

**Outcomes**

**Status**

**Deliverables**
### MOYNE HEALTH SERVICES

#### ANNUAL REPORT 2015 // OVERVIEW

<table>
<thead>
<tr>
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<th>Outcomes</th>
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<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EFFICIENT SERVICES AND FINANCIAL SUSTAINABILITY</strong></td>
<td>• Develop cost effective, efficient and sustainable healthcare services to our local community.</td>
<td>• Improved payroll management and functions.</td>
<td>40%</td>
<td>• Establish the Kronos software package for the management of payroll.</td>
</tr>
<tr>
<td></td>
<td>• Develop and cultivate partnerships with private providers to increase revenue streams.</td>
<td>• The Port Fairy Medical Clinic took over the running of the Urgent Care during office hours.</td>
<td>✓</td>
<td>• Consolidate the coordination of Home Care Packages.</td>
</tr>
<tr>
<td>We provide</td>
<td>• Conduct an annual review of the organisation’s business strategy.</td>
<td>• Acquired and implemented the E-Tools software.</td>
<td>✓</td>
<td>• Conduct a detailed residential aged care financial analysis.</td>
</tr>
<tr>
<td><strong>DEVELOPING OUR PEOPLE</strong></td>
<td>• Continually review the viability and sustainability of our healthcare services.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We value and continually cultivate our workforce culture and capability.</td>
<td>• Provide a learning environment that encourages staff education and training.</td>
<td>• Develop a workforce strategy.</td>
<td>50%</td>
<td>• Developed the Victorian Public Sector Commission electronic recruitment resource.</td>
</tr>
<tr>
<td></td>
<td>• Develop succession plans for senior executive and department managers.</td>
<td>• Implemented the ICT plan.</td>
<td>80%</td>
<td>• Developed a five-year HR plan.</td>
</tr>
<tr>
<td></td>
<td>• Develop a workforce strategy.</td>
<td>• Acquire an electronic HR system and e-recruitment system.</td>
<td></td>
<td>• Encourage greater use of technology.</td>
</tr>
<tr>
<td></td>
<td>• Acquire an electronic HR system and e-recruitment system.</td>
<td>• Develop a five-year HR plan.</td>
<td></td>
<td>• Encourage greater use of technology.</td>
</tr>
<tr>
<td></td>
<td>• Encourage a five-year HR plan.</td>
<td>• Encourage greater use of technology.</td>
<td></td>
<td>• Encourage greater use of technology.</td>
</tr>
<tr>
<td></td>
<td>• Recognise and reward excellence.</td>
<td>• Recognise and reward excellence.</td>
<td></td>
<td>• Recognise and reward excellence.</td>
</tr>
<tr>
<td></td>
<td>• Recognise and encourage volunteering.</td>
<td>• Recognise and encourage volunteering.</td>
<td></td>
<td>• Recognise and encourage volunteering.</td>
</tr>
</tbody>
</table>

### BUILDING EFFECTIVE RELATIONSHIPS

We have a strong and responsive relationship with our communities and partner organisations and other stakeholders.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>We advocate on key health and wellbeing issues.</td>
<td>• To advocate on key health and wellbeing issues.</td>
<td>• To advocate on key health and wellbeing issues.</td>
<td>Ongoing</td>
<td>• To advocate on key health and wellbeing issues.</td>
</tr>
<tr>
<td>Develop and implement a community engagement strategy.</td>
<td>• Develop and implement a community engagement strategy.</td>
<td>• Develop and implement a community engagement strategy.</td>
<td>Ongoing</td>
<td>• Develop and implement a community engagement strategy.</td>
</tr>
<tr>
<td>Establish and promote a corporate responsibility program.</td>
<td>• Establish and promote a corporate responsibility program.</td>
<td>• Establish and promote a corporate responsibility program.</td>
<td>Ongoing</td>
<td>• Establish and promote a corporate responsibility program.</td>
</tr>
<tr>
<td>Establish an environment sustainability program.</td>
<td>• Establish an environment sustainability program.</td>
<td>• Establish an environment sustainability program.</td>
<td>Ongoing</td>
<td>• Establish an environment sustainability program.</td>
</tr>
<tr>
<td>Support positive living and ageing.</td>
<td>• Support positive living and ageing.</td>
<td>• Support positive living and ageing.</td>
<td>Ongoing</td>
<td>• Support positive living and ageing.</td>
</tr>
<tr>
<td>Develop a governance structure to form partnerships with consumers.</td>
<td>• Develop a governance structure to form partnerships with consumers.</td>
<td>• Develop a governance structure to form partnerships with consumers.</td>
<td>Ongoing</td>
<td>• Develop a governance structure to form partnerships with consumers.</td>
</tr>
</tbody>
</table>

### MAINTAIN AND DEVELOP INFRASTRUCTURE

We provide comfortable, maintained and purpose-designed buildings and equipment for our communities.

<table>
<thead>
<tr>
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<th>Status</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop, review and monitor the implementation of the Master Plan.</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
<td>Ongoing</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
</tr>
<tr>
<td>Maintain high standards in the preventative maintenance of buildings, plant and equipment.</td>
<td>• Maintain high standards in the preventative maintenance of buildings, plant and equipment.</td>
<td>• Maintain high standards in the preventative maintenance of buildings, plant and equipment.</td>
<td>Ongoing</td>
<td>• Maintain high standards in the preventative maintenance of buildings, plant and equipment.</td>
</tr>
<tr>
<td>Develop a rolling five-year capital plan for plant and equipment.</td>
<td>• Develop a rolling five-year capital plan for plant and equipment.</td>
<td>• Develop a rolling five-year capital plan for plant and equipment.</td>
<td>Ongoing</td>
<td>• Develop a rolling five-year capital plan for plant and equipment.</td>
</tr>
<tr>
<td>Develop, review and monitor the implementation of the Master Plan.</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
<td>Ongoing</td>
<td>• Develop, review and monitor the implementation of the Master Plan.</td>
</tr>
<tr>
<td>Investigate options to reduce MHS energy usage.</td>
<td>• Investigate options to reduce MHS energy usage.</td>
<td>• Investigate options to reduce MHS energy usage.</td>
<td>Ongoing</td>
<td>• Investigate options to reduce MHS energy usage.</td>
</tr>
<tr>
<td>Identify funding opportunities for infrastructure projects.</td>
<td>• Identify funding opportunities for infrastructure projects.</td>
<td>• Identify funding opportunities for infrastructure projects.</td>
<td>Ongoing</td>
<td>• Identify funding opportunities for infrastructure projects.</td>
</tr>
<tr>
<td>Lobby and engage with State and Commonwealth Governments.</td>
<td>• Lobby and engage with State and Commonwealth Governments.</td>
<td>• Lobby and engage with State and Commonwealth Governments.</td>
<td>Ongoing</td>
<td>• Lobby and engage with State and Commonwealth Governments.</td>
</tr>
<tr>
<td>Maintain and increase representation and involvement in the South West Alliance of Rural Health (SWARH).</td>
<td>• Maintain and increase representation and involvement in the South West Alliance of Rural Health (SWARH).</td>
<td>• Maintain and increase representation and involvement in the South West Alliance of Rural Health (SWARH).</td>
<td>Ongoing</td>
<td>• Maintain and increase representation and involvement in the South West Alliance of Rural Health (SWARH).</td>
</tr>
</tbody>
</table>

###ongoing

- Foster and nurture a relationship with Moyne Shire Council.
- Instigate a collaborative relationship with other small rural health services.
- Finalise the Crown Licence Agreement for the construction of a CFA station at the MHS-Koroit campus.
- Commence construction of the community health centre.
- Reclassify the residential zone on 26 Villiers Street to ‘public use zone’.
- Develop the ICT plan.
- Replace the pan sanitisers with macerators.
VICTORIA’S OLDEST COUNTRY HOSPITAL - THIS YEAR MARKED 166 YEARS OF SERVICE TO OUR LOCAL COMMUNITY

Moyne Health Service (MHS) has developed from an 1849 four-room cottage at 40 James Street, Belfast (Port Fairy) to a multi-million dollar health service. Port Fairy Hospital, Victoria’s oldest country hospital, has an impressive history of service to the community.

The Port Fairy Hospital has enjoyed a very high level of community support. Traditionally, many local families have generously supported our hospital.

HISTORY OF OUR GROWTH

1855
The central portion of the present structure was built with a special grant of £1000 that was matched by the community.

1875
Additions were made to the building at a cost of £115(6/6) and supported by a public appeal. These additions included the two large multi-purpose rooms at the front of the Hospital.

1887
Father Maurice Stack bequeathed £1000 that was used to build the Stack Fever Ward. The Fever Ward was closed in 1939, however, as late as 1991 it was still being utilised to accommodate male patients. The Fever Ward was then a Board Room during the 1950s. The Stack Fever Ward was in a state of disrepair and was demolished during 1992. The site was then used to build a new dementia centre in 1998.

1891
The upstairs portion of the 1885 building was converted to nurses’ quarters. Today this part of the building is used as a boardroom.

1934
Lord and Lady Huntingfield, accompanied by Mr. C. L. McVilly, Secretary to the Charities Board, opened new additions to the Hospital. The additions included a sun-room and a one-bed and a two-bed room on the North side, and an operating theatre, birth room, nursery, a two-bed room and two one-bed rooms on the south side. The total cost was £7,500.

1959
The Governor of Victoria, Sir Ninian Stephen, opened Belfast House, a new Belfast House Nursing Home, on 19th May. This building was constructed at a cost $2,000. It was constructed to provide sufficient land to extend and develop the residential aged care services. Port Fairy Hospital, Moyneyana House (Aged Care Hostel), Belfast House (Aged Care Nursing Home), primary care services, community health services and home-based services. It continues to be an essential and integral part of the community.

1965
Sir Rohan Delacombe, Governor of Victoria, opened the Nurses’ Home adjacent to the Hospital buildings on 7th April. This building is now the Primary Care Building.

1976
The Prime Minister of Australia, The Right Honourable Malcolm Fraser, M.P, opened, on the 22nd April, a new outpatient and casualty department, together with the new hospital ward block now housing the Acute Services.

1988
A 25-bed residential hostel called Moyneyana House was opened by the Governor General of Australia, Sir Ninian Stephen, in June.

1998
Moyne Health Services established Port Fairy Medical Clinic next to the Day Care Centre, in partnership with Sackville Clinic medical practitioners, at a cost of $325,000. A 1.9 million redevelopment of Moyneyana Hostel included the following:

- 10-place dementia unit
- dining/activities area (The Woodrup Room)

2000
The Port Fairy Hospital, Belfast House and Moyneyana House and associated services became Moyne Health Services.

2001
The following capital projects included:

- front of the hospital was returned to a heritage facade
- a covered link was put in place to integrate the services and the acute wing
- administration areas were renovated.

2004
Moyne Health Services undertook minor capital works to repair damage to the Day Centre building and increase office and consulting space. The building was re-launched as the Primary Care Building.

2005
Construction of a 17-bed extension to Moyneyana House. The new wing provided an additional five respite beds and 12 permanent residential places.

2006
Moyne Health Services was endorsed by the Department of Health (as amended) as the Committee of Management of the Koroit Health Services land and buildings. Moyne Health Services purchased 98 Bank Street, Port Fairy.

2010
Moyne Health Services conducted its last operating theatre list on 24th September and extended the Port Fairy Medical Clinic to accommodate additional General Practitioners. Moyne Health Services purchased 101 Regent Street, Port Fairy.

2012
Moyne Health Services purchased 104 Bank Street, Port Fairy.

2015
Moyne Health Services purchased 26 Viller Street, Port Fairy to provide sufficient land to extend and develop the residential aged care services. Port Fairy Ladies Auxiliary officially wound up in January 2015.

Present
Today Moyne Health Services incorporates the Port Fairy Hospital, Moyneyana House (Aged Care Hostel), Belfast House (Aged Care Nursing Home), primary care services, community health services and home-based services. It continues to be an essential and integral part of the community.
LEADERSHIP & GOVERNANCE

This financial year (hereafter ‘year’) has seen a focus on preparing for the Australian Council on Healthcare Standards (ACHS) and Aged Care Standards Agency accreditations and the design, documentation and tendering for the construction of the community health centre.

In September, 2014, we demolished the old primary care building and cleared the site for the construction of the new community health centre. At the time of this report we are in negotiations with a building company and propose to commence construction of the Community Health Centre in or about September, 2015.

In February, 2015 we commenced discussions with the Country Fire Authority (CFA) about a proposal to construct a CFA station at Koroit. At the time of this report, a Crown Licence Agreement is being considered for the use of an acre of land in Mill Street, Koroit.

We are hoping to develop a master plan for the future redevelopment of the Koroit site as we believe there is a great deal of potential for growth in community health care services.

Moyne Health Services (MHS) has continued to purchase adjacent residential allotments to support the future expansion of the health care services. This year we purchased 38 Villiers Street, Port Fairy. This residential property is located next door to the Port Fairy Medical Clinic. The land will provide MHS with sufficient space to extend the aged care services in future years.

MHS continues to set itself up as a reputable provider of Consumer Directed Care (CDC) Packages and we are currently making plans to increase this important community service. An e-tools software package has been implemented to assist in the management of CDC records.

MHS has continued its discussions with Ambulance Victoria about a proposal to collocate the Port Fairy Ambulance Station to the Hospital. We propose to lease to Ambulance Victoria approximately 1,000 square metres of land located on the corner of Regent and College Streets in Port Fairy. We remain optimistic that the proposed collocation has good long-term prospects and there are significant operational benefits in having a collocated Ambulance Victoria and MHS. However, this proposal is subject to State Government funding or support.

This year David Ryan completed his term of appointment as a Board of Management member. David joined the Board in November, 1995 and has provided loyal and dedicated service to MHS and the community. We thank David for his contributions and wish him and Helen all the best for the future.

QUALITY SERVICE IMPROVEMENT AND RISK MANAGEMENT

It has been an extremely busy year for accreditations. In June, 2015, we undertook the Australian Council of Healthcare Standards (ACHS) Organisational Review against the new national quality and safety standards. We are delighted to say that MHS performed exceptionally well. We congratulate all of our staff for their efforts in achieving such an outstanding result. Furthermore, in July, 2015, we also successfully completed our aged care accreditations for Belfast House and Moyneyana House achieving 44 out of 44 outcomes for both residential aged care facilities.

This year we completed the agreement with Port Fairy Medical Clinic (PFMC) for the use of the urgent care area. The practical effect of this agreement was to formalise existing arrangements and protocols for the use of the area. PFMC has engaged a practice nurse and provides medical services from the urgent care building. MHS continues to provide an ‘after hours’ service.

This year after carefully considering the increasing compliance costs and risks associated with the operation of central sterilising services of instruments, we decided to outsource sterilising services to St John of God. Maintaining a large steriliser for small volumes of instrumentation defied common sense. We therefore weighed up the risks against the benefits of maintaining sterilisation services. Compliance costs such as training and education of staff, testing, maintenance and calibration of the steriliser could not be justified for such low volumes of instruments. MHS decided that its resources could be better deployed by outsourcing sterilisation services to St John of God.

In 2015, we finally completed the Business Continuity Plan (BCP). The BCP template will be reviewed on an annual or as needs basis to ensure that MHS has adequate processes in place for the management of its resources during emergencies or significant events.

In 2015, MHS engaged HTM to conduct a strategic risk assessment of the Murray to Moyne (M2M) event. The Board formed the view that the M2M event was a significant community engagement occasion that has provided MHS and health services throughout Victoria and parts of New South Wales and South Australia with a consistent source of revenue for nearly 30 years.

However, with the complexities of modern event management there was some concern that MHS may lose focus on its core business. MHS is currently considering the implications of the HTM Report.

BSA Building Surveyors conducted a building compliance assessment of Moyneyana Hostel. MHS had concerns about the appropriateness of the existing class 3 classification of Moyneyana Hostel. A class 3 classification was appropriate for occupants who were independent. However over time and with the transition to ‘ageing in place’, MHS has changed the use of the building. Thus, there is a proposal to reclassify Moyneyana Hostel from class 3 to class 9(c). We anticipate commencing rectification works in February, 2016, subject to appropriate approvals.

In 2015, we removed the ‘emergency signage’ and replaced this with ‘Urgent Care’ signage in accordance with Department of Health and Human Services recommendations. There have been no issues with the change in signage.

In 2015, MHS purchased 38 Villiers Street, Port Fairy. This residential property is located next door to the Port Fairy Medical Clinic. The land will provide MHS with sufficient space to extend the aged care services in future years.

MHS continues to set itself up as a reputable provider of Consumer Directed Care (CDC) Packages and we are currently making plans to increase this important community service. An e-tools software package has been implemented to assist in the management of CDC records.

MHS has continued its discussions with Ambulance Victoria about a proposal to collocate the Port Fairy Ambulance Station to the Hospital. We propose to lease to Ambulance Victoria approximately 1,000 square metres of land located on the corner of Regent and College Streets in Port Fairy. We remain optimistic that the proposed collocation has good long-term prospects and there are significant operational benefits in having a collocated Ambulance Victoria and MHS. However, this proposal is subject to State Government funding or support.

This year David Ryan completed his term of appointment as a Board of Management member. David joined the Board in November, 1995 and has provided loyal and dedicated service to MHS and the community. We thank David for his contributions and wish him and Helen all the best for the future.

QUALITY SERVICE IMPROVEMENT AND RISK MANAGEMENT

It has been an extremely busy year for accreditations. In June, 2015, we undertook the Australian Council of Healthcare Standards (ACHS) Organisational Review against the new national quality and safety standards. We are delighted to say that MHS performed exceptionally well. We congratulate all of our staff for their efforts in achieving such an outstanding result. Furthermore, in July, 2015, we also successfully completed our aged care accreditations for Belfast House and Moyneyana House achieving 44 out of 44 outcomes for both residential aged care facilities.

This year we completed the agreement with Port Fairy Medical Clinic (PFMC) for the use of the urgent care area. The practical effect of this agreement was to formalise existing arrangements and protocols for the use of the area. PFMC has engaged a practice nurse and provides medical services from the urgent care building. MHS continues to provide an ‘after hours’ service.

This year after carefully considering the increasing compliance costs and risks associated with the operation of central sterilising services of instruments, we decided to outsource sterilising services to St John of God. Maintaining a large steriliser for small volumes of instrumentation defied common sense. We therefore weighed up the risks against the benefits of maintaining sterilisation services. Compliance costs such as training and education of staff, testing, maintenance and calibration of the steriliser could not be justified for such low volumes of instruments. MHS decided that its resources could be better deployed by outsourcing sterilisation services to St John of God.
DEVELOPING OUR PEOPLE

In 2015 we undertook the “Where People Matter Engagement Survey”. Overall job satisfaction score has gone up from 82% to 85%. An increase of 3% is a great result that shows even when our organisation is going through significant change, continuous improvement is possible. As an organisation we now need to focus on some key areas to improve. We are working with our people to develop and implement action plans to improve engagement and satisfaction.

FINANCIAL SUSTAINABILITY

This year MHS achieved a surplus before capital and specific items result of $379,872 and our financial performance was strengthened by an increase in private patient and DVA revenue results and consistently solid residential aged care occupancy rates. We continue to maintain a solid Balance Sheet. However, in the next couple of years we will need to closely monitor our cash flows as we have a number of construction projects.

DEMAND FOR AGED CARE BEDS HAS BEEN CONSISTENT

Belfast House had a significant decline in occupancy rates November, 2014, but then occupancy rates improved in February, 2015. This improvement was in connection with the better management of respite care occupancy rates. In the longer term, we are likely to experience competitive pressure with our community aged care services is likely to increase over time.
FACILITIES, EQUIPMENT AND TECHNOLOGY

This year we continued to collaborate with the Moyne Shire Council to establish a site drainage plan. A site drainage plan is integral to the long term storm water management of our site and the local catchment area. We are currently considering a proposal to install a 37,500-litre infiltration tank on the community health services building site and drain this into a pipe that runs from the community health centre building site across to Bank Street and then links into the Baxter Street basin.

The implementation of Stage 2 of BEIMS was a significant achievement this year. The BEIMS project involved the implementation of:

- Preventative maintenance;
- Contract Management; and
- Visitor Registration.

The practical effect following the implementation of this software is that the Maintenance Manager can closely monitor the status of preventative maintenance and adequately supervise contractors whilst on site. We commend Leigh Parker and Stephen Sack for their hard work in instigating this very important process.

In November, 2014, we discontinued PJB software and commenced using the Trakcare Community modules. This was an important step in the achievement of an integrated medical record. The integration of acute care and community care records will result in improvements to patient identification and access to treatment records across multiple health providers. Congratulations to Jane Weir and her staff in managing this important transition.

The E-Tools software was introduced into Community Home Care packages. E-Tools provides:

- Client Agreements
- Care Plans
- Monthly financial statements
- Budgets for clients
- Service provider information
- Contractor Agreements.

E-Tools provides financial transparency by providing clients with an itemised account of all services and costs.

This year we conducted a business case to ascertain the feasibility of constructing a private dental clinic in the upper level of the proposed Community Health building. MHS decided that at this stage, it was not feasible to establish a Port Fairy dental clinic because there was an insufficient return on the investment. However, MHS may reconsider this possibility at some future stage.

BUILDING EFFECTIVE RELATIONSHIPS

MHS and Moyne Shire Council (MSC) continue to collaborate on important community health projects. This year, we provided a presentation to the Councillors about our proposed Urgent Care and Community Health Centre redevelopments. The objective of this presentation is to inform the leadership of the Moyne Shire Council about the implementation of the MHS Master Plan.

This year’s Murray to Moyne (MtoM) event was successful with a surplus of $52,721. Congratulations to all our volunteers who make this event such an outstanding success. Murray to Moyne would not be possible without the support of the many service clubs and organisations which assist MHS year after year. We are especially appreciative of the support of Maggie Leuton, John Clue and the Murray to Moyne Committee.

We continue to build and maintain effective relationships with our clients, the community, donors, Department of Health and Human Services, staff and many other MHS stakeholders. We are continually reviewing our communications strategy to ensure that our stakeholders are aware of MHS initiatives.

MHS would like to express its appreciation for the following donations:

- Port Fairy Ladies Auxiliary and the Port Fairy Team 1A (Murray to Moyne) donated $16,000 for the purchase of a heart monitor
- The Heather Holcombe Trust for $10,921.60 from the Heather Holcombe Trust for the purchase of a leather recliner chair, niki syringe driver and a shower chair.

The following provided donations for the Community Health building project:

- Margaret and Franco Cavalleri organized "A Starry Night" which raised $2,993
- The Rotary Club of Port Fairy donated $10,000
- Godfrey Amusements donated $6,600
- Moyne Shire Council donated $75,000
- Murray to Moyne raised $52,721
- Lighthouse café raised $15,787.

Acknowledgements

On behalf of the Board we would like to sincerely thank our donors, auxiliaries, volunteers, service clubs, General Practitioners, staff, contractors, SWARH staff, suppliers and the community for their continued support and assistance throughout the year.

We look forward to another exciting year as we set about building a 21st century and innovative small rural health service.

FUTURE OUTLOOK

- Commence the construction of the Community Health Building Project.
- Complete the Moyneyana Hostel (partial 9c) compliance works.
- Complete the Crown Licence Agreement with Koroi CFA for the construction of a fire station.
- Develop a Master Plan for the future redevelopment of the Koroi site.
- Commence implementation of the Regional Electronic Health Record plan.
- Establish the Kronos software package for the management of payroll.
- Consolidate the Consumer Directed Care services.

RESPONSIBLE BODIES DECLARATION

In accordance with the Financial Management Act 1994, we are pleased to present the Report on Operations for Moyne Health Service for the year ending 30th June, 2015.

RALPH LEUTTON
President

DAVID LEE
Chief Executive Officer
18 August, 2015.
FINANCIAL OVERVIEW

Moyne Health Services achieved a net surplus result before capital and specific items of $379,872 (2014: $37,652) for the year.

SURPLUS

The total revenue for the year is $14,858,367 (2014: $14,537,382). This represented a 2% increase in gross operating revenue.

The total expenditure was $15,809,867 (2014: $15,515,828). This represented a 2% increase in gross operating expenditure.

LIQUIDITY

Moyne Health Services has working capital of -$2,555,686 (2014: -$1,950,890). This means that the entity currently has $2,555,686 current liabilities in excess of current assets.

The current asset ratio has further decreased from 0.86 (2014) to 0.83 (2015). This amounts to a 3% decline in the current asset ratio over the last year and a 14% decline over the last five years. The 14% decrease in trend is related to a combination of factors such as the purchase of four (4) residential properties and an increase in the provision for employee leave liabilities.

INVESTMENTS

The value of Moyne Health Services investments at year end was $10.166 million (2014: $7.649 million). This represents a 33% increase on the previous year and a 38% increase over the last five years related to a $3.6 million increase in accommodation bonds.

CASH FLOW

Moyne Health Services generated a cash flow surplus from operations of $607,398 (2014: $19,174) and a net increase in cash held of $178,778 (2014: $-454,605) p61.

SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL POSITION DURING 2014/15

<table>
<thead>
<tr>
<th>Description</th>
<th>2014/15</th>
<th>2013/14</th>
<th>+/- % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>612</td>
<td>2,435</td>
<td>75 ↓</td>
</tr>
<tr>
<td>Investments and Other Financial Assets</td>
<td>10,166</td>
<td>7,649</td>
<td>33 ↑</td>
</tr>
<tr>
<td>Provisions</td>
<td>2,512</td>
<td>2,200</td>
<td>14 ↑</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>11,967</td>
<td>11,081</td>
<td>8 ↑</td>
</tr>
</tbody>
</table>

- ‘Cash and Cash Equivalents’ decreased as a result of a property purchase: Note 5 and ‘Investments and Other Financial Assets’ increased as a result of a substantial increase in refundable entry accommodation bonds: Note 7. Other liabilities increased in connection with an increase in refundable entry accommodation bonds: Note 16.

Events Subsequent to Balance Date, which may have a Significant Effect on the Operations of the Entity in Subsequent Years.

There were no such events. Refer to Financial Note 26.

BUDGETARY OBJECTIVES FOR 2014/15 AND PERFORMANCE AGAINST THOSE OBJECTIVES

<table>
<thead>
<tr>
<th>Description</th>
<th>2014/15 Actual $000</th>
<th>2014/15 Budget $000</th>
<th>Variance $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>14,400</td>
<td>12,567</td>
<td>1,833 ↑</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>14,020</td>
<td>12,533</td>
<td>1,467 ↑</td>
</tr>
<tr>
<td>Surplus (Deficit) Before Capital &amp; Specific Items</td>
<td>380</td>
<td>14</td>
<td>366 ↑</td>
</tr>
<tr>
<td>Capital Income (less capital purpose expenditure)</td>
<td>365</td>
<td>2,272</td>
<td>1,917 ↓</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(1,686)</td>
<td>(1,219)</td>
<td>467 ↑</td>
</tr>
<tr>
<td>Net Fair Value Revaluation</td>
<td>-</td>
<td>-</td>
<td>nil</td>
</tr>
<tr>
<td>Net Result for the Year</td>
<td>-951</td>
<td>-1,067</td>
<td>2,018 ↓</td>
</tr>
</tbody>
</table>
PERFORMANCE AT A GLANCE

CURRENT ASSET RATIO

The current asset ratio has decreased 14% over the last 5 years due to the purchase of 4 residential properties adjacent to the site. The purchase of adjacent residential properties is a long held MHS investment strategy. The current asset ratio has improved by 11% over the last 10 years.

CASH FLOWS FROM OPERATING ACTIVITIES

MHS has recorded consistently positive cash flows from operating activities over the last 5 years.

REFUNDABLE ACCOMMODATION DEPOSITS

In the last 5 years MHS has increased its DAP by 77%. This equates to a $5.16 million increase in DAP. In the last 10 years MHS has increased its DAP by 309% or $8.96 million. In the case of the later this amounts to an estimate compound return of 15%.

FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>Target</th>
<th>2014-15 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Operating result ($m)</td>
<td>0.01</td>
<td>0.39</td>
</tr>
<tr>
<td>Cash Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td>&lt;60 days</td>
<td>48</td>
</tr>
<tr>
<td>Debtors</td>
<td>&lt;60 days</td>
<td>50</td>
</tr>
<tr>
<td>Asset management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic asset management plan</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
</tbody>
</table>

QUALITY AND SAFETY

<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>Target</th>
<th>2014-15 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient experience and outcomes</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Victorian Healthcare Experience Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governance, leadership and culture</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patient safety culture</td>
<td>80</td>
<td>91</td>
</tr>
<tr>
<td>Safety and quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health service accreditation</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Residential aged care accreditation</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Submission of data to VICNISS</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Hand hygiene (rate)-quarter 2</td>
<td>75</td>
<td>70</td>
</tr>
<tr>
<td>Hand hygiene (rate)-quarter 3</td>
<td>77</td>
<td>80</td>
</tr>
<tr>
<td>Hand hygiene (rate)-quarter 4</td>
<td>80</td>
<td>82</td>
</tr>
<tr>
<td>Healthcare worker immunisation-influenza</td>
<td>75</td>
<td>71</td>
</tr>
<tr>
<td>Cleaning standards (overall)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achieved</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ACTIVITY AND FUNDING

<table>
<thead>
<tr>
<th>Funding Type</th>
<th>Target</th>
<th>2014-15 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Rural HACC (Service Hours)</td>
<td>10,345</td>
<td>23,502</td>
</tr>
<tr>
<td>Small Rural Residential Care (Bed Days)</td>
<td>10,396</td>
<td>10,446</td>
</tr>
</tbody>
</table>
OUR SERVICES

Moynah Health Services (MHS) is a public hospital incorporated under Schedule 1 of the Health Services Act 1988. MHS provides a comprehensive range of acute, residential aged care, primary and community health care services to Port Fairy and Koroit communities.

ACUTE HOSPITAL CARE

RESTORATION OF THE INDIVIDUAL’S HEALTH

• Urgent care
• General medicine
• Palliative care

The acute hospital services are provided in the 15-bed Acute Wing and outpatient areas. These areas are accessed through the MHS main reception area situated in the original hospital building on Villiers Street, Port Fairy.

AGED CARE

RESIDENTIAL AND HOME BASED SERVICES

Belfast House Nursing Home

Belfast House is a purpose-built, 30-bed home located on Regent Street, Port Fairy, offering permanent and respite care services. Moyneyana House Hostel offers 52 beds and is located on College Street, Port Fairy, offering permanent care services.

Community Home Care Packages

Community Home Care Packages provide care and support services to older people living in the community. Community care services allow our clients to remain in their home in a supported environment. MHS has 42 Home Care Packages.

Access to community health services is through the Community Access Care Coordinator. Services are also provided to community members to assist them in maintaining their independence and improving their health and wellbeing such as:

• Activities for older members and or people with disabilities living in the community through our Planned Activity Groups Program in Port Fairy and Koroit.
• School Education health and wellbeing programs at Port Fairy and Koroit Primary Schools.
• Physical Activity Classes (Port Fairy and Koroit).
• Integrated Health Promotion programs in partnership with key stakeholders in the Moyne Shire area.
• Health Education and chronic disease management.
• The Moyne Shire Council School’s Immunisation and Workplace Flu Vaccination program which is coordinated by Moynah Health Services.

COMMUNITY HEALTH SERVICES

The Community Health Service provides allied health, community nursing and support services at the Port Fairy and Koroit campuses in the following areas:

• Occupational Therapy
• Physiotherapy
• Audiology Services
• Continence Consulting
• Diabetes Education
• Dietetics and Nutrition
• Drug and Alcohol Counselling
• Pathology
• Podiatry
• Radiology
• Speech Pathology
• District and Community Nursing Service (7 days per week).

2014-15 STATEMENT OF PRIORITIES

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

In 2014-15 Moynah Health Service will contribute to the achievement of these priorities by:

<table>
<thead>
<tr>
<th>Priority</th>
<th>Action</th>
<th>Deliverable</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing a system that is responsive to people’s needs</td>
<td>Develop an organisational policy for the provision of safe, high quality end of life care in acute and subacute settings, with clear guidance about the role of, and access to, specialist palliative care.</td>
<td>All aged care residents, as far as practicable, will have an advanced care plan within three (3) months of admission to the facility.</td>
<td>Achieved</td>
</tr>
<tr>
<td></td>
<td>Progress partnerships with other services to improve outcomes for regional and rural patients.</td>
<td>Consult with Moyne Shire Council (MSC) in the design of the Community Health Centre and plan for collocation of MSC and MHS HACC services.</td>
<td>Achieved</td>
</tr>
<tr>
<td></td>
<td>Provide a range of community health services that are responsive to the needs of the communities in our catchment.</td>
<td>Complete a community needs analysis of the Koroit community in preparation for a long-term service plan.</td>
<td>Not achieved</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investigate establishing a private/public dental chair in Port Fairy and Koroit.</td>
<td>Achieved</td>
</tr>
<tr>
<td></td>
<td>Improving every Victorian’s health status and experiences</td>
<td>Use consumer feedback to improve person and family centred care, health service practice and patient experience.</td>
<td>Conduct a survey of patient experience and use data to inform a review of the nurse handover process, health service practice and patient safety.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Support local implementation of the Victorian Health and Well Being Plan 2011-2015 through collaboration with key partners such as Local Government, Medicare Locals, community health services and other agencies (for example Women’s Health Victoria and VACCHO).</td>
<td>To collaboratively scope a project with Moyne Shire Council to implement the Health &amp; Well Being Plan.</td>
</tr>
</tbody>
</table>

Moynah Health Services is attempting to collaborate on the development of an agreed Health & Well Being Plan.
<table>
<thead>
<tr>
<th>Priority</th>
<th>Action</th>
<th>Deliverable</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanding service, workforce and system capacity</td>
<td>Develop and implement a workforce immunisation plan that includes</td>
<td>Provide a pre-employment screening</td>
<td>Achieved</td>
</tr>
<tr>
<td></td>
<td>pre-employment screening and immunisation assessment for existing</td>
<td>tool to all new employees followed</td>
<td>All employees should be screened in accordance with the deliverable.</td>
</tr>
<tr>
<td></td>
<td>staff that work in high risk areas in order to align with</td>
<td>by a review at two (2) months.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Australian infection control and immunisation guidelines.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optimise workforce productivity through identification and implementation of workforce models that enhance individual and team capacity and support flexibility.</td>
<td>Engage with the sub-regional aged care readiness workgroup regarding existing aged care workforce in order to improve the sustainability of the residential aged care service model.</td>
<td>Achieved MHS actively engages with aged care sub regional groups.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop a workforce strategy document that is adapted and appropriate</td>
<td>In progress MHS has developed a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>to MHS circumstances.</td>
<td>draft Workforce Strategy document.</td>
<td></td>
</tr>
<tr>
<td>Increasing the system’s financial sustainability and productivity</td>
<td>Identify and implement practice change to enhance asset management.</td>
<td>Implement stage two of the Building and Engineering Information Management System (BEIMS) software to improve preventative asset management.</td>
<td>Achieved MHS has implemented BEIMS software and there are significant improvements in preventative maintenance.</td>
</tr>
<tr>
<td></td>
<td>Reduce excess asset capacity by decommissioning assets that are</td>
<td>Reduce excess asset capacity by</td>
<td>Achieved There is a review of the fixed asset register and surplus assets are decommissioned.</td>
</tr>
<tr>
<td></td>
<td>surplus to current and projected future needs.</td>
<td>decommissioning assets that are</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Drive improved health outcomes through a strong focus on patient-centred</td>
<td>Implement the safety, quality and</td>
<td>Achieved Safety, quality and risk is regularly reported to the Board.</td>
</tr>
<tr>
<td></td>
<td>care in the planning, delivery and evaluation of services, and the</td>
<td>risk KPI for board reporting to</td>
<td></td>
</tr>
<tr>
<td></td>
<td>development of new models for putting patients first.</td>
<td>measure patient outcomes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Implement electronic allied health records at Port Fairy and Koroit</td>
<td>Implement electronic allied health</td>
<td>Achieved MHS has implemented Trak Community.</td>
</tr>
<tr>
<td></td>
<td>campuses.</td>
<td>records at Port Fairy and Koroit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Introduce an electronic patient observation chart that complies with</td>
<td>Introduce an electronic patient</td>
<td>Achieved MHS has implemented an electronic observation chart.</td>
</tr>
<tr>
<td></td>
<td>the management of deteriorating patient requirements.</td>
<td>observation chart</td>
<td></td>
</tr>
<tr>
<td>Increasing accountability &amp; transparency</td>
<td>Undertake an annual board assessment to identify and develop</td>
<td>Develop an annual assessment</td>
<td>Achieved MHS has a skills matrix document in place.</td>
</tr>
<tr>
<td></td>
<td>board capability to ensure all board members are well equipped to</td>
<td>capability tool.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>effectively discharge their responsibilities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Demonstrate a strategic focus and commitment to aged care by responding</td>
<td>Conduct an assessment of the</td>
<td>Achieved Assessment completed and ‘partial 9c’ recommended.</td>
</tr>
<tr>
<td></td>
<td>to community need as well as the Commonwealth Living Long Living Better Reforms.</td>
<td>Consumer Directed Care Packages and if applicable prepare an application for additional packages.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Finalise the building compliance assessment of Moyneyana Hostel.</td>
<td>Finalise the building compliance</td>
<td>Achieved Compliance Assessment completed and ‘partial 9c’ recommended.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>assessment of Moyneyana Hostel.</td>
<td></td>
</tr>
<tr>
<td>Improving utilisation of e-health and communications technology</td>
<td>Ensure local ICT strategic plans are in place.</td>
<td>Develop an ICT strategic plan that</td>
<td>Not achieved SWARH EO scheduled to present to Board in October, 2015.</td>
</tr>
<tr>
<td></td>
<td>Implement Trak Community which will lead to an integrated electronic</td>
<td>is appropriate and adapted to MHS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>record system across the acute hospital and community health services.</td>
<td>circumstances.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Implement Trak Community which will lead to an integrated electronic</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>record system across the acute hospital and community health services.</td>
<td></td>
<td></td>
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<td>Introduce an electronic patient observation chart that complies with</td>
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<tr>
<td></td>
<td>the management of deteriorating patient requirements.</td>
<td>observation chart</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Introduce an electronic patient observation chart that complies with</td>
<td>Introduce an electronic patient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>the management of deteriorating patient requirements.</td>
<td>observation chart</td>
<td></td>
</tr>
</tbody>
</table>
The past year has again been a busy one for the Director of Medical Services. While the position is only part time, there are many informal meetings with members of the Visiting Medical Staff and the Chief Executive Officer. There are also a range of formal meetings which include the regular VMO meetings, The Quality and Governance Committee and the Limited Adverse Occurrence Screening Committee. This committee is chaired by the Director of Medical Services and is ably supported by the Executive Director Safety, Quality and Information Services.

During the past year, Port Fairy Medical Clinic appointed two new General Practice registrars. The Director of Medical Services was responsible for supervising the credentialling process for these two new medical staff to enable them to participate in hospital-based services within Moyne Health Services after appointment by the Board.

There have been a number of matters of concern to both the VMOs and the Hospital during the year. The changes in relation to the outpatients area have continued to evolve and there has been much discussion around the urgent care area and how best to utilise it now and in the future, should we achieve the proposed redevelopment.

I would again wish to acknowledge the high level of service and cooperation between the VMOs and Moyne Health Services. I would also wish to acknowledge the contribution of the VMOs towards medical student teaching and the training of their GP Registrars.

The Port Fairy Medical Clinic (PFMC). PFMC is an independently operated medical clinic collated to MHS and consists of 8 General Practitioners.
QUALITY AND SAFETY

QUALITY AND SAFETY

One of the most significant software systems that is actively being considered by MHS is the purchase and implementation of the Kronos time and attendance, award interpreting and rostering solution awarded under the state HealthSMART contract. MHS management is working with the other Chris 21 payroll agencies within the Barwon South Western region to develop a business case that will support the implementation of the Kronos solution. This exciting development will revolutionise the way MHS operates with respect to rostering, payroll and, in broader terms, human resources functions and processes. The business case is expected to be ready for formal consideration and endorsement by each agency by 31st October, 2015.

Over the coming year MHS will be actively investigating the possibilities of implementing a software package aimed at supporting our food service operations. These investigations will be undertaken in conjunction with a number of SWAPR agencies around the region who are also looking for a food services system.

The Quality and Safety focus at MHS has been on Accreditation in 2014 – 2015 particularly the implementation of the current National Safety and Quality Health Service Standards and preparation for our EQUIPNational survey in June 2015.

The Australian Commission on Safety and Quality in Health Care is a government agency that leads and coordinates national improvements in safety and quality in health care across Australia and has been responsible for the implementation of the National Safety and Quality Health Service (NSQHS) Standards.

The NSQHS Standards drive the implementation of safety and quality systems and improve the quality of health care in Australia. MHS participates in the EQUIP National Accreditation Program which involve meeting the 10 National Standards and an additional five standards that specifically address quality and safety in areas such as: the Provision of Care, Workforce, Information Management and Corporate Systems.

At MHS a large proportion of the staff were involved in the Accreditation preparation. Staff members with particular skills and interests in areas or standards participated in working groups to ensure requirements were achieved. The assessment of our achievements, (Accreditation Survey) was held in June with excellent results.

Some comments from surveyors included:

“The Moyne Health Service (MHS) has a strong governance framework and structure which is reflected in the robust systems and processes observed by the survey team.”

“A culture of quality improvement is embedded in the organisation, and quality is an integral component of decision making”

The EQUIP National will be closely followed by an assessment in Residential Aged Care during July 2015.

PATIENT/ RESIDENT FEEDBACK

At MHS we rely heavily on the information provided about our care and services to assist us to improve and monitor how we are going. Feedback from our patients, residents and clients provides us with vital information about how we are performing and identifies opportunities for us to improve.

Your feedback and participation in surveys and feedback sessions has a direct impact on the changes and improvements we make.
The Victorian Health Experience Survey (VHES) is an independent survey provided to hospital inpatients after discharge. Information from this survey is provided both online and in a report every quarter. MHS has had some problems achieving enough responses to receive a report each quarter and has had two reports for the 2014-2015 year. We will continue to encourage our hospital patients to fill in a survey out after discharge so that we can receive the valuable feedback. The reports have provided us with excellent feedback including 100% positive responses about the overall care received.

Resident satisfaction is measured using another external process designed by Quality Performance Systems (QPS). We ask residents to rate our performance annually. The graph opposite shows our results. The orange line indicates the average for all aged care facilities in the sample (over 100). The results are discussed with Residents at the regular Residents’ meetings so that we can work together to continually improve.

INFORMATION MANAGEMENT

This year we have achieved a great deal towards our goal of having completely electronic record available at the point of care. These achievements were acknowledged in our recent Accreditation survey and noted by the surveyors in the report:

“The organisation has demonstrated the ability to effectively implement complex information management systems such as the integrated electronic clinical record and the electronic track and trigger observation chart.”

We have continued planning for the relocating of Health Information into the new Community Health building, when it is completed.

We remain committed to providing safe, quality healthcare at MHS. We are proud of the services that we provide and commit to ensuring that we continue to provide safe, high quality healthcare.

Michelle Covey, Trainee Clinical Coder and Belinda Westlake, Executive Director Safety, Quality and Information Services
MOYNE HEALTH SERVICES

BOARD OF MANAGEMENT

RALPH LEUTTON
PRESIDENT
MSc (UQ)
Ralph is a self-employed lobbyist, facilitator, trainer and Moyne Shire Councillor. Ralph sits on a number of National Boards representing vocational education and training. He is President of the Port Fairy Men’s Shed.

Ralph has vast experience in management, research and teaching.

TERM OF APPOINTMENT

BOARD COMMITTEES
• Executive
• Audit and Risk
• Medical Appointments (Chair)

PETER O’KEEFFE
SENIOR VICE PRESIDENT

Peter is the Director of Global Power Design. Peter has been involved in the Folk Festival Construction Crew (30 years), Red Cross-Diaster Relief Plan (water purification) and is a keen golfer.

TERM OF APPOINTMENT

BOARD COMMITTEES
• Executive
• Audit and Risk
• Occupational Health and Safety (Chair)

BRAD O’CONNOR
JUNIOR VICE PRESIDENT

B Commerce (Deakin), CA
Brad is a Chartered Accountant at Wannon Water and a member of the Committee of Management of Mpower.

TERM OF APPOINTMENT

BOARD COMMITTEES
• Audit and Risk

VICKY MASON

Grad Dip Dietetics, Grad Dip Health Education, M Bus, M Public Health, GAICD
Vicky brings a wealth of experience as an Executive Director of Community Development at Warrnambool City Council and former Acting Director of Health and Aged Care, Department of Health and Chief Executive Officer of Community Health.

TERM OF APPOINTMENT
1 November 1995 – 30 June, 2015

BOARD COMMITTEES
• Governance, Quality and Risk (Chair)

DAVID RYAN

BA, LLB
David is a Solicitor. In addition to his own legal practice, he works for the Department of Human Services as a Disability Support Officer. David is a member of the Multicultural Development Unit (Local) Committee.

TERM OF APPOINTMENT
1 July 2014 – 30 June 2017

BOARD COMMITTEES
• Governance, Quality and Risk
• Murray to Moyne

KAREN FOSTER

BA
Karen is a long-term Port Fairy resident who operates a marketing consultancy and publishing business. She is also Executive Officer of the region’s peak advocacy body, the Great South Coast Group.

TERM OF APPOINTMENT
1 July 2014 – 30 June 2017

BOARD COMMITTEES
• Occupational Health and Safety

GEOFF YOUL

Geoff is President of the Yambuk Recreational Reserve Committee, Chair and Trustee of Port Fairy Public Cemetery Trust and Vice President South West District Rifle Association. Geoff is a primary producer based in Yambuk.

TERM OF APPOINTMENT

BOARD COMMITTEES
• Murray to Moyne
• Strategic Working Group

MIKE GUNN

B Ec., CA
Mike is a Business Manager Greater Southern Medical Local (Warrnambool).

TERM OF APPOINTMENT
1 July, 2012 – 30 June, 2015

BOARD COMMITTEES
• Audit and Risk (Chair)

CHARLIE BLACKWOOD

Bachelor of Veterinary Science (Sydney University), MANZCVS, GAICD.
Charlie is a Director and a Veterinarian in the Warrnambool Veterinary Clinic. Charlie manages the Port Fairy branch of the Clinic. He is a member of the Port Fairy Cricket Club Committee.

TERM OF APPOINTMENT

BOARD COMMITTEES
• Executive
• Audit & Risk

MOYNE HEALTH SERVICES

ANNUAL REPORT 2015 // BOARD OF MANAGEMENT
GOVERNANCE STATEMENT

This Statement sets out the main governance practices in operation throughout the financial year.

ACCOUNTABILITY

The Board assumes responsibility and is accountable for the effectiveness of corporate governance practices and the management of Moyne Health Services (MHS).

The Board has been able to achieve robust governance through providing effective leadership and bringing independent judgement to decisions affecting the operations of the MHS.

The Board has a Governance Charter which outlines the functions and responsibilities of the MHS Board.

To assist the Board in carrying out its functions and responsibilities, the Board has established 7 board committees:

- Audit and Risk;
- Executive Remuneration and Governance;
- Governance, Quality and Risk;
- Murray to Moyne;
- Medical Appointments;
- Occupational Health and Safety; and
- Executive.

The committees operate in accordance with a clear charter and procedures for reporting to the Board.

The Board delegates responsibility for the operational management and administration of MHS to the Chief Executive Officer (CEO). Other than matters specifically reserved for the attention of the Board, the management of MHS is formally delegated to the CEO. The levels of authority and responsibility for management are documented in an Instrument of Delegation established by the Board.

The CEO provides a monthly report to the Board on MHS’ performance. The Board has an Annual Governance Agenda which provides details on the content and frequency of governance items.

<table>
<thead>
<tr>
<th>MEETING ATTENDANCES</th>
<th>Board</th>
<th>Audit and Risk</th>
<th>Governance, Quality and Risk</th>
<th>Medical Appointments</th>
<th>Occupational Health and Safety</th>
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<tbody>
<tr>
<td>Ralph Leuton President</td>
<td>11 of 11</td>
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<tr>
<td>Peter O’Keeffe Senior Vice President</td>
<td>9 of 11</td>
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<tr>
<td>Brad O’Connor Junior Vice President</td>
<td>8 of 11</td>
<td>3 of 4</td>
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<tr>
<td>David Ryan</td>
<td>10 of 11</td>
<td>6 of 10</td>
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<tr>
<td>Vicky Mason *</td>
<td>7 of 11</td>
<td>3 of 10</td>
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<tr>
<td>Geoff Youl</td>
<td>8 of 11</td>
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<td>Mike Gunn</td>
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<tr>
<td>Charlie Blackwood</td>
<td>9 of 11</td>
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<tr>
<td>Karen Foster</td>
<td>8 of 11</td>
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<tr>
<td>Andrew Hellier</td>
<td>3 of 4</td>
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<td></td>
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<tr>
<td>Bill Millard * (independent member Audit and Risk Committee)</td>
<td>1 of 4</td>
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NOTES

* Vicky Mason resigned effective from 1st April, 2015.
* Bill Millard was appointed to the Audit and Risk Committee in February 2015.

TRANSPARENCY

MHS is a public body incorporated under the Health Services Act 1988 (Vic).

Board members are non-executive members who are appointed by the Victorian Minister for Health. Board members are generally appointed for a term of three years.

The Board’s Governance structure is regulated by the Health Services Act 1988 and the Public Administration Act 2004.

The roles of the Board President and the CEO are not performed by the same individual.

The Board has an Executive Remuneration and Governance Committee whose responsibilities include the nomination to the Minister of prospective board members and appraising the performance of the Board, Board committees and the CEO. The Executive Remuneration and Governance Committee has a ‘Charter’ that clearly sets out its roles and responsibilities.

MHS is committed to ensuring that all new Board members are provided with a thorough induction and training programs.

These programs cover:

- Information on the public health sector in Victoria
- Impact of relevant legislation on the role of the MHS Governing Board
- Information about the MHS
- Board procedures
- Care, skill and diligence obligations
- The environment in which the MHS governing Board operates (eg. government policies, business context etc.).

MHS has a Board of Management Induction process to ensure that new Board members are provided with a comprehensive overview of the structure, operations and policies of MHS.

ROLE OF THE CEO

The CEO of MHS is responsible for executing the MHS strategic plan and the day to day management of the organisation. The MHS Board relies on the CEO for the formal reporting of the performance of the MHS and for informal communication between meetings.

The CEO provides a monthly report to the Board covering:

- Progress in implementing medium and long-term strategic plans
- Financial management and incident reporting
- Progress in implementing the business plans for MHS including against KPIs
- Situations which will or may involve future Board decisions, so that the MHS Board is fully informed and can prepare for making the decision, when the time comes.

The CEO ensures a full, timely and accurate flow of management information to the MHS Board and advises the Board of the major issues affecting the organisation.

The CEO has a Government Sector Executive Remuneration Panel (GSERP) Contract setting out duties, responsibilities and conditions of service.

The CEO’s performance is evaluated and monitored by the Executive Remuneration and Governance Committee. The evaluation involves an assessment of a range of key individual and service performance indicators for the MHS. A performance evaluation was initiated for the year under review.

OPEN DISCLOSURE STANDARD

MHS has adopted the ‘Open Disclosure Standard’ (ODS). There are nine principles:

- Openness and timeliness of communication
- Acknowledgement
- Expression of regret
- Recognition of the reasonable expectations of patients and their support person
- Staff support
- Integrated Risk Management and System Improvement
- Good governance
- Confidentiality
- Legal consideration.

RISK MANAGEMENT AND LIABILITY

MHS Board members understand their risks and liabilities and exercise a reasonable degree of care, skill and diligence in carrying out their roles.

The Board determines MHS’ ‘risk profile’ and is responsible for approving the organisation’s risk management strategy and policies, regulatory compliance and the internal control environment.

The CEO provides a monthly report to the Board covering:

- Progress in implementing medium and long-term strategic plans
- Financial management and incident reporting
- Progress in implementing the business plans for MHS including against KPIs
- Situations which will or may involve future Board decisions, so that the MHS Board is fully informed and can prepare for making the decision, when the time comes.

The CEO ensures a full, timely and accurate flow of management information to the MHS Board and advises the Board of the major issues affecting the organisation.

The CEO has a Government Sector Executive Remuneration Panel (GSERP) Contract setting out duties, responsibilities and conditions of service.
The responsibility for assessing and monitoring the effectiveness of risk management and internal controls for the MHS is delegated to the CEO and executive management.

MHS must address a wide variety of risks. MHS’ risk management program is supported by an Audit and Risk Committee, Risk Manager, Governance, Quality and Risk and Occupational Health and Safety Committees and a Risk Management Policy.

During the year under review MHS engaged a number of consultants to verify and assess specific risks:

- RSM Bird Cameron and Australian Accounting Solutions Bendigo (AASB) conducted internal audits of the internal financial control environment.
- BSA Building Surveyors conducted a Building Compliance Audit of the Moyneyana Hostel Building.
- HTM conducted a strategic risk assessment of the Murray to Moyne Event.
- VMIA conducted a Site Risk Assessment.

It is the Board’s objective that all dealings with staff, with clients, including patients and residents, with regulatory authorities and with the community should be conducted fairly, honestly, diligently and in accordance with applicable laws. Any departure from such practice is treated very seriously.

MHS promotes the Public Sector values of: responsiveness, integrity, impartiality, accountability, respect, leadership, human rights, ethical consideration and redress.

CONFLICTS OF INTEREST

The Board is conscious of its obligations to ensure that Board members avoid conflicts of interest between MHS and their own interests. Board members must declare the nature and extent of their interests. A declaration of interests is a standing agenda item at all Board and Board Committee meetings. The CEO maintains a register of Board member pecuniary interests and a register of related party transactions.

All Board members have made the required declarations for the year under review.

HUMAN RIGHTS AND CHARTER AND RESPONSIBILITIES ACT 2006

The Charter came into operation on 1st January, 2006 and sets out human rights. MHS is required to act in accordance with the Charter. The Charter contains 20 rights that reflect basic principles of freedom, respect, equality and dignity.

STEWARDSHIP

Through the CEO the Board has overall responsibility for ensuring the integrity of the MHS systems of internal control. These systems are designed to ensure effective and efficient operations, including financial reporting and compliance with laws and regulations, with a view to managing the risk of failure to achieve business objectives. It must be recognised, however, that internal control systems can provide only reasonable and not absolute assurance against the risk of material loss.

The Board reviews the effectiveness of the internal control systems and risk management on an ongoing basis, and ensures that risks are monitored through the Audit and Risk Committee. The Board regularly receives information about the financial position and performance of MHS.

The Board has an Audit and Risk Committee. The Committee’s Chair is not the same as the Board of Management Chair.

The Audit and Risk Committee meets four times per year and has a ‘Charter’.

Accounting and Audit Solutions Bendigo (AASB) and RSM Bird Cameron assists the Board by providing an internal audit service.

The CEO, Executive Director of Corporate Support Services and the Executive Director Safety, Quality and Information Services attend the Audit and Risk Committee meetings. AASB, RSM Bird Cameron and the external auditor Coffey Hunt & Co (Victorian Auditor-General) may attend at the discretion of the committee.

The minutes of each meeting are reviewed at subsequent meetings of the Board and the Chair of the Committee reports on the Committee’s conclusions and recommendations.

The external auditor, Coffey Hunt & Co is appointed by the Victorian Auditor-General Office (VAGO).

For annual accounts released publically, the Board Chair, CEO and Chief Financial Officer sign-off on the annual declaration in accordance with Standing Direction D.2. of the Financial Management Act 1994, and the Risk Management, Data Integrity and Insurance Attestations.

MHS acknowledges that it has significant stakeholders. Our stakeholders include residents, patients, staff, volunteers, relatives, the Department of Health and Human Services and the wider community. MHS has a Communications Strategy in place. MHS continues to improve its communications with stakeholders.

LEADERSHIP

STRATEGIC LEADERSHIP

MHS has established a “Towards 2020” document which is aligned with the State Government’s Reform Health Priorities 2012-2022. MHS also has a 2014/15 Statement of Priorities (SOP) Agreement with the Department of Health and Human Services. The CEO provides a monthly operating report against each of the Strategic Directions to the Board.

The Board of Management members’ biographies, their term of office and information about their skills, experience, qualifications and special responsibilities are listed on pp. 32-33.

This governance statement reflects the governance arrangements in place at MHS.

RAFLH LEUTTON
Board of Management-President
EXECUTIVE MANAGEMENT

DAVID LEE
Dip Law (LPAB), B Nurs (QUT), M Comm (UQ) PG Dip CSP, Grad Dip Legal Practice, GAICD.
CHIEF EXECUTIVE OFFICER
- Responsible for the operational management of Moyne Health Services.
- Extensive experience in the armed forces, nursing and health management.
- Member of SWARH Council of Governance.

DR BRUCE WARTON RFD
MB, BS, Hons (Monash), BHA (UNSW), FRCSEd, FRCOG, FRANZCOG, FRACMA, AFACHSM, CHE, DTM&H (JCU), Grad Dip Health and Medical Law (Melb).
EXECUTIVE DIRECTOR OF MEDICAL SERVICES
- Responsible for the credentialling and privileges and medical appointments processes.
- Bruce has extensive experience as a Director of Medical Services and in the armed forces.
- Formerly Director of Medical Services at Western District Health Service and Goulburn Valley Health.

LEIGH PARKER
B Bus (Acc), Adv Dip of Management, AFCHSE
EXECUTIVE DIRECTOR OF CORPORATE SUPPORT SERVICES
- Responsible for the management of finance, information technology, human resources and occupational health and safety.
- Formerly Deputy CEO of Terang and Mortlake Health Service.

FRAN KINNERSLY
R.N. MRCNA
EXECUTIVE DIRECTOR OF CARE SERVICES
- Appointed February, 2005.
- Responsible for the management of clinical care services.
- Member of the Royal College of Nursing and an active member of the Victorian Small Rural Health Services Director of Nursing Executive Committee.
- Fran has extensive experience in acute and surgical nursing and management.
- Deputy Chair Barwon South West Nursing Executive Group.
- Member of the Department of Health and Human Services Quality Aged Care Committee and Public Sector Residential Aged Care Executive Leadership Group.

BELINDA WESTLAKE
B App SC (HIM), Grad Cert SRM (ECU), MAE (Melb), FAAQHC
EXECUTIVE DIRECTOR SAFETY, QUALITY AND INFORMATION SERVICES
- Appointed October, 2002.
- Responsible for the management of health information, quality and risk programs.
- Belinda holds the position of Chair of the Barwon South West Quality Advisory Committee.
- Immediate Past President of the Victorian Healthcare Quality Association.
- Victorian Representative on Australasian Association for Quality in Health Care Council.
- Member Victorian Department of Health and Human Services Victorian Patient Experience Survey Reference Group.
**OUR SUSTAINABILITY**

Moyne Health Services is genuinely committed to maintaining and improving the health and wellbeing of the people and communities we serve. To that end, we recognise the need to use our resources wisely and effectively without compromising our standards of care. We also acknowledge our responsibility to provide a leadership role for environmental, social and economic sustainability.

**ECONOMIC SUSTAINABILITY**

MHS employs about 200 personnel and has an annual turnover of $14 million. MHS purchases goods and services from the local community including dairy, meat and bakery products and plumbing and electrical services.

MHS is one of the largest employers in Port Fairy apart from Moyne Shire Council, Glaxo Smith Kline and Barstome.

**FUTURE DIRECTIONS**

- Maintain a financially viable and sustainable health care service.
- Continue to enhance our excellent working relationship with Moyne Shire Council.

**ENVIRONMENTAL SUSTAINABILITY**

**FUTURE DIRECTIONS**

- Develop and implement an environmental impact plan to reduce our carbon emission.
- Replace our pan sanitisers with macerators to reduce electric energy requirements.
- Install solar panels to reduce electric energy requirements.

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<td>13</td>
<td>295</td>
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<td>15,247</td>
<td>14,106</td>
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<td>Water (ML)</td>
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<td>5,504</td>
<td>47</td>
<td>11,510</td>
<td>7,957</td>
<td>5,643</td>
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</table>

- The 2014 and 2015 comparisons are for diesel and unleaded fuel in KgCO2 equivalents. Those comparative figures include all of our fleet vehicles. The pro 2013 diesel figures do not include Moyne Health Services’ fleet vehicles and is measured in litres.

This year we commenced a waste segregation program for glass, paper and plastics and installed and replaced the inefficient gas chlorifier with a new gas hot water service.

**SOCIAL SUSTAINABILITY**

**PORT FAIRY FOLK FESTIVAL**

The Port Fairy community is so fortunate to have the annual Port Fairy Folk Festival. Last year, the Port Fairy Folk Festival agreed to donate $750,000 in support for the construction of a new community health facility in Port Fairy.

**VOLUNTEERS**

Our volunteers have played a pivotal role in the operation of Moyne Health Services during the year. Their contribution is greatly appreciated by staff, patients and the many other community members who benefit from their willingness to give of themselves.

In 2014/15, volunteers have participated in a range of activities, including assistance with leisure and lifestyle programs, bingo calling, playing cards with residents and patients, musicians, reading poetry, bus driving, assistance with swimming activities, bowls, art and craft, coordination of footy tipping competitions, walking with residents, assistance with shopping and providing friendship.

**FUTURE DIRECTIONS**

- Improve our processes for the recruitment and retention of volunteers.
- Improve our communications with the local Port Fairy and Koroi communities.
- Alternate Board of Management meetings between the Port Fairy and Koroi campuses.

**KOROI COMMUNITY**

We are extremely grateful for the support that we receive from the Koroi community. This year the South West Community (Koroi Sub Branch) donated $5,000 for the Spring Park Fair.

The Spring Park Fair is an initiative which will promote services available at the Koroi Campus and launch a community needs survey.

**MURRAY TO MOYNE**

This year’s 29th annual Woody’s Murray to Moyne Cycle Relay was held over the weekend of 5 and 6 April 2015. Great weather covered the teams over the 24-hour ride so excellent progress was made during the day and into the night for those continuing for the full distance.

One incident occurred with a rider surprised by a kangaroo south of Cavendish and coming off hard. After a check-over in Hamilton Hospital, he rejoined his team.

Excellent riding conditions continued Sunday morning though continued evidence of poor attention to safety by some support vehicles was a major concern. The Management Team is aiming for improved driving by support crews next year through various means.

Support crews and locals alike cheered teams into Port Fairy. Federal Member for Wannon Dan Tehan presented the Graham Woodrup Award and team medallions along with other safety awards. Continued support from our local Members of Parliament gains us important promotion and exposure.

Coordinator Maggie Leutton attracted nine new teams this year with targeted visits, three from Melbourne, three new local teams and three from regional Victoria. The South West, encircled by Portland, Hamilton, Mortlake and Timboon was represented by 15 teams in all, five from Warrnambool.

**PROMOTION**

WIN Network came on board this year with sponsored air time across the State for a commercial produced by their production team. This was seen by many of the teams and worked to highlight an increased exposure of our ride. This video clip was used as a promotional tool to attract other teams and was embedded into the M2M website and Facebook.

**DONATIONS TO NOMINATED HEALTH SERVICES**

The M2M specialised database enables online registrations by Team Managers as well as the general public being able to donate directly to their team with personalised messages. This year the donations received through this medium increased hugely and Moyne Health received good commissions to manage this process which added to the year’s profit margin.

**SPONSORS**

Major sponsors include c2 Media, Port Fairy IGA, KFC, Star Printing and McLeans Pharmacy.

Other sponsors of the event are listed as follows:

- Hears Accommodation
- Langleys Accommodation
- WIN Network
- G&M Auto Electrics
- Norton Ford
- Amazon Printing
- Callaghan Motors
- Warrnambool Toyota
- Moyne Shire
- First State Super
- Donehoo’s Leisure
- Rebecca’s Cafe
- Port Fairy Electrics
- Cobs Bakery
- Great Coffee Moments
- Warren Water
- Midfield Meats
- Cheese World
- Forterra

**ANNUAL REPORT 2015 // MURRAY TO MOYNE**

MOYNE HEALTH SERVICES
Volunteers
Over 200 volunteers including Service Club personnel and staff were stationed at every corner and road hazard along with the help of our motor cycle marshals on all three routes to ensure the safety of all teams. Support crews on the three routes include Ride Directors, Lead, Medical and Rear Vehicles all with jockeys, again overseeing the safety of ride participants.

Graham Woodrup Memorial Award in Memory of “Woody”
Six nominations were received for this Award ‘offering exceptional effort and inspiration to their team mates’ doubling last year’s nominations. Nominations were received from Gavin Wright ‘Hypoactive Diabetes Victoria’ Team, Peter (Bomber) Tonzing of ‘Team Harmony’ from Mildura, Rob Mason of ‘Loddon Murray Cycling’ Kerang, Robyn Gregson BIOYA “Team 101” Altona Primary School, Garry Cooper ‘Rotary Revolution’ Mildura, Barbara Toma ‘Casterton Memorial Hospital’.
This special Medallion was presented to Rob Mason of ‘Loddon Murray Cycling’ Kerang by Woody’s wife Hester Woodrup and The Federal Member for Wannon, Dan Tehan.

2015 Awards Presentation
Many Awards were presented to Team Support Crews this year for “Safe & Courteous Driving”. These were sponsored by o2 Media, WIN Network, First State Super, Port Fairy Folk Festival Committee, Cobbs Bakery, Cheese World, Port Fairy IGA, KFC, McLean’s Pharmacy and Rebecca’s Café.

2015 Committee Members
Mr. John Clue, Chair and Ride Director
Mr. Jeff McLean, Ride Director
Ms. Hester Woodrup, Fundraising
Mr Errol Carter, Co-ordinator of Motor Cycle Marshals
Mr. Geoff Youl, Motor Cycle Marshal Mildura Lead
Ms. Kate Winnen, Media Liaison
Mr. David Ryan, Volunteer Co-ordinator
Ms. Maggie Leutton, Event Co-ordinator

Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of organisations supported this year</td>
<td>72</td>
</tr>
<tr>
<td>Number involved in Teams</td>
<td>1106</td>
</tr>
<tr>
<td>Income for MHS</td>
<td>$52,721</td>
</tr>
<tr>
<td>Target funds to be raised by all participating agencies in 2015</td>
<td>$1,014,000</td>
</tr>
<tr>
<td>Total number of riders since inception</td>
<td>30,284</td>
</tr>
<tr>
<td>Total organisations represented since inception</td>
<td>2,592 (accumulative)</td>
</tr>
<tr>
<td>Estimated funds raised for Health Agencies since inception</td>
<td>$18,077,700</td>
</tr>
</tbody>
</table>

The gradual fall off in team numbers from 2009 is due to the increase in the number of competitive events across southern Australia. Bike riders are travelling quite some distance to participate in individual and team events. Most of them are up for the challenge with some having a fundraising component.

The M2M Management Team is now working on the 30th Anniversary Ride scheduled for April 2016.
Moyne Health Services (MHS) is an Equal Employment Opportunity employer. MHS believes that good employer framework operates within the realm of Human Resource policies containing provision for fair and equitable treatment of employees. MHS supports the rights of all employees to pursue resolution of any complaints through the procedures contained in relevant legislation.

Our people are key to our success. We are committed to creating a good understanding of our strategy, define what success looks like to our people, showing our people how it will be achieved, and how they fit into this. We are developing our leadership to align both horizontally and vertically across and within their teams.

MHS is committed to improving the work environment for our employees. We conduct an annual Employee Engagement and Satisfaction Survey, where our people can contribute their ideas about aspects that could be improved and help with the implementation of those ideas. Delivering on results requires excellent leadership, people, culture, relationships and processes to be in place. Our success in this area can be measured by high employee engagement scores, attrition and employee perceptions of fairness and equity.

### OUR KEY PEOPLE ACHIEVEMENTS AND INDICATORS

- **76% engagement Index achieved in the People matter survey**
- **94% score achieved for QPS audit for Health and Safety**
- **95% score achieved for QPS audit for Fire and Safety**
- **70% of workplace inspection checklist completed by Manager and Health and Safety representatives**
- **Score of 89% achieved on workplace wellbeing in the People Matter Survey**
- **72% of our workforce received flu vaccination**
- **PARCOR training completed by our fire wardens**
- **78% of our employees believe that we are an equal opportunity employer**
- **90% of our employees have attended mandatory training**
- **Developed the Health, Safety and Wellbeing Strategy and Safe Way of Working Framework and performance indicators developed**
- **Our retention rate is 89.14%**
- **72% of our workforce received flu vaccination**
- **25% of our vacancies filled internally**
- **30 new employees joined MHS in 2014-15**
- **1,142 external training/study days attended by our people**
- **45 of our employees were nominated by their peers for the Service Excellence Award**
- **12 employees won the Service Excellence Award**
- **99% of our workforce believe that we are an equal opportunity employer**
- **78% of our employees have had a formal performance review**
- **25% of our vacancies filled internally**
- **30 new employees joined MHS in 2014-15**
- **Refresher training for managers and health and safety representative completed**

### OUR PEOPLE ENGAGEMENT

Increased job satisfaction by 3% to 85%

99% of our employee consider Moyne Health Services as Employer of Choice and 76% of our employee would recommend MHS as a good place to work

99% of our workforce believe that we are an equal opportunity employer

Average tenure of our employees is 8 years

204 employees and 170 Volunteers form part of Moyne Health Services workforce

79% of our people work part time, supported by a flexible working arrangement

88% of our workforce is female

204 employees and 170 Volunteers form part of Moyne Health Services workforce

99% of our employees work part time, supported by a flexible working arrangement

88% of our workforce is female
HEALTH, SAFETY AND WELLBEING

Our leaders demonstrate their commitment to excellence in Occupational Health and Safety Management through provision and maintenance of a safe working environment and active promotion of the wellbeing of our people. A work environment that is safe and healthy, enables our people to deliver outstanding services, that enables healthcare excellence for our customers. Moyne Health Services ensures that all managers and employees have ongoing opportunities to participate and contribute to the development, implementation and monitoring of regular health and safety activities and processes. Our policies and practices apply to everyone at any MHS site, or place of service delivery, including employees, contractors, volunteers, visitors or members of the public who may be affected by its activities.

MHS does this through its Safe Way of Working system that is committed to the maintenance of health, safety and wellbeing focused on:

- Health and Wellbeing promotion
- Hazard identification and management
- Incident reporting, recording, investigation and management
- Occupational Rehabilitation provision.

RecOGNITION OF OUR EMPLOYEES

5 YEARS +
- Burris, Louise
- Jarrett, Valerie
- Keane, Johanna
- O’Brien, Lorella
- Tanner, Karen
- Thurgood, William
- Walker, Diane
- Coffey, Harry
- Crowe, Carolyn
- Dobson, Marita
- Dix, Graham
- Fawns, Wendy
- Glennen, Oriel
- Hall, Julie
- Henderson, Holly
- Kearyne, Amanda
- Sheehan, Debbie
- Stevens, Carolyn
- Wesley, Annette
- Crothers, Tatiana
- Dyson, Glenda
- Lee, David
- McCarthy, Maureen
- Parker, Leigh
- Plant, Ilona
- Polson, Suzanne
- Watson, Megan
- Dempsey, Mary
- Hull, Vikki
- Leddin, Marie
- Lynch, Glenice
- Parsons, Donna
- Plant, Ilona
- Smith, Marilyn
- Baxter, Trudi
- Keane, Rebecca
- Keegan, Paula
- Leddin, Lyn
- Lee, Robble
- Patterson, Christine
- Pulham, Melinda
- Rees, Rosemary
- Serong, Lillian
- Sproat, Sandra
- Taylor, Lucy

10 YEARS +
- Bankier, Deanna
- Fitgibbon, Tracey
- Funston, Trudy
- Jans, Sandra
- Leske, Tracey
- Ryan, Julie
- Sutcliffe, Jacqui
- Atkinson, Cassie
- Brodie, Kathleen
- Lynch, Helen
- Murray, Glynys
- Dempsey, Louise
- Fitzgerald, Diana
- Gibson, Sonya
- Howard, Julie
- Langdon, Tammy
- Peterson, Virginia
- Westlake, Belinda
- Joosen, Noeline
- Ward, Anita
- Arnold, Michelle
- Drake, Janet
- Fechet, Rachael
- Kelly, Donna
- Neate, Cheryl
- Pevitt, Giro
- Todd, Donna

15 YEARS +
- Coffey, Shelley (Nse)
- Hawke, Kathryn
- Hughes, Lynda
- Jenkins, Heather
- Mason, Lynette
- Quinn, Colleen
- Smith, Donna
- Rees, Rosemary
- Serong, Lillian
- Sproat, Sandra
- Taylor, Lucy
- Bankier, Deanna
- Fitgibbon, Tracey
- Funston, Trudy
- Jans, Sandra
- Leske, Tracey
- Ryan, Julie
- Sutcliffe, Jacqui
- Atkinson, Cassie
- Brodie, Kathleen
- Lynch, Helen
- Murray, Glynys
- Dempsey, Louise
- Fitzgerald, Diana
- Gibson, Sonya
- Howard, Julie
- Langdon, Tammy
- Peterson, Virginia
- Westlake, Belinda
- Joosen, Noeline
- Ward, Anita
- Arnold, Michelle
- Drake, Janet
- Fechet, Rachael
- Kelly, Donna
- Neate, Cheryl
- Pevitt, Giro
- Todd, Donna

We thank all of our staff for their input and contribution in our mission of providing “an excellent, sustainable, holistic health care service”.

Kevan McNamara, Home Care Packages Manager and Dolly Gahlout, Human Resources and OHS Manager demonstrating the Early Warning Inspection System (EWIS) at the Moyne Health Services Fire Indicator Panel.
PRINCIPAL OFFICERS

CHIEF EXECUTIVE OFFICER
David Lee Dip. Law (LPAB) B Nurs (QUT), M Comm (QII), PG Dip ESP, Grad Dip Legal Practice, GAICD.

DIRECTOR OF MEDICAL SERVICES
Dr Bruce Wariton RFD, MB, BS, Hons (Monash), BHA (UNSW), FRCS, FRCOG, FRANZCOG, FRACMA, AFACHSM, CHE, DTM&H (JCU), Grad Dip Health and Medical Law (Melb).

EXECUTIVE DIRECTOR OF CARE SERVICES
Fran Kinnersly RN, MRICNA.

EXECUTIVE DIRECTOR OF CORPORATE SUPPORT SERVICES
Leigh Parker B Business (Accounting), Advanced Diploma of Management, A.F.C.H.S.E.

EXECUTIVE DIRECTOR OF SAFETY, QUALITY AND INFORMATION SERVICES
Belinda Westlake B App.Sc (HIM), Grad Cert SRM, MAE (Melb), F.A.A.Q.H.C.

VISITING MEDICAL STAFF
Dr. A. Gault MBBS, FRACGP, Grad. Dip. Fam. Med
Dr. I. Sutherland MBBS, FRACGP
Dr. C. McPherson, MBBS (Hons), FRACGP, FACRRM, Dip. RANZCOG, FARGP.
Dr. E. Donelan MBBS, FRACGP, BA, Dip Mus Prac
Dr M. Ryan MB, BCh, BAO (Hons)
Dr B. Lee MBBS, Dip. Clin. Derm., MPH
Dr X. Pham MBBS (Hons), B Med Sc

HUMAN RESOURCES & OCCUPATIONAL HEALTH & SAFETY MANAGER
Dolly Gahlout M.Com, MBA.

ADMINISTRATION MANAGER
Jacqui Sutcliffe, Diploma Business, HR & Business Management.

UNIT MANAGER – ACUTE SERVICES
Noelene Joosen, R.N.

UNIT MANAGER – AGED CARE – MOYNEYANA HOUSE
Glynis Dean, R.N., Cert of Perioperative Services.

UNIT MANAGER – AGED CARE – BELFAST HOUSE
Ilona Plant, R.N.

ACFI CO-ORDINATOR
Lucy Finnigan, E.N.

UNIT MANAGER – COMMUNITY CARE
Jane Weir B App Sc (Podiatry), Grad Dip Rehab., M Entrep, Prof Cert HSM

DOMESTIC SERVICES SUPERVISOR
Robyn Harrison

FOOD SERVICES MANAGER
Sandra Winnen

MAINTENANCE SERVICES MANAGER
Stephen Sack

AGED CARE ADMINISTRATION MANAGER
Glenda Chapman

HOME CARE PACKAGES MANAGER
Kevan McNamara, E.N., Cert IV OH & S & Business Management, Diploma of Community Services

ACCOUNTANTS
Accounting and Audit Solutions Bendigo (AASB)

AGENT FOR THE AUDITOR GENERAL
Coffey, Hunt & Co

ARCHITECT
Health Science Planning Consultants

BANKERS
National Australia Bank (NAB)

WOODY’S MURRAY TO MOYNE EVENT ADMINISTRATOR
Maggie Leutton

FRIENDS OF MOYNEYANA PRESIDENT
Margaret Whitehead

YAMBUK AUXILIARY PRESIDENT
Marion Wright

DEPARTMENT OF HEALTH AND HUMAN SERVICES (BARWON-SOUTHWESTERN REGION) REGIONAL DIRECTOR
Maree Roberts, Regional Director

SENIOR PROGRAM & SERVICE ADVISOR
(BARWON-SOUTHWESTERN REGION)
Larry Neeson

OUR DONORS

A Starry Night
Ann & Michael Homewood
B & G Wolf
Barbara Phipps
Bev, Gary & Norma Hood
Carol Kemp
Carolyn Crow
Colin & Jennifer Crow
Colin, Jean & Glenda Paulitted
Jenny Stephens
Joan Beagley
John Clue
Joseph Toal
Joyce Jeans
Julie Holcombe
Danielle Fitzgerald
E & P Roberts

Elanor Donelan
Elizabeth Laidlaw
Faye Lemke’s Craft Stall
Gerard Cashill
Godfrey’s Amusements
Guenter & Jackie Herrmann
Heather Holcombe Trust
Henry & Jeanette Toller-Bond
If The Shoe Fits
Jan & Jurgen Braun
Jeanette Hajncl & Philip Shaw
Kevin Franklin
Lindsay Spencer
Lions Club of Port Fairy
Belfast Inc.
Lorna Junck

Lorna Roberts
Maree Evans
Magg & Franco Cavalieri
Margaret & Chris Beaton
Moyne Shire Council
Paul Armstrong
Pearl Trigger
Port Fairy Bowls Club
Port Fairy Hospital Ladies Auxiliary
Port Fairy Folk Festival
Port Fairy Team 1A (Murray to Moyne)
Ray & Judy Nayler
Roger & Chris Cussen
Rotary Club of Port Fairy
Warrnambool Trinity Women’s Guild
Water Aerobics Girls
OUR LIFE GOVERNORS

MOYNE HEALTH SERVICES
Adamson, Mr N
Allan, Mrs V
Arnold, Mrs L
Arnold, Mrs M
Barnes, Mrs M
Bartlett, Mrs J
Bartlett, Mrs K
Bartlett, Mrs T
Bauich, Mrs R
Bauich, Mrs L
Blackmore, Mrs J
Bourke, Mr E
Bourke, Mr J N
Bourke, Mrs P
Bradley, Mr N
Brophy, Mrs B
Brophy, Mr J S
Byron, Mr F A
Carroll, Mrs M
Carroll, Mr K
Chapman, Mrs M
Clark, Mrs W
Crow, Mr R
Crow, Mr T
Crow, Mrs V
Crowe, Mrs M
Cyrne, Mrs Z
Commber, Mr WS
Dalton, Mrs N
De Vries, Mr G
Dean, Miss L
Dempsey, Mrs J
Dowell, Mrs D
Dwyer, Mr G
Dwyer, Mrs V
Elliott, Mrs C
Feeney, Ms E
Finnigan, Mrs J
Finnigan, Mr T
Fitzwilliam, Mr J
Foster, Mrs M C
Fry, Mrs M
Furmedge, Mrs I
Gault, Dr A
Gavin, Mr G
Glover, Mr P
Goldie, Mrs V
Gorry, Mrs S
Grist, Mr HW
Grace, Mrs J
Gaynor, Mr N
Harry, Mrs J
Harry, Mr R
Heard, Mrs HV
Hearm, Mr M L
Heaney, Mrs A
Hedditich, Mr J
Hocking, Mrs G
Hodgeson, Mrs G
Hohmuth, Mrs D
Hughes, Mrs C
Irvin, Mrs N
Johnson, Mr H
Jones, Mr D
Keates, Mrs B
Keates, Mrs L
Kelly, Mr W
Kent, Mrs B
Kinniry, Rev Fr T
Kool, Mrs J
Lawson, Mrs G
Leedham, Mr J
Leedham, Mrs J
Leishman, Mrs A
Lemke, Mr K
Lewis, Mrs P
Lockett, Mr G
Maloney, Mrs B
Mason, Mr I
Mason, Mrs H
Matthews, Ms J
May, Mr JW
Miller, Mrs K
Moultray, Mrs E
Murdoch, Mr L
McDonald, Mr G
McDonald, Mr R
McLean, Mr J
McLean, Mrs J
McLean, Mrs M
McLean, Mrs N
O’Dwyer, Mrs J
O’Dwyer, Mr P J
O’Keeffe, Mr P
Ploenges, Mr J W
Ransley, Mrs B
Reed, Mrs B
Rendell, Mrs B
Ridout, Mrs S
Roberts, Mrs J
Robertson, Mr L W
Robertson Mr S
Ryan, Mrs C
Ryan, Mrs H
Smith, Mrs C
Smith, Mrs M
Spence, Mrs D
Spraal, Mrs V
Stevens, Mr R
Stevens, Mrs K
Tennant, Mrs V
Terjesen, Mr S
Thomas, Mrs E
Thurbon, Mrs J
Veitch, Mr A
Veitch, Mrs S
Walter, Miss J
Watts, Mr F
Watts, Mrs H
Watts, Mrs J
Watts, Mrs S
Wentworth, Mr M
Whitehead, Mrs J C
Whitehead, Mrs M
Wiggins, Mr T
Woodrup, Mr J
Woodrup, Mrs H
Woodrup, Mrs M
Wright, Mrs A
Wright, Mrs D
Youl, Mrs G

KOROIT HEALTH SERVICES INC.
Anscombe, Mr J
Amarant, Mr W P
Beard, Mr D G
Carter, Mr R J
Dennis, Mr W J
Duncan, Mrs M
Freeman, Mr K
Gaire, Mr H V
Haberfield, Miss M
Jacobs, Mr T C
Kelly, Mrs B
Mackay, Mrs M
Madden, Mr P W
Marney, Mr V D
Morris, Mr G
McCosh, Mrs S
McNally, Mrs E R
Paton, Mrs F
Quinlan, Mr T
Stokes, Mrs D
Warnock, Mrs B
Waterson, Mr A R
Walker, Mr I J
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STATEMENT OF CERTIFICATION

MOYNE HEALTH SERVICES

BOARD MEMBER’S, ACCOUNTABLE OFFICERS AND
CHIEF FINANCE & ACCOUNTING OFFICER’S DECLARATION

The attached financial statements for Moyne Health Services have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2015 and the financial position of Moyne Health Services at 30 June 2015.

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

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

Mr Ralph Leuton
Board Member
Port Fairy

Mr David Le
Accountable Officer
Port Fairy

Mr Leigh Parker
Chief Finance & Accounting
Officer
Port Fairy
INDEPENDENT AUDITOR’S REPORT

To the Board Members, Moyne Health Services

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Moyne Health Services which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Member’s, Accountable Officer’s and Chief Finance & Accounting Officer’s declaration has been audited.

The Board Members’ Responsibility for the Financial Report

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

Auditor’s Responsibility

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

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

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

Independent Auditor’s Report (continued)

Independence

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

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Moyne Health Services as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the Financial Management Act 1994.

MELBOURNE
18 August 2015

John Doyle
Auditor-General
**COMPREHENSIVE OPERATING STATEMENT**
FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue from Operating Activities</td>
<td>2 14,015,501</td>
<td>13,813,579</td>
</tr>
<tr>
<td>Revenue from Non-Operating Activities</td>
<td>2 383,969</td>
<td>348,993</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>3 (9,807,792)</td>
<td>(9,414,036)</td>
</tr>
<tr>
<td>Non Salary Labour Costs</td>
<td>3 (702,096)</td>
<td>(638,365)</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>3 (926,549)</td>
<td>(622,533)</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>3 (2,583,222)</td>
<td>(3,449,986)</td>
</tr>
</tbody>
</table>

**Net Result Before Capital and Specific Items**
379,872

**Capital Purpose Income**
2 458,897

**Depreciation**
4a (1,685,905) (1,147,809)

**Finance Costs**
4b (16,082) 0

**Expenditure Using Capital Purpose Income**
3 (88,281) (243,099)

**NET RESULT FOR THE YEAR**
(951,500) (978,446)

**Other Comprehensive Income**

<table>
<thead>
<tr>
<th>Items that will not be classified to net result</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in physical asset revaluation surplus</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>2,031,131</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**COMPREHENSIVE RESULT**
(951,500) 1,052,685

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

---

**BALANCE SHEET**
AS AT 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current Assets</td>
<td>Cash and Cash Equivalents</td>
<td>5 611,617</td>
</tr>
<tr>
<td></td>
<td>Receivables</td>
<td>6 1,706,573</td>
</tr>
<tr>
<td></td>
<td>Investments and other Financial Assets</td>
<td>7 10,165,888</td>
</tr>
<tr>
<td></td>
<td>Inventory</td>
<td>8 1,947</td>
</tr>
<tr>
<td></td>
<td>Other Current Assets</td>
<td>9 75,501</td>
</tr>
</tbody>
</table>

**Net Current Assets**
12,561,526

**Non-Current Assets**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>6 565,755</td>
<td>419,164</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>10 22,458,758</td>
<td>22,689,898</td>
</tr>
<tr>
<td>Investment Properties</td>
<td>11 400,000</td>
<td>400,000</td>
</tr>
</tbody>
</table>

**Net Non-Current Assets**
23,424,513

**Total Assets**
35,986,039

**Current Liabilities**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>12 524,737</td>
<td>485,064</td>
</tr>
<tr>
<td>Borrowings</td>
<td>13 113,054</td>
<td>0</td>
</tr>
<tr>
<td>Provisions</td>
<td>14 2,512,403</td>
<td>2,200,402</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>16 11,967,018</td>
<td>11,081,067</td>
</tr>
</tbody>
</table>

**Total Current Liabilities**
15,117,219

**Non-Current Liabilities**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings</td>
<td>13 265,465</td>
<td>0</td>
</tr>
<tr>
<td>Provisions</td>
<td>14 302,928</td>
<td>306,238</td>
</tr>
</tbody>
</table>

**Total Non-Current Liabilities**
568,393

**Total Liabilities**
15,685,605

**Net Assets**
20,300,434

**Equity**

| Property, Plant and Equipment Revaluation Surplus | 17(a) | 14,271,521 | 14,271,521 |
| Restricted Specific Purpose Surplus | 17(a) | 276,503 | 102,435 |
| Contributed Capital | 17(b) | 4,386,517 | 4,386,517 |
| Accumulated Surplus | 17(c) | 1,365,859 | 2,491,461 |

**Total Equity**
20,300,434

This Statement should be read in conjunction with the accompanying notes.
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2015**

<table>
<thead>
<tr>
<th>Property, Plant and Equipment Revitalisation Surplus</th>
<th>Property, Plant and Equipment Specific Purpose Surplus</th>
<th>Contributions by Owners</th>
<th>Accumulated Surplus/ (Deficits)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note $ $ $ $ $ $</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance at 1 July 2013  
12,040,390  0  4,386,517  3,572,342  20,199,249

Net result for the year  
0  0  0  (978,446)  (978,446)

Transfer to/from Accumulated Surplus  
0  102,435  0  (102,435)  0

Other Comprehensive Income for the Year  
17a  2,031,131  0  0  2,031,131

Balance at 30 June 2014  
14,271,521  102,435  4,386,517  2,491,661  21,251,934

Balance at 30 June 2015  
14,271,521  276,563  4,386,517  1,365,893  20,606,454

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

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**Note**  
2015 $  2014 $

<table>
<thead>
<tr>
<th><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Grants from Government</td>
</tr>
<tr>
<td>Patient and Resident Fees Received</td>
</tr>
<tr>
<td>Donations and Requests Received</td>
</tr>
<tr>
<td>GST (Paid to)/received from ATO</td>
</tr>
<tr>
<td>Interest Received</td>
</tr>
<tr>
<td>Other Receipts</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of Investments</td>
</tr>
<tr>
<td>Proceeds from Accommodation Bonds</td>
</tr>
<tr>
<td>Purchase of Non-Financial Assets</td>
</tr>
<tr>
<td>Purchase of Investment Properties</td>
</tr>
<tr>
<td>Proceeds from sale of Non-Financial Assets</td>
</tr>
<tr>
<td><strong>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</strong></td>
</tr>
</tbody>
</table>

| **NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS HELD** | 178,778  | (454,005)  |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR** | 308,768  | 763,373  |

| **CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR** | 487,546  | 308,768  |
| Non-cash financing and investing activities | 19  |  |
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These annual financial statements represent the audited general purpose financial statements for Moyne Health Services (ASIN 30 586 278 891) for the period ended 30 June 2015. The purpose of the report is to provide users with information about the Health Services’ stewardship of resources entrusted to it.

(a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Financial Management Act 1994, and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB101 Presentation of Financial Statements.

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

(b) Basis of accounting preparation and measurement

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015, and the comparative information presented in these financial statements for the year ended 30 June 2014.

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

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

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

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

• Non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of acquisition less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made and are reassessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;

• Derivative financial instruments, managed investment schemes, certain debt securities, and investment properties after initial recognition, which are measured at fair value with changes reflected in the comprehensive operating statement (fair value through profit and loss); and

• Available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised (i.e. other comprehensive income - items that may be reclassified subsequently to net result);

• The fair value of assets other than land is generally based on their depreciated replacement value.
(d) Principles of Consolidation

Intersegment Transactions
Transactions between segments within Moyne Health Services have been eliminated to reflect the extent of Moyne Health Services’ operations as a group.

Associates and joint ventures
Associates and joint ventures are accounted for in accordance with the policy outlined in Note 1(k) Financial Assets.

Jointly controlled assets or operations
Interest in jointly controlled assets or operations are not consolidated by Moyne Health Services, but are accounted for in accordance with the policy outlined in Note 1(k) Financial Assets.

(e) Scope and presentation of financial statements

Fund Accounting
Moyne Health Services operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Moyne Health Service’s Capital and Specific Purpose Funds include unspent capital donations and receipts from fundraising activities conducted solely in respect of these funds.

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

Residential Aged Care Service
The Residential Aged Care Service operations are an integral part of Moyne Health Services and share its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2 & 3 to the financial statements.

Comprehensive operating statement
The comprehensive operating statement includes the subtotal entitled ‘Net result Before Capital and Specific Items’ to enhance the understanding of the financial performance of Moyne Health Services. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, expenditure using capital purpose income and items of an unusual nature and amount such as specific income and expenses. The exclusion of these items is made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The ‘Net Result Before Capital and Specific Items’ is used by the management of Moyne Health Services, the Department of Health and Human Services and the Victorian Government to measure the ongoing operating performance of Health Services.

Statement of cash flows
The cash flow statement presents reconciliations of cash flows from operating activities, investing activities, and financing activities. The classification is consistent with requirements under AASB 107 Statement of Cash Flows.

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

Minor discrepancies in tables between totals and sum of components are due to rounding.
(f) Change in Accounting Policies

AASB 10 Consolidated financial statements

AASB 10 provides a new approach to determine whether an entity has control over another entity, and therefore must present consolidated financial statements. The new approach requires the satisfaction of all three criteria for control to exist over an entity for financial reporting purposes:

(a) The investor has power over the investee;

(b) The investor has exposure, or rights to variable returns from its involvement with the investee; and

(c) The investor has the ability to affect the amount of investor’s returns.

Based on the new criteria prescribed in AASB 10, Moyne Health has reviewed the existing arrangements to determine if there are any additional entities that need to be consolidated into the group. Based on this review, Moyne Health Service has determined there are no entities required to be consolidated in accordance with AASB 10.

AASB 11 Joint Arrangements

In accordance with AASB 11, there are two types of joint arrangements, i.e. joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportionate consolidation of joint ventures is no longer permitted.

Moyne Health has reviewed its existing contractual arrangements with other entities to ensure they are aligned with the new classifications under AASB 11.

Moyne Health Services has accounted for the following interests in associates and joint ventures using the joint operation method:

- Southwest Alliance of Rural Health

AASB 12 Disclosure of Interests in Other Entities

AASB 12 Disclosure of Interests in Other Entities prescribes the disclosure requirements for an entity’s interests in subsidiaries, associates and joint arrangements; and extends to the entity’s association with unconsolidated structured entities.

Moyne Health has disclosed information about its interests in associates and joint ventures, including any significant judgement or assumptions used in determining the type of joint arrangement in which it has an interest.

Early adoption of new Standards

Activity Standard AASB 2015-7 Fair Value disclosures of Not-for-Profit Public Sector Entities was issued on 13th July 2015 for application from 1 July 2016. Moyne Health Services have elected to adopt this standard early and apply the changes to the 2014-15 financial statements.

The amended standard provides relief to not-for-profit public sector entities from making certain specified disclosures about the fair value measurement of assets within the scope of AASB 116 Property, Plant and Equipment which are held for their current service potential rather than to generate future cash inflows.

This is a disclosure impact only, with no current or future financial impact expected.

(g) Income from transactions (Continued)

Indirect Contributions from the Department of Health and Human Services

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

Patient and Resident Fees

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

Private Practice Fees

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

Revenue from commercial activities

Revenue from commercial activities such as provision of meals to external users is recognised at the time the invoices are raised.

Donations and Other Bequests

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

Interest revenue

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

Sale of investments

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

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

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

(h) Expense recognition

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

Employee expenses

Employee expenses include:

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

Defined contribution superannuation plans

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

Defined benefit superannuation plans

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

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

The name and details of the major employee superannuation funds and contributions made by Moynie Health Services are disclosed in Note 15: Superannuation.

Depreciation

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

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset's useful life. Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually and adjustments made as appropriate. This depreciation charge is not funded by the Department of Health and Human Services.

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

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

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>2015 Useful Life</th>
<th>2014 Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Structure Shell Building Fabric</td>
<td>19 to 41 years</td>
<td>19 to 41 years</td>
</tr>
<tr>
<td>- Site Engineering Services and Central Plant</td>
<td>17 to 23 years</td>
<td>17 to 23 years</td>
</tr>
<tr>
<td>Central Plant:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Fit Out</td>
<td>6 to 7 years</td>
<td>6 to 7 years</td>
</tr>
<tr>
<td>- Trunk Reticulated Building Systems</td>
<td>3 to 7 years</td>
<td>3 to 7 years</td>
</tr>
<tr>
<td>Plant and Equipment:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Plant and Equipment</td>
<td>3 to 7 years</td>
<td>3 to 7 years</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>7 to 10 years</td>
<td>7 to 10 years</td>
</tr>
<tr>
<td>Computers and Communication</td>
<td>3 years</td>
<td>3 years</td>
</tr>
<tr>
<td>Furniture and Fixtures</td>
<td>13 years</td>
<td>13 years</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>3.5 years</td>
<td>3.5 years</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>3 years</td>
<td>3 years</td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>6 to 7 years</td>
<td>6 to 7 years</td>
</tr>
</tbody>
</table>

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

Intangible produced assets with finite lives are depreciated as an expense on a systematic basis over the asset's useful life.

Finance costs

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

Finance costs include interest on bank overdrafts (interest expense is recognised in the period in which it is incurred).
Financial instruments

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

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

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Reclassification of financial instruments at fair value through profit or loss

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category, where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category, if there is the intention and ability to hold them for the foreseeable future or until maturity.

Loans and receivables

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

Loans and receivables category includes cash and deposits (refer to Note 1(k)), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statistical receivables.

Held-to-maturity investments

If the Health Service has the positive intent and ability to hold nominated investments to maturity, such financial assets may be classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest rate method, less any impairment losses.

The Health Service makes limited use of this classification because any sale or reclassification of more than an insignificant amount of held-to-maturity investments not close to their maturity, would result in the whole category being classified as available-for-sale. The Health Service would also be prevented from classifying investment securities as held-to-maturity for the current and the following financial years.

The held-to-maturity category includes certain term deposits and debt securities for which the Health Service concerned intends to hold to maturity.

Reclassification of available-for-sale financial assets

Available-for-sale financial instrument assets that meet the definition of loans and receivables may be classified into the loans and receivables category if there is the intention and ability to hold them for the foreseeable future or until maturity.
Asset (Continued)

Moyne Health Services classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition. Moyne Health Services assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

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

Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at cost or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

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

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

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

Cost is assigned to land for sale (undeveloped, under development and developed) and to other high value, low volume inventory items on a specific identification of cost basis.

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

Property, plant and equipment

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

More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 10 Property, plant and equipment.

Crown Land is measured at fair value with regard to the property’s Highest and Best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restriction will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

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

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

(k) Assets (Continued)

Revaluations of non-current physical assets

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

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

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

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

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

In accordance with FRD 103F Moyne Health Services non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Investment Properties

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the health service.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Health Service.

Subsequent to initial recognition at cost, investments properties are revalued to fair value, determined annually by independent valuers. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. Investment properties are neither depreciated nor tested for impairment.

Rental revenue from leasing of investment properties is recognised in the comprehensive operating statement in the periods in which it is receivable on a straight line basis over the lease term.

Prepayments

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

Disposal of Non-Financial Assets

Any gain or loss on the sale of non-financial assets is recognised in the comprehensive operating statement. Refer to note 1(i) ‘other comprehensive income’.
(k) Assets (Continued)

Impairment of Non-Financial Assets

Goodwill and intangible assets with indefinite lives (and intangible assets not yet available for use) are tested annually for impairment (as described below) and whenever there is an indication that the asset may be impaired.

All other non-financial assets are assessed annually for indications of impairment, except for:
- inventories;
- investment properties that are measured at fair value;
- non-current physical assets held for sale; and
- assets arising from construction contracts.

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

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

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

Investments in jointly controlled assets and operations

In respect of any interest in jointly controlled assets, Moyne Health Services recognises in the financial statements:
- its share of jointly controlled assets;
- any liabilities that it has incurred;
- its share of liabilities incurred jointly by the joint venture;
- any income earned from the selling or using of its share of the output from the joint venture; and
- any expenses incurred in relation to being an investor in the joint venture.

For jointly controlled operations Moyne Health Services recognises:
- the assets that it controls;
- the liabilities that it incurs;
- the share of income that it earns from selling outputs of the joint venture.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:
- the rights to receive cash flows from the asset have expired; or
- the Health Service retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a ‘pass through’ arrangement; or
- the Health Service has transferred its rights to receive cash flows from the asset and either:
  (a) has transferred substantially all the risks and rewards of the asset; or
  (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Health Service’s continuing involvement in the asset.

(k) Assets (Continued)

Impairment of Financial Assets

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

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

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

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

In order to determine an appropriate fair value at 30 June 2015 for its portfolio of financial assets, Moyne Health Services obtained a valuation based on the best available advice using an estimated market value through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2015. These methodologies were critical and considered to be consistent with standard market valuation techniques.

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

Net Gain/(Loss) on Financial Instruments

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

(l) Liabilities

Payables

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

- statutory payables, such as goods and services tax and fringe benefits tax payables.

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

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

Employee Benefits

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

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

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulating sick leave are all recognised in the provision for employee benefits as ‘current liabilities’, because the health service does not have an unconditional right to defer settlements of these liabilities.

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

• Undiscounted value – if the health service expects to wholly settle within 12 months;
• Present value – if the health service does not expect to wholly settle within 12 months.

Long Service Leave (LSL)

Liability for LSL is recognised in the provision for employee benefits.

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

The components of this current LSL liability are measured at:

• Undiscounted value – if the health service expects to wholly settle within 12 months; and
• Present value – if the health service does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as a transaction in the operating statement.

Termination Benefits

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

The health service recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.
(o) Commitments
Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to note 20) at their nominal value and are inclusive of the goods and services tax ("GST") payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

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

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

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

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

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

(r) AAIs issued that are not yet effective
Certain new Australian accounting standards have been published that are not mandatory for 30 June 2015 reporting period. DFT assesses the impact of all these new standards and advises Moyné Health Services of their applicability and early adoption where applicable.

As at 30 June 2015, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Moyné Health Services has not and does not intend to adopt these standards early:

<table>
<thead>
<tr>
<th>Standard / Interpretation</th>
<th>Summary</th>
<th>Applicable for reporting periods beginning on</th>
<th>Impact on Health Service’s Annual Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9 Financial Instruments</td>
<td>The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.</td>
<td>1 January 2018</td>
<td>The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS
FORTHE YEAR ENDED 30 JUNE 2015

(r) AASs issued that are not yet effective (Continued)

<table>
<thead>
<tr>
<th>Standard / Interpretation</th>
<th>Summary</th>
<th>Applicable for reporting periods beginning on</th>
<th>Impact on Health Service's Annual Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements (AASB 1, 127 &amp; 128)</td>
<td>Amends AASB 127 Separate Financial Statements to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.</td>
<td>1 January 2016</td>
<td>The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRS 113A.</td>
</tr>
<tr>
<td>AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (AASB 10 &amp; AASB 128)</td>
<td>AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that: - a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and - a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if those assets are housed in a subsidiary.</td>
<td>1 January 2016</td>
<td>The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.</td>
</tr>
<tr>
<td>AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities (AASB 10, AASB 124 &amp; AASB 1048)</td>
<td>The Amendments extend the scope of AASB 134 Related Party Disclosures to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.</td>
<td>1 Jan 2016</td>
<td>The amendments will result in extended disclosures on the entity’s key management personnel (KMP), and the related party transactions.</td>
</tr>
</tbody>
</table>

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2014–15 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)
- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations (AASB 1 & AASB 11)
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15
- AASB 2014-6 Amendments to Australian Accounting Standards – Agriculture: Bearer Plants (AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141)
- AASB 2015-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)
- AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 (AASB 7, AASB 101, AASB 134 & AASB 1048)
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

NOTES TO THE FINANCIAL STATEMENTS
FORTHE YEAR ENDED 30 JUNE 2015

(s) Category Groups
Moyne Health Services has used the following category groups for reporting purposes for the current and previous financial years.

Admitted Patient Services (Admitted Patients) comprises all acute and subacute admitted patients services, where services are delivered in public hospitals.

Aged Care comprises a range of in home, specialist geriatric, residential care and community based programs and support services, such as Home and Community Care (HACO) that are targeted to older people, people with a disability, and their carers.

Primary, Community and Dental Health comprises a range of home based, community based, community, primary health and dental services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy and a range of dental health services.

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

Other Services not reported elsewhere - (Other) comprises services not separately classified above, including: Public Health Services including laboratory testing, blood borne viruses / sexually transmitted infections clinical services, Koori liaison officers, immunisation and screening services, drugs services including drug withdrawal, counselling and the needle and syringe program, Disability services including aids and equipment and flexible support packages to people with a disability, Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also falls in this category group.
Note 2: ANALYSIS OF REVENUE BY SOURCE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Admitted Patients</td>
<td>3,582,076</td>
<td>3,395,413</td>
<td>3,134,472</td>
<td>2,892,172</td>
<td>2,654,604</td>
<td>2,423,336</td>
</tr>
<tr>
<td>Residential Aged Care</td>
<td>4,288,771</td>
<td>4,126,882</td>
<td>3,968,156</td>
<td>3,726,811</td>
<td>3,490,484</td>
<td>3,258,697</td>
</tr>
<tr>
<td>Aged Care</td>
<td>1,738,129</td>
<td>1,623,640</td>
<td>1,508,386</td>
<td>1,382,283</td>
<td>1,263,601</td>
<td>1,153,121</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8,509,076</td>
<td>7,754,577</td>
<td>7,028,295</td>
<td>6,206,578</td>
<td>5,883,209</td>
<td>5,684,154</td>
</tr>
</tbody>
</table>

Note: The amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.
### Note 2a: Net Gain/(Loss) on Disposal of Non-Financial Assets

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from Disposal of Non-Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Motor Vehicles</td>
<td>64,673</td>
<td>39,995</td>
</tr>
<tr>
<td>Total Proceeds from Disposal of Non-Current Assets</td>
<td>64,673</td>
<td>39,995</td>
</tr>
<tr>
<td>Less: Written Down Value of Non-Current Assets Sold</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Buildings</td>
<td>(401,500)</td>
<td>0</td>
</tr>
<tr>
<td>- Motor Vehicles</td>
<td>(35,250)</td>
<td>(47,803)</td>
</tr>
<tr>
<td>Total Written Down Value of Non-Current Assets Sold</td>
<td>(436,750)</td>
<td>(47,803)</td>
</tr>
<tr>
<td>Net GAIN/(LOSS) ON Disposal of Non-Financial Assets</td>
<td>(372,077)</td>
<td>(7,844)</td>
</tr>
</tbody>
</table>

### Note 3: Analysis of Expense by Source

#### 2015

<table>
<thead>
<tr>
<th></th>
<th>Admitted Patients</th>
<th>Residential Aged Care</th>
<th>Aged Care</th>
<th>Other</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>2,049,120</td>
<td>5,831,763</td>
<td>1,474,387</td>
<td>452,462</td>
<td>9,807,732</td>
</tr>
<tr>
<td>Non-Salary Labour Costs</td>
<td>175,335</td>
<td>125,482</td>
<td>401,279</td>
<td>0</td>
<td>702,095</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>271,974</td>
<td>551,312</td>
<td>60,479</td>
<td>42,784</td>
<td>926,049</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>588,993</td>
<td>900,044</td>
<td>349,351</td>
<td>735,234</td>
<td>2,583,222</td>
</tr>
<tr>
<td>Total Expenditure from Operating Activities</td>
<td>3,095,022</td>
<td>7,408,601</td>
<td>2,285,495</td>
<td>1,230,480</td>
<td>14,919,596</td>
</tr>
<tr>
<td>Depreciation (refer note 4)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,685,906</td>
<td>1,685,906</td>
</tr>
<tr>
<td>Expenditure Using Capital Purpose Income</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>88,281</td>
<td>88,281</td>
</tr>
<tr>
<td>Total Other Expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,790,269</td>
<td>1,790,269</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>3,095,022</td>
<td>7,408,601</td>
<td>2,285,495</td>
<td>3,020,749</td>
<td>15,809,867</td>
</tr>
</tbody>
</table>

#### 2014

<table>
<thead>
<tr>
<th></th>
<th>Admitted Patients</th>
<th>Residential Aged Care</th>
<th>Aged Care</th>
<th>Other</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>1,954,030</td>
<td>5,641,649</td>
<td>1,404,702</td>
<td>419,665</td>
<td>9,414,056</td>
</tr>
<tr>
<td>Non-Salary Labour Costs</td>
<td>180,141</td>
<td>114,487</td>
<td>343,737</td>
<td>0</td>
<td>638,365</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>184,272</td>
<td>356,887</td>
<td>45,933</td>
<td>35,421</td>
<td>622,533</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>609,318</td>
<td>1,019,555</td>
<td>338,612</td>
<td>1,482,501</td>
<td>3,449,886</td>
</tr>
<tr>
<td>Total Expenditure from Operating Activities</td>
<td>2,827,761</td>
<td>7,132,578</td>
<td>2,133,004</td>
<td>1,931,577</td>
<td>14,124,920</td>
</tr>
<tr>
<td>Depreciation (refer note 4)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,147,809</td>
<td>1,147,809</td>
</tr>
<tr>
<td>Expenditure Using Capital Purpose Income</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>243,099</td>
<td>243,099</td>
</tr>
<tr>
<td>Total Other Expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,390,908</td>
<td>1,390,908</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>2,827,761</td>
<td>7,132,578</td>
<td>2,133,004</td>
<td>3,322,485</td>
<td>15,515,828</td>
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</tbody>
</table>
NOTE 6: RECEIPTES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gross</td>
<td>Net</td>
<td>Gross</td>
<td>Net</td>
</tr>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Debtors</td>
<td>43,694</td>
<td>50,671</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patient Fees</td>
<td>242,907</td>
<td>286,065</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued Investment Income</td>
<td>91,924</td>
<td>93,391</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables - South West Alliance of Rural Health</td>
<td>104,603</td>
<td>55,933</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation Bond Debts</td>
<td>1,957,000</td>
<td>1,044,988</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,506,128</td>
<td>1,305,826</td>
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<tr>
<td>Statutory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST Receivable - Health Service</td>
<td>69,772</td>
<td>65,217</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued Grants - Department of Health / Department of Health and Human Services</td>
<td>95,000</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Health / Department of Health and Human Services &amp; Ageing</td>
<td>1,673</td>
<td>939</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>149,446</td>
<td>164,306</td>
</tr>
<tr>
<td>TOTAL CURRENT RECEIPTES</td>
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<td>1,795,573</td>
<td>1,894,114</td>
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<tr>
<td>NON CURRENT</td>
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<td></td>
</tr>
<tr>
<td>Statutory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave - Department of Health / Department of Health and Human Services</td>
<td>565,755</td>
<td>419,164</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL NON-CURRENT RECEIPTES</td>
<td></td>
<td></td>
<td>565,755</td>
<td>419,164</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2,272,328</td>
<td>2,113,278</td>
</tr>
<tr>
<td>TOTAL RECEIPTES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Ageing analysis of receivables
Please refer to note 18(b) for the ageing analysis of receivables.

(b) Nature and extent of risk arising from receivables
Please refer to note 18(b) for the nature and extent of credit risk arising from receivables.

NOTE 7: INVESTMENT OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Capital Fund</th>
<th>2015</th>
<th>2014</th>
<th>Total</th>
<th>2015</th>
<th>2014</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Gross</td>
<td>Net</td>
<td>Gross</td>
<td>Net</td>
<td>Gross</td>
<td>Net</td>
</tr>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and Receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term Deposit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aust Dollar Term Deposits &gt; 3 Months</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Current Financial Assets</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL OTHER FINANCIAL ASSETS</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Represented by:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Service Investments</td>
<td>220,961</td>
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<td>220,961</td>
<td>0</td>
<td>220,961</td>
<td>0</td>
<td>220,961</td>
</tr>
<tr>
<td>Accommodation Bonds (Refundable Entrance Fees)</td>
<td>9,903,927</td>
<td>7,648,784</td>
<td>9,903,927</td>
<td>7,648,784</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td>10,165,888</td>
<td>7,648,784</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| (a) Ageing analysis of other financial assets
Please refer to note 18(b) for the ageing analysis of other financial assets.

(b) Nature and extent of risk arising from other financial assets
Please refer to note 18(b) for the nature and extent of credit risk arising from other financial assets.

NOTE 8: INVENTORIES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South West Alliance of Rural Health - at Cost</td>
<td>1,947</td>
<td>1,770</td>
</tr>
<tr>
<td>TOTAL INVENTORIES</td>
<td>1,947</td>
<td>1,770</td>
</tr>
</tbody>
</table>

Inventories held by the Health Service are held for short periods of time with regular turnover. There is no material loss of service potential in inventories held at the end of the year.
MOYNE HEALTH SERVICES  
FORTH YEAR ENDED 30 JUNE 2015

NOTE 9: PREPAYMENT AND OTHER ASSETS

Prepaid Expenses
Prepayments - South West Alliance of Rural Health

TOTAL OTHER ASSETS

NOTES TO THE FINANCIAL STATEMENTS

FORTH YEAR ENDED 30 JUNE 2015

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Reconciliations of the carrying amounts of each class of asset

<table>
<thead>
<tr>
<th>Land</th>
<th>Buildings &amp; Improvements</th>
<th>Plant &amp; Equipment</th>
<th>Furniture &amp; Fittings</th>
<th>Motor Vehicles</th>
<th>Leased Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2013</td>
<td>2,582,271</td>
<td>16,176,621</td>
<td>557,803</td>
<td>179,205</td>
<td>374,540</td>
<td>374,540</td>
</tr>
<tr>
<td>Additions</td>
<td>0</td>
<td>21,199</td>
<td>515,523</td>
<td>16,120</td>
<td>83,386</td>
<td>83,386</td>
</tr>
<tr>
<td>Revaluation Increments/Decrements</td>
<td>20,000</td>
<td>2,011,131</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,013,131</td>
</tr>
<tr>
<td>Buildings Transferred from Investment Properties</td>
<td>0</td>
<td>1,345,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,345,000</td>
</tr>
<tr>
<td>South West Alliance of Rural Health Disposals</td>
<td>0</td>
<td>0</td>
<td>711</td>
<td>0</td>
<td>0</td>
<td>711</td>
</tr>
<tr>
<td>Transfers Between Classes</td>
<td>(277,271)</td>
<td>247,001</td>
<td>30,240</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Depreciation</td>
<td>0</td>
<td>(664,944)</td>
<td>(146,739)</td>
<td>(42,530)</td>
<td>(95,730)</td>
<td>(1,147,909)</td>
</tr>
<tr>
<td>Balance at 30 June 2014</td>
<td>2,325,000</td>
<td>18,938,008</td>
<td>957,538</td>
<td>152,992</td>
<td>316,330</td>
<td>316,330</td>
</tr>
<tr>
<td>Additions</td>
<td>230,000</td>
<td>977,794</td>
<td>57,805</td>
<td>29,130</td>
<td>110,477</td>
<td>1,406,176</td>
</tr>
<tr>
<td>South West Alliance of Rural Health Disposals</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers Between Classes</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Depreciation</td>
<td>0</td>
<td>(1,276,218)</td>
<td>(177,955)</td>
<td>(41,286)</td>
<td>(83,525)</td>
<td>(107,827)</td>
</tr>
<tr>
<td>Balance at 30 June 2015</td>
<td>2,555,000</td>
<td>18,238,054</td>
<td>838,317</td>
<td>140,436</td>
<td>306,052</td>
<td>694,849</td>
</tr>
</tbody>
</table>

Land and buildings carried at valuation

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

The effective date of the independent valuation was 30 June 2014.

(c) Fair value measurement hierarchy for assets as at 30 June 2015

<table>
<thead>
<tr>
<th>Carrying amount as at 30 June 2015</th>
<th>Fair value measurement at end of reporting period using:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land at fair value</td>
<td>Level 1 (i)</td>
</tr>
<tr>
<td>Specialised land</td>
<td>2,055,000</td>
</tr>
<tr>
<td>Total of land at fair value</td>
<td>2,055,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Buildings at fair value</th>
<th>Specialised buildings</th>
<th>Total of building at fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>17,309,282</td>
<td>0</td>
<td>17,309,282</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plant and equipment at fair value</th>
<th>Plant equipment and vehicles at fair value</th>
<th>Total of plant, equipment and vehicles at fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>306,052</td>
<td>0</td>
<td>306,052</td>
</tr>
<tr>
<td>- Plant and equipment</td>
<td>979,153</td>
<td>0</td>
</tr>
<tr>
<td>Total of plant, equipment and vehicles at fair value</td>
<td>1,285,185</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets under construction at fair value</th>
<th>Total assets under construction at fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>928,772</td>
<td>0</td>
</tr>
<tr>
<td>928,772</td>
<td>0</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS
FORTHE YEAR ENDED 30 JUNE 2015

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Continued)

Fair value measurement hierarchy for assets as at 30 June 2014

<table>
<thead>
<tr>
<th></th>
<th>Carrying amount as at 30 June 2014</th>
<th>Fair value measurement at end of reporting period using:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level 1 (i)</td>
<td>Level 2 (ii)</td>
</tr>
<tr>
<td>Land at fair value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialised land</td>
<td>2,325,000</td>
<td>0</td>
</tr>
<tr>
<td>Total of land at fair value</td>
<td>2,325,000</td>
<td>0</td>
</tr>
<tr>
<td>Buildings at fair value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialised buildings</td>
<td>18,617,000</td>
<td>0</td>
</tr>
<tr>
<td>Total of buildings at fair value</td>
<td>18,617,000</td>
<td>0</td>
</tr>
<tr>
<td>Plant and equipment at fair value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant equipment and vehicles at fair value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Vehicles (i)</td>
<td>316,330</td>
<td>0</td>
</tr>
<tr>
<td>- Plant and equipment</td>
<td>1,110,530</td>
<td>0</td>
</tr>
<tr>
<td>Total of plant, equipment and vehicles at fair value</td>
<td>1,426,860</td>
<td>0</td>
</tr>
<tr>
<td>Assets under construction at fair value</td>
<td>321,038</td>
<td>0</td>
</tr>
<tr>
<td>Total assets under construction at fair value</td>
<td>321,038</td>
<td>0</td>
</tr>
</tbody>
</table>

(i) Classified in accordance with the fair value hierarchy, see Note 1
(ii) Vehicles are categorised to Level 3 assets if the depreciated replacement cost is used in estimating the fair value. Where a market approach is considered appropriate due to an active resale market, a Level 2 categorisation for such vehicles is applied.

There have been no transfers between levels during the period.

(c) Fair value measurement hierarchy for assets as at 30 June 2015 (Continued)

Specialised land and specialised buildings

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

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

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

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

Vehicles

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

Plant and equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2015.

For all assets measured at fair value, the current use is considered the highest and best use.
### NOTE 10: PROPERTY, PLANT AND EQUIPMENT (Continued)

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

<table>
<thead>
<tr>
<th>Description of Significant Unobservable Inputs</th>
<th>Valuation Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialised land</td>
<td>Market Approach</td>
</tr>
<tr>
<td>Specialised Buildings</td>
<td>Depreciated Replacement Cost</td>
</tr>
<tr>
<td>Plant and equipment at fair value</td>
<td>Depreciated Replacement Cost</td>
</tr>
<tr>
<td>Assets Under Construction</td>
<td>Depreciated Replacement Cost</td>
</tr>
</tbody>
</table>

#### Balance at Beginning of Period

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net Gain from Fair Value Adjustments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers (b) from Property Plant and Equipment</td>
<td>0</td>
<td>(1,345,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at End of Period</td>
<td>400,000</td>
<td>400,000</td>
</tr>
</tbody>
</table>

(b) Fair value measurement hierarchy for investment properties as at 30 June 2015

<table>
<thead>
<tr>
<th></th>
<th>Level 1 (i)</th>
<th>Level 2 (ii)</th>
<th>Level 3 (iii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Properties</td>
<td>400,000</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

There have been no transfers between levels during the period. There were no changes in valuation techniques throughout the period to 30 June 2015.

For investment properties measured at fair value, the current use of the asset is considered the highest and best use.

The fair value of the Health Service's investment properties at 30 June 2015 have been arrived on the basis of an independent valuation carried out by the Valuer General Victoria. The valuation was determined by reference to market evidence of transaction process for similar properties with no significant unobservable adjustments, in the same location and condition and subject to similar lease and other contracts.

### NOTE 11: INVESTMENT PROPERTIES

(a) Movements in carrying value for investment properties as at 30 June 2015

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at Beginning of Period</td>
<td>400,000</td>
<td>1,740,000</td>
</tr>
<tr>
<td>Additions</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net Gain from Fair Value Adjustments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers (b) from Property Plant and Equipment</td>
<td>0</td>
<td>(1,345,000)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at End of Period</td>
<td>400,000</td>
<td>400,000</td>
</tr>
</tbody>
</table>

(b) Fair value measurement hierarchy for investment properties as at 30 June 2014

<table>
<thead>
<tr>
<th></th>
<th>Level 1 (i)</th>
<th>Level 2 (ii)</th>
<th>Level 3 (iii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Properties</td>
<td>400,000</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### NOTE 12: PAYABLES

(a) Maturity analysis of payables

Please refer to note 18(c) for the ageing analysis of payables.

(b) Nature and extent of risk arising from payables

Please refer to note 18(c) for the nature and extent of risks arising payables.
### NOTE 13: BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT</td>
<td>$113,054</td>
<td>$0</td>
</tr>
<tr>
<td>Australian Dollar Borrowings - Finance Lease Liability (South West Alliance of Rural Health)</td>
<td>$113,054</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL CURRENT</td>
<td>$113,054</td>
<td>$0</td>
</tr>
<tr>
<td>NON CURRENT</td>
<td>$265,465</td>
<td>$0</td>
</tr>
<tr>
<td>Australian Dollar Borrowings - Finance Lease Liability (South West Alliance of Rural Health)</td>
<td>$265,465</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL NON CURRENT</td>
<td>$265,465</td>
<td>$0</td>
</tr>
</tbody>
</table>

**TOTAL BORROWINGS**

- Finance leases are held by the South West Alliance of Rural Health and are secured by the rights to the leased assets being held by the lessor.

**[a) Maturity analysis or borrowings]**

- Please refer to note 18(c) for the ageing analysis of borrowings.

**[b) Nature and extent of risk arising from borrowings]**

- Please refer to note 18(c) for the nature and extent of risks arising from borrowings.

**[c) Defaults and breaches]**

- During the current and prior year, there were no defaults and breaches of any of the borrowings.

### NOTE 14: PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Provisions</td>
<td>$992,419</td>
<td>$882,512</td>
</tr>
<tr>
<td>Employee Benefits (Note 14(a))</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued Wages, ADO &amp; Annual Leave (Note 14(a))</td>
<td>$992,419</td>
<td>$882,512</td>
</tr>
<tr>
<td>- unconditional and expected to be settled within 12 months (ii)</td>
<td>$992,419</td>
<td>$882,512</td>
</tr>
<tr>
<td>- unconditional and expected to be settled after 12 months (ii)</td>
<td>$992,419</td>
<td>$882,512</td>
</tr>
<tr>
<td>Long Service Leave (Note 14(a))</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- unconditional and expected to be settled within 12 months (ii)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- unconditional and expected to be settled after 12 months (ii)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Provisions related to employee benefit on-costs</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>- unconditional and expected to be settled within 12 months (ii)</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>- unconditional and expected to be settled after 12 months (ii)</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Total Current Provisions</td>
<td>$2,052,409</td>
<td>$1,937,514</td>
</tr>
<tr>
<td>Non-Current Provisions</td>
<td>$267,500</td>
<td>$269,659</td>
</tr>
<tr>
<td>Employee Benefits (i) (Note 14(a))</td>
<td>$267,500</td>
<td>$269,659</td>
</tr>
<tr>
<td>Provisions related to employee benefit on-costs (Note 14(a) and Note 14(b))</td>
<td>$36,579</td>
<td>$36,579</td>
</tr>
<tr>
<td>Total Non-Current Provisions</td>
<td>$304,079</td>
<td>$306,238</td>
</tr>
<tr>
<td>Total Provisions</td>
<td>$2,356,488</td>
<td>$2,243,752</td>
</tr>
</tbody>
</table>

**[a) Employee Benefits and Related On-Costs]**

- Current Employee Benefits and Related On-Costs
  - South West Alliance of Rural Health Entitlements | $88,666 | $77,115 |
  - Annual Leave Entitlements | $792,200 | $723,391 |
  - Accrued Salaries and Wages | $229,830 | $179,731 |
  - Accrued Days Off | $16,744 | $19,118 |
  - Unconditional Long Service Leave Entitlements | $1,369,942 | $1,201,107 |
| Total Current | $2,512,403 | $2,352,462 |

**[b) Non-Current Employee Benefits and Related On-Costs]**

- South West Alliance of Rural Health Entitlements | $21,964 | $17,393 |
- Conditional Long Service Leave Entitlements (ii) | $240,844 | $288,945 |
- Total Non-Current | $262,809 | $306,338 |
| Total Employee Benefits and Related On-Costs | $2,815,312 | $2,668,800 |

**[b) Movements in Provisions]**

- Movement in Long Service Leave:
  - Balance at start of year | $1,469,562 | $1,344,676 |
  - Provision made during the year | $33,000 | $21,312 |
  - Settlement made during the year | $314,286 | $295,555 |
  - Balance at end of year | $1,639,846 | $1,469,562 |

**Notes:**

1. Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers’ compensation insurance are not employee benefits and are reflected as a separate provision.
2. The amounts disclosed are at nominal values.
3. The amounts disclosed are at present values.
NOTE 15: SUPERANNUATION
Employees of the Health Service are entitled to receive superannuation benefits and the Health Service contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

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

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

<table>
<thead>
<tr>
<th>Fund</th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Defined Benefit Plans</td>
<td>89,220</td>
<td>80,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Defined Contribution Plans</td>
<td>27,045</td>
<td>21,602</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Health Super</td>
<td>117,265</td>
<td>101,602</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>HESTIA</td>
<td>117,265</td>
<td>101,602</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

NOTE 16: OTHER LIABILITIES
Represented by:
- Total Monies Held in Trust
  * Patients Trust
  * Home Care Packages Funds Held for Clients
  * Accommodation Bonds (Refundable Entrance Fees)
- Total Other Liabilities

<table>
<thead>
<tr>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>13,792</td>
</tr>
<tr>
<td></td>
<td>90,075</td>
</tr>
<tr>
<td></td>
<td>11,863,160</td>
</tr>
<tr>
<td>TOTAL OTHER LIABILITIES</td>
<td>11,967,018</td>
</tr>
</tbody>
</table>

NOTE 17: EQUITY

(a) Surpluses
Property, Plant and Equipment Revaluation Surplus 1
Balance at beginning of the reporting period
- Land 1,405,000 1,385,000
- Buildings 12,866,321 10,955,390
Revaluation increment (decrement)
- Land 0 20,000
- Buildings 0 2,011,131
Balance at the end of the reporting period
14,271,341 14,175,511

Represented by:
- Land 1,405,000 1,405,000
- Buildings 12,866,321 12,866,321
14,271,341 14,175,511

1 The property, plant and equipment asset revaluation surplus arises on the revaluation of property, plant and equipment.

Restricted Specific Purpose Surplus
Balance at the beginning of the reporting period 102,435 0
Transfer to Restricted Specific Purpose Surplus 174,688 102,435
Balance at the end of the reporting period 276,123 102,435

Total Surpluses
14,549,024 14,373,956

(b) Contributed Capital
Balance at the beginning of the reporting period 4,386,517 4,386,517
Capital Contribution received from Victorian Government 0 0
Balance at the end of the reporting period 4,386,517 4,386,517

(c) Accumulated Surpluses/(Deficits)
Balance at the beginning of the reporting period 2,491,461 3,572,342
Net result for the Year (901,500) (978,446)
Transfer to Restricted Specific Purpose Surplus (174,688) (102,435)
Balance at the end of the reporting period 1,365,893 2,481,461

Total Equity at end of financial year 20,300,434 21,251,934
NOTE 19: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The Moyne Health Services principal financial instruments comprise of:
- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)

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

The Health Service's main financial risks include credit risk, liquidity risk and interest rate risk. The Health Service manages these financial risks in accordance with its financial risk management policy.

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

The main purpose in holding financial instruments is to prudentially manage Moyne Health Services financial risk within the government policy parameters.

Categorisation of financial instruments

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Receivables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Trade Debtors</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Other Receivables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Investments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Payables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Borrowings</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Monies Held in Trust</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

MOYNE HEALTH SERVICES

MOYNE HEALTH SERVICES

MOYNE HEALTH SERVICES

MOYNE HEALTH SERVICES
NOTE 19: FINANCIAL INSTRUMENTS (Continued)

(b) Credit Risk (Continued)

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

<table>
<thead>
<tr>
<th>Financial Instruments</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>500,329</td>
<td>500,329</td>
</tr>
<tr>
<td>Loans and Receivables</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Trade Debtors</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>- Other Receivables</td>
<td>1,533,527</td>
<td>1,533,527</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>10,165,888</td>
<td>10,165,888</td>
</tr>
</tbody>
</table>

2014

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>2,333,314</td>
</tr>
<tr>
<td>Loans and Receivables</td>
<td>0</td>
</tr>
<tr>
<td>- Trade Debtors</td>
<td>1,193,072</td>
</tr>
<tr>
<td>- Other Receivables</td>
<td>1,193,072</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>7,648,784</td>
</tr>
</tbody>
</table>

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

Aging analysis of financial assets as at 30 June

<table>
<thead>
<tr>
<th>Year</th>
<th>Carrying Amount</th>
<th>Past due and not impaired $</th>
<th>Less than 1 Month</th>
<th>1 - 3 Months</th>
<th>1 - 5 Years</th>
<th>Impaired Financial Assets $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Financial Assets</td>
<td>611,617</td>
<td>611,617</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Cash and Cash Equivalents</td>
<td>286,601</td>
<td>286,601</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Loans and Receivables</td>
<td>1,333,527</td>
<td>199,077</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Trade Debtors</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Other Receivables</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>10,165,888</td>
<td>10,165,888</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2014</td>
<td>Financial Assets</td>
<td>2,434,594</td>
<td>2,434,594</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Cash and Cash Equivalents</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Loans and Receivables</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Trade Debtors</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Other Receivables</td>
<td>1,193,072</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>7,648,784</td>
<td>7,648,784</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

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

Contractual financial assets that are neither past due or impaired

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

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

(c) Liquidity Risk

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due. The Health Service operates under the Governments fair payments policy of setting financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

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

- Term Deposits and cash held at financial institutions are managed with variable maturity dates and take into consideration cashflow requirements of the Health Service from month to month.
NOTE 19: FINANCIAL INSTRUMENTS (Continued)

(c) Liquidity Risk (continued)

The following table discloses the contractual maturity analysis for Moyne Health Services financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

<table>
<thead>
<tr>
<th>Maturity analysis of financial liabilities as at 30 June</th>
<th>Total Amount Carrying</th>
<th>Nominal Amount</th>
<th>Less than 1 Month</th>
<th>1 - 3 Months</th>
<th>3 Months</th>
<th>1 - 5 Years</th>
<th>Total Financial Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>513,718</td>
<td>513,718</td>
<td>513,718</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11,967,019</td>
</tr>
<tr>
<td>Borrowings</td>
<td>378,519</td>
<td>378,519</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>378,519</td>
<td></td>
</tr>
<tr>
<td>Other Financial Liabilities (i)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Monies in Trust</td>
<td>11,967,019</td>
<td>11,967,019</td>
<td>103,959</td>
<td>0</td>
<td>11,863,160</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>12,859,255</td>
<td>12,859,255</td>
<td>617,076</td>
<td>0</td>
<td>11,863,160</td>
<td>378,519</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>459,376</td>
<td>459,376</td>
<td>459,376</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11,967,019</td>
</tr>
<tr>
<td>Other Financial Liabilities (i)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Monies in Trust</td>
<td>11,081,067</td>
<td>11,081,067</td>
<td>96,201</td>
<td>0</td>
<td>10,984,866</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>11,540,443</td>
<td>11,540,443</td>
<td>555,577</td>
<td>0</td>
<td>10,984,866</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

(i) Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST payable).

(d) Market Risk

Moyne Health Services has insignificant exposure to interest rate, foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Currency Risk

Moyne Health Services is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest Rate Risk

Exposure to interest rate risk is insignificant. Minimisation of risk is achieved by mainly holding fixed-rate or non-interest bearing financial instruments. For financial liabilities the Health Service mainly undertakes financial liabilities with relatively even maturity profiles.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Health Service has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.

The Health Service manages this risk by mainly undertaking fixed-rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Health Service to significant bad risk, management monitors movements in interest rates on a daily basis.

Other Price Risk

The Health Service is exposed to normal price fluctuations from time to time through market forces. Where adequate notice is provided by suppliers, additional purchases are made for long term goods. Supplier contracts are also in place for major product lines purchased by the Hospital on a monthly basis. These contracts have set price arrangements and are reviewed on a regular basis.

NOTE 19: FINANCIAL INSTRUMENTS (Continued)

(d) Market Risk (Continued)

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

<table>
<thead>
<tr>
<th></th>
<th>Weighted Average Effective Interest Rate (%)</th>
<th>Carrying Amount</th>
<th>Fixed Interest Rate $</th>
<th>Variable Interest Rate $</th>
<th>Non-Interest Bearing $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>2.10</td>
<td>611,617</td>
<td>0</td>
<td>611,617</td>
<td>0</td>
</tr>
<tr>
<td>Loans and Receivables (i)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Trade Debtors</td>
<td>0.00</td>
<td>296,601</td>
<td>0</td>
<td>296,601</td>
<td>0</td>
</tr>
<tr>
<td>- Other Receivables</td>
<td>6.30</td>
<td>1,253,527</td>
<td>1,567,000</td>
<td>0</td>
<td>196,527</td>
</tr>
<tr>
<td>- Term Deposit</td>
<td>3.10</td>
<td>10,165,986</td>
<td>10,165,986</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>12,317,525</td>
<td>11,992,588</td>
<td>611,617</td>
<td>482,129</td>
<td></td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At amortised cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables (i)</td>
<td>9.40</td>
<td>378,519</td>
<td>378,519</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Accommodation Bonds</td>
<td>0.00</td>
<td>11,967,019</td>
<td>0</td>
<td>11,967,019</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>12,859,255</td>
<td>378,519</td>
<td>0</td>
<td>12,480,736</td>
<td>0</td>
</tr>
</tbody>
</table>

(i) The carrying amount must exclude types of statutory financial assets and liabilities (i.e. GST input tax credit and GST payable).
NOTE 19: FINANCIAL INSTRUMENTS (Continued)
(d) Market Risk (Continued)

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Moyne Health Services believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Reserve Bank of Australia):
- A shift of +1% and -1% in market interest rates (AUD) from year-end rates of 6%; and
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%.

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

<table>
<thead>
<tr>
<th>2015</th>
<th>CARRYING AMOUNT</th>
<th>PROFIT</th>
<th>-1%</th>
<th>PROFIT</th>
<th>+1%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>%</td>
<td></td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Financial Assets</td>
<td>Cash and Cash Equivalents</td>
<td>611,617</td>
<td>(6,116)</td>
<td>6,116</td>
<td>6,116</td>
</tr>
<tr>
<td>Loans and Receivables</td>
<td>- Trade Debtors</td>
<td>286,601</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Other Receivables</td>
<td>1,253,527</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Term Deposit</td>
<td>10,163,886</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>Payables</td>
<td>513,718</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Borrowings</td>
<td>378,519</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Other Financial Liabilities (i)</td>
<td>11,967,018</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2014</th>
<th>CARRYING AMOUNT</th>
<th>PROFIT</th>
<th>-1%</th>
<th>PROFIT</th>
<th>+1%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>%</td>
<td></td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Financial Assets</td>
<td>Cash and Cash Equivalents</td>
<td>2,434,934</td>
<td>(24,349)</td>
<td>24,349</td>
<td>24,349</td>
</tr>
<tr>
<td>Loans and Receivables</td>
<td>- Trade Debtors</td>
<td>306,735</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Other Receivables</td>
<td>1,193,072</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>- Term Deposit</td>
<td>7,648,784</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>Payables</td>
<td>458,376</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Other Financial Liabilities (i)</td>
<td>11,091,067</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

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

NOTE 19: FINANCIAL INSTRUMENTS (Continued)
(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:
- Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unsuitable market inputs.

The financial assets include holdings in unlisted shares, fair value of those is determined by projecting future cash inflows from expected future dividends and subsequent disposals of the securities.

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

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

Comparison between carrying amount and fair value

<table>
<thead>
<tr>
<th>CARRYING AMOUNT</th>
<th>FAIR VALUE</th>
<th>CARRYING AMOUNT</th>
<th>FAIR VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 $</td>
<td>2015 $</td>
<td>2014 $</td>
<td>2014 $</td>
</tr>
<tr>
<td>Financial Assets</td>
<td>Cash and Cash Equivalents</td>
<td>611,617</td>
<td>611,617</td>
</tr>
<tr>
<td>Loans and Receivables (i)</td>
<td>- Trade Debtors</td>
<td>286,601</td>
<td>286,601</td>
</tr>
<tr>
<td></td>
<td>- Other Receivables</td>
<td>1,253,527</td>
<td>1,253,527</td>
</tr>
<tr>
<td></td>
<td>- Term Deposit</td>
<td>10,163,886</td>
<td>10,163,886</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>Payables</td>
<td>513,718</td>
<td>513,718</td>
</tr>
<tr>
<td></td>
<td>Borrowings</td>
<td>378,519</td>
<td>378,519</td>
</tr>
<tr>
<td></td>
<td>Other Financial Liabilities (i)</td>
<td>11,967,018</td>
<td>11,967,018</td>
</tr>
</tbody>
</table>

NOTE 20: COMMITMENTS FOR EXPENDITURE

Capital Expenditure Commitments

<table>
<thead>
<tr>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

Lease commitments

Commitments in relation to leases contracted for at the reporting date:
- Finance Leases (South West Alliance of Rural Health)

<table>
<thead>
<tr>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>378,519</td>
<td>0</td>
</tr>
<tr>
<td>Total lease commitments</td>
<td>378,519</td>
</tr>
</tbody>
</table>

Finance Leases

Commitments in relation to finance leases are payable as follows:
- Current
- Non-current
- Minimum lease payments
- Less future finance charges
- Total finance lease commitments
- Total lease commitments

<table>
<thead>
<tr>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>378,519</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>84,401</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>378,519</td>
<td>0</td>
</tr>
<tr>
<td>378,519</td>
<td>0</td>
</tr>
</tbody>
</table>
MOYNE HEALTH SERVICES
NOTES TO THE FINANCIAL STATEMENTS
FORTH YEAR ENDED 30 JUNE 2015

NOTE 21: CONTINGENT ASSETS AND CONTINGENT LIABILITIES
Details of estimates of maximum amounts of Contingent Assets or Contingent Liabilities are as follows:

<table>
<thead>
<tr>
<th>Contingent Liabilities</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Proceedings and Disputes</td>
<td>75,000</td>
<td>75,000</td>
</tr>
</tbody>
</table>

Total Quantifiable Contingent Liabilities | 75,000 | 75,000 |

Non-Quantifiable

(\$)

NOTE 22: OPERATING SEGMENTS

<table>
<thead>
<tr>
<th>Segment</th>
<th>ACUTE CARE</th>
<th>PACS</th>
<th>OTHER SERVICES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$</td>
<td>$</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>2014</td>
<td>$</td>
<td>$</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>2013</td>
<td>$</td>
<td>$</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

REVENUE

External Segment Revenue 8,043,007 8,064,377 6,685,639 6,341,582 0 0 14,720,646 14,425,559

Total Revenue 8,043,007 8,064,377 6,685,639 6,341,582 0 0 14,720,646 14,425,559

EXPENSES

External Segment Expenses (8,401,266) (8,381,305) (7,408,601) (7,132,786) 0 0 (15,909,672) (15,515,628)

Net Result from ordinary activities (558,259) (298,873) (722,926) (790,906) 0 0 (1,081,231) (1,069,979)

Interest Income 151,936 176,448

Net Result for Year (356,323) (298,873) (722,926) (790,906) 0 0 (1,081,231) (1,069,979)

OTHER INFORMATION

Segment Assets 11,887,331 11,041,138 24,296,708 24,283,567 0 0 35,989,039 35,324,705

Unallocated Liabilities 0 0 0 0 0 0 0 0

Total Assets 11,887,331 11,041,138 24,296,708 24,283,567 0 0 35,989,039 35,324,705

Segment Liabilities 3,718,587 2,991,704 11,967,018 11,081,567 0 0 15,688,865 14,072,771

Unallocated Liabilities 0 0 0 0 0 0 0 0

Total Liabilities 3,718,587 2,991,704 11,967,018 11,081,567 0 0 15,688,865 14,072,771

Acquisition of property, plant and equipment and intangible assets 1,171,685 480,737 233,491 233,491 0 0 1,405,176 636,228

Depreciation & amortisation expense 810,296 720,397 370,810 424,416 0 0 1,955,906 1,140,002

Non-cash expenses other than depreciation 0 0 0 0 0 0 0 0

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

Business Segments

Services

Acute

Hospital services

Aged Care

Primary Health services

Residential Aged Care

Nursing Home facilities

Hostel facilities

Geographical Segment

Moyne Health Services operates predominantly in Port Fairy, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Port Fairy, Victoria.

NOTE 23: JOINTLY CONTROLLED OPERATIONS AND ASSETS

<table>
<thead>
<tr>
<th>Name of Entity</th>
<th>Principal Activity</th>
<th>Ownership Interest 2015</th>
<th>Ownership Interest 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>South West Alliance of Rural Health</td>
<td>Information Systems</td>
<td>5.46</td>
<td>5.46</td>
</tr>
</tbody>
</table>

Moyne Health Services interest in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the financial statements and consolidated financial statements under their respective asset categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>110,389</td>
<td>100,980</td>
</tr>
<tr>
<td>Receivables</td>
<td>104,603</td>
<td>55,093</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,947</td>
<td>1,770</td>
</tr>
<tr>
<td>Prepayments</td>
<td>0</td>
<td>15,459</td>
</tr>
<tr>
<td>Non Current Assets</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>216,839</td>
<td>173,993</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>12,427</td>
<td>15,931</td>
</tr>
<tr>
<td>Total Non Current Assets</td>
<td>12,427</td>
<td>15,931</td>
</tr>
<tr>
<td>Total Assets</td>
<td>230,266</td>
<td>189,924</td>
</tr>
</tbody>
</table>

Moyne Health Services interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Operating Activities</td>
<td>1,125,223</td>
<td>1,704,797</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>1,125,223</td>
<td>1,704,797</td>
</tr>
<tr>
<td>Expenses</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>316,993</td>
<td>283,039</td>
</tr>
<tr>
<td>Maintenance Contracts and IT Support</td>
<td>511,167</td>
<td>504,466</td>
</tr>
<tr>
<td>Operating Lease Costs</td>
<td>255,544</td>
<td>181,302</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>39,448</td>
<td>75,056</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1,123,192</td>
<td>1,701,553</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,518</td>
<td>3,085</td>
</tr>
<tr>
<td>Total Non Operating Expenses</td>
<td>2,518</td>
<td>3,085</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>1,125,710</td>
<td>1,704,448</td>
</tr>
<tr>
<td>Net Result</td>
<td>515</td>
<td>517</td>
</tr>
</tbody>
</table>

Contingent Liabilities and Capital Commitments

There are no known contingent assets or liabilities for South West Alliance of Rural Health as at the date of this report.
NOTE 24a: RESPONSIBLE PERSON DISCLOSURES

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

<table>
<thead>
<tr>
<th>Responsible Ministers:</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Honourable David Davis, MLC, Minister for Health and Minister for Ageing</td>
<td>01/07/2014 - 03/12/2014</td>
</tr>
<tr>
<td>The Honourable Mary Wodlidge, MLA, Minister for Mental Health and Community Services</td>
<td>01/07/2014 - 03/12/2014</td>
</tr>
<tr>
<td>The Honourable Mary Wodlidge, MP, Minister for Disability Services and Reform</td>
<td>01/07/2014 - 03/12/2014</td>
</tr>
<tr>
<td>The Honourable Jill Hennessy, Minister for Health, Minister for Ambulance Services</td>
<td>04/12/2014 - 30/06/2015</td>
</tr>
<tr>
<td>The Honourable Jenny Mikakos, MLC, Minister for Families and Children</td>
<td>04/12/2014 - 30/06/2015</td>
</tr>
<tr>
<td>The Honourable Martin Foley, Minister for Housing, Disability and Ageing, Minister for Mental Health</td>
<td>04/12/2014 - 30/06/2015</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Governing Boards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr P. O’Keefe</td>
</tr>
<tr>
<td>Mr D. Ryan</td>
</tr>
<tr>
<td>Mr S. Youl</td>
</tr>
<tr>
<td>Mrs K. Foster</td>
</tr>
<tr>
<td>Mr C. Blackwood</td>
</tr>
<tr>
<td>Mr R. Leaton</td>
</tr>
<tr>
<td>Mrs V. Mason</td>
</tr>
<tr>
<td>Mr M. Gunn</td>
</tr>
<tr>
<td>Mr B. O’Connor</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accountable Officers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr D. Lee</td>
</tr>
</tbody>
</table>

Remuneration of Responsible Persons

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $9,999</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>$170,000 - $179,999</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>$180,000 - $189,999</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total Numbers</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amount to:</td>
<td>$189,268</td>
<td>$171,000</td>
<td>$189,268</td>
<td>$171,000</td>
</tr>
</tbody>
</table>

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

Other Transactions of Responsible Persons and their Related Parties

No responsible person or their related parties received any remuneration or retirement benefits during the year.

NOTE 24b: EXECUTIVE OFFICER DISCLOSURES

Executive Officers’ Remuneration

The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. The base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$110,000 - $119,999</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>$130,000 - $139,999</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$140,000 - $149,999</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>$150,000 - $159,999</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Total Remuneration</td>
<td>$583,900</td>
<td>$271,200</td>
<td>$583,900</td>
<td>$271,200</td>
</tr>
</tbody>
</table>
DISCLOSURE INDEX

The Annual Report of Moyne Health Services is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department of Health and Human Services’ compliance with statutory disclosure requirements.

Note: This Disclosure Index consists of two pages and is not required to be completed by denominational hospitals.

<table>
<thead>
<tr>
<th>LEGISLATION</th>
<th>REQUIREMENT</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministerial Directions</td>
<td>Report of Operations</td>
<td></td>
</tr>
<tr>
<td>Charter and purpose</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Manner of establishment and the relevant Ministers</td>
<td>108</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Purpose, functions, powers and duties</td>
<td>32-40</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Initiatives and key achievements</td>
<td>4-7, 21-23</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Nature and range of services provided</td>
<td>20</td>
</tr>
<tr>
<td>Management and structure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Organisational structure</td>
<td>40</td>
</tr>
<tr>
<td>Financial and other information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRD 11A</td>
<td>Disclosure of ex gratia expenses</td>
<td>108</td>
</tr>
<tr>
<td>FRD 12A</td>
<td>Disclosure of major contracts</td>
<td>111</td>
</tr>
<tr>
<td>FRD 21B</td>
<td>Responsible person and executive officer disclosures</td>
<td>108</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Application and operation of Protected Disclosure 2012</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Application and operation of Carers Recognition Act 2012</td>
<td>114</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Application and operation of Freedom of Information Act 1982</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Compliance with building and maintenance provisions of Building Act 1993</td>
<td>112</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Details of consultancies over $10,000</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Details of consultancies under $10,000</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Employment and conduct principles</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Major changes or factors affecting performance</td>
<td>16-17</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Occupational health and safety</td>
<td></td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Operational and budgetary objectives and performance against objectives</td>
<td>17</td>
</tr>
<tr>
<td>FRD 24C</td>
<td>Reporting of office-based environmental impacts</td>
<td>42</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Significant changes in financial position during the year</td>
<td>17</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Statement on National Competition Policy</td>
<td>113</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Subsequent events</td>
<td>109</td>
</tr>
<tr>
<td>FRD 22F</td>
<td>Summary of the financial results for the year</td>
<td>3, 16</td>
</tr>
</tbody>
</table>

LEGISLATION

Financial statements required under Part 7 of the Financial Management Act 1994

| SD 4.2(a) | Statement of changes in equity | 60 |
| SD 4.2(b) | Comprehensive operating statement | 58 |
| SD 4.2(b) | Balance sheet | 59 |
| SD 4.2(b) | Cash flow statement | 61 |

Other requirements under Standing Directions 4.2

| SD 4.2(a) | Compliance with Australian accounting standards and other authoritative pronouncements | 55 |
| SD 4.2(c) | Accountable officer’s declaration | 55 |
| SD 4.2(c) | Compliance with Ministerial Directions | 55 |
| SD 4.2(d) | Rounding of amounts | 55, 60 |

LEGISLATION

Freedom of Information Act 1982
Protected Disclosure Act 2012
Carers Recognition Act 2012
Victorian Industry Participation Policy Act 2003
Building Act 1993
Financial Management Act 1994
MOYNE HEALTH SERVICES

ANNUAL REPORT 2015 // LEGISLATIVE COMPLIANCE

MOYNE HEALTH SERVICES

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LEGISLATIVE COMPLIANCE

The State Minister for Health is Hon Jill Hennessy MLA and the Minister for Mental Health is Hon Martin Foley MP.

BUILDING AND MAINTENANCE

MHS complies fully with the building and maintenance provisions of the Building Act 1993-Guidelines issued by the Minister for Finance for publicly owned buildings.

Projects undertaken by MHS have invoked the 10-year liability cap under the building permit process by use of registered building practitioners.

During the year, the following works and maintenance were undertaken to ensure conformity with the relevant standards:

<table>
<thead>
<tr>
<th>Building Quality</th>
<th>Belfast House</th>
<th>Moyneyana House</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety</td>
<td>22.75</td>
<td>23.25</td>
</tr>
<tr>
<td>Maximum points = 25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hazards</td>
<td>11.60</td>
<td>11.60</td>
</tr>
<tr>
<td>Maximum points = 12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Privacy</td>
<td>25.40</td>
<td>25.20</td>
</tr>
<tr>
<td>Maximum points = 26</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access mobility and OHS</td>
<td>10.40</td>
<td>10.80</td>
</tr>
<tr>
<td>Maximum points = 13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heating/cooling</td>
<td>5.00</td>
<td>3.00</td>
</tr>
<tr>
<td>Maximum points = 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lighting/ventilation</td>
<td>5.00</td>
<td>6.00</td>
</tr>
<tr>
<td>Maximum points = 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>9.60</td>
<td>10.40</td>
</tr>
<tr>
<td>Maximum points = 12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total current score</td>
<td>89.75</td>
<td>90.25</td>
</tr>
<tr>
<td>Maximum points = 100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Building (Commonwealth) Certification results

Buildings were assessed in accordance with the Commonwealth Certification Instrument on 25 July 2003.

CONSULTANCES

<table>
<thead>
<tr>
<th>Consultancies costing less than $10,000 per consultancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of consultancies</td>
</tr>
<tr>
<td>Total value of consultancies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultancies costing more than $10,000 per consultancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of consultancies</td>
</tr>
<tr>
<td>Total value of consultancies</td>
</tr>
</tbody>
</table>

DECLARATIONS OF PECUNIARY INTEREST

All necessary declarations were made throughout the year under review.

Refer to Note 24 of the Financial Statements.

FEES

MHS charges fees, rates and levies in accordance with directions from the Commonwealth Department of Social Services and the Victorian Department of Health and Human Services.

FREEDOM OF INFORMATION (FOI)

Access to documents and records held by MHS may be requested under the Freedom of Information Act 1982. The Act provides for members of the public to obtain personal information held by the MHS. All requests were made within the regulatory timeframe. Applications under FOI may be made to the FOI Officer at MHS.

FREEDOM OF INFORMATION REQUESTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No of requests</td>
<td>1</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

INDUSTRIAL RELATIONS

There were no lost days in 2014/15 through industrial accidents or disputes.

MERIT AND EQUITY

MHS is subject to the Equal Opportunity Act 1995. All appointments to the staff are based on the principles of merit and equity.

NATIONAL COMPETITION POLICY

MHS supports the National Competition Policy (as amended) and the Victorian Government’s Competitive Neutrality Policy Victoria’ (as amended).

There were no disclosures in the year under review.

Outstanding Debtors as at 30 June 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>2014/2015</th>
<th>2013/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 30 days</td>
<td>$261,046</td>
<td>$315,304</td>
</tr>
<tr>
<td>31 to 60 days</td>
<td>$7,270</td>
<td>$7,241</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>$1,922</td>
<td>$3,873</td>
</tr>
<tr>
<td>Over 90 days</td>
<td>$16,363</td>
<td>$10,319</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$286,601</td>
<td>$336,737</td>
</tr>
</tbody>
</table>

PUBLICATIONS

All publications produced by MHS and available to the public include:

- Annual Report
- Quality of Care Report
- Resident and Patient Information Booklets.

These publications can be obtained by contacting:

For Health Service issues:
Health Services Commissioner
Level 30, 570 Bourke Street, Melbourne Vic 3000
Phone (03) 900 111

For Aged Care issues:
Aged Care Complaints Investigation Scheme
Department of Social Services
GPO Box 9848, Melbourne Vic 3000
Phone 1800 550 552

For Privacy issues:
Privacy Commissioner
GPO Box 5057, Melbourne Vic 3001
Phone (03) 606 444
www.privacy.vic.gov.au

REPORTING REQUIREMENTS

The information requirements listed in the Financial Management Act 1994, the Standing Directions of the Minister for Finance and the Financial Reporting Directions have been prepared, to the extent applicable, and are available to the relevant Minister, Members of Parliament or to the public upon request by contacting:

Chief Executive Officer
Moyne Health Services
PO Box 93, Port Fairy Vic 3284
Phone (03) 5568 0100
Email dlee@moynehealth.vic.gov.au

VICTORIAN INDUSTRY PARTICIPATION POLICY ACT

There were no contracts in 2014/2015 to which the Victorian Industry Participation Policy Act 2003 applied.
PROTECTED DISCLOSURES ACT 2012

MHS cannot receive and investigate protected disclosures under the Act, this can only be done by IBAC.

MHS has in place appropriate procedures for disclosures in accordance with the Protected Disclosures Act 2012. No protected disclosures were made under the Act in 2014/15.

CARERS RECOGNITION ACT 2012

The Carers Recognition Act 2012 recognises, promotes and values the role of people in care relationships. MHS understands the different needs of persons in care relationships bring benefits to the patients, their carers and to the community.

MHS takes all practical measures to ensure that its employees, agents and carers have an awareness and understanding of the care relationship principles and this is reflected in our commitment to a model of patient and family centred care and to involving carers in the development and delivery of our services.

REVENUE INDICATORS

<table>
<thead>
<tr>
<th>Award Category</th>
<th>2015</th>
<th>2014</th>
<th>EFT Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursing</td>
<td>49.76</td>
<td>51.26</td>
<td>-1.50</td>
</tr>
<tr>
<td>Admin and clerical</td>
<td>6.01</td>
<td>6.16</td>
<td>-0.15</td>
</tr>
<tr>
<td>Medical support</td>
<td>6.77</td>
<td>5.66</td>
<td>+1.11</td>
</tr>
<tr>
<td>Health and Allied</td>
<td>54.71</td>
<td>54.02</td>
<td>+0.69</td>
</tr>
<tr>
<td>TOTAL</td>
<td>117.25</td>
<td>117.10</td>
<td>+0.15</td>
</tr>
</tbody>
</table>

ATTESTATION ON DATA ACCURACY

I, David John Lee, certify that Moyne Health Services has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance.

ATTESTATION ON COMPLIANCE WITH AUSTRALIAN/NEW ZEALAND RISK MANAGEMENT STANDARD

I, David John Lee, certify that Moyne Health Services has complied with the Ministerial Standing Direction 4.5.5 - Risk Management Framework and Processes. The Moyne Health Services Audit and Risk Committee has verified this.

WORKFORCE DATA

<table>
<thead>
<tr>
<th>Labour by Award Category</th>
<th>2015</th>
<th>2014</th>
<th>EFT Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health and Allied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Aged Care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>117.25</td>
<td>117.10</td>
<td>+0.15</td>
</tr>
</tbody>
</table>

THE OMBUDSMAN

Level 1 / 459 Collins Street (North Tower)
Melbourne Vic 3000
Phone (03) 9613 6222
Toll free 1800 806 314
Email ombudsvic@ombudsman.vic.gov.au

OUR BEQUESTS AND GIFTS PROGRAM

BEQUESTS FOR GIFTS UNDER A WILL OR CODICIL

A gift specified in your will is a bequest. A bequest can leave an enduring gift – an investment for life.

A bequest can be for general purposes, enabling Moyne Health Services to use the funds for priority projects, or nominated for a specific purpose. Moyne Health Services does not pay income tax and is a registered charitable institution. We will ensure that each gift is distributed in accordance with the donor’s instructions.

Making a bequest is as simple as adding a codicil to your existing will. We recommend that you seek advice from your solicitor or trustee company.

Bequests made to Moyne Health Services will be used for capital development projects, education, replacement of equipment and health or aged care service programs.

Moyne Health Services encourages prospective donors to provide for their loved ones first and is very aware of the need to look after your family. Once you have done this, please consider a bequest to Moyne Health Services.

We have provided some bequest wording as a guide to you and your adviser. The exact wording will depend on the type of bequest.

GENERAL BEQUEST

I, ................................................................., give, devise and bequeath to Moyne Health Services, a charitable institution ABN 30 586 278 891 of Villiers Street, Port Fairy (the whole of my Estate, or the sum of $...................... or .........................% of my Estate) free from all duties and deductions, to be used for the purpose of ........................................... or (if that purpose is no longer able to be pursued appropriately) for any other purpose chosen by Moyne Health Services that is as close as possible to it.

I direct that the receipt of the Chief Executive Officer or any proper officer of Moyne Health Services shall be sufficient discharge of my Trustee or executor for the Bequest.

SPECIFIC BEQUEST

I, ................................................................., give, devise and bequeath to Moyne Health Services, a charitable institution ABN 30 586 278 891 of Villiers Street, Port Fairy (the whole of my Estate, or the sum of $...................... or .........................% of my Estate) for its general purposes, free from all duties and deductions and direct that the receipt of the Chief Executive Officer or any proper officer of Moyne Health Services shall be sufficient discharge of my Trustee or executor for the Bequest.

A general purpose bequest will overcome any future difficulties in the allocation of funds that may arise as a result of changes in the program and services of Moyne Health Services.

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GLOSSARY OF TERMS

ACHS Australian Council on Healthcare Standards.
ACSA Aged Care Standards and Accreditation Agency.
ADASS Adult Day Activity and Support Service.
Aged Care Reforms The Living Longer Living Better aged care reform package was announced on 20 April 2012. The package encompasses a comprehensive ten year plan to reshape aged care.
ARA Australasian Reporting Awards.
Attestation on Data Accuracy An assurance that Moyne Health Services has appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance.
Average length of stay Is determined by dividing the total number of inpatient bed days by the total number of inpatient separations.
BACeS Board Assurance on Compliance e-System.
Best practice A comprehensive, integrated and cooperative approach to the continuous improvement of all areas of healthcare delivery.
BOM Board of Management.
CACPs Community Aged Care Packages.
CEO Chief Executive Officer.
Clinical Governance A systematic approach for improving and maintaining the quality of resident and patient care.
Consumer Directed Care CDC is a way of delivering services that allows consumers and their carers to have greater control over their own lives.
Current asset ratio A measure that indicates how much current assets exceeds current liabilities.
DMS Director of Medical Services.
DOH Department of Health.
DON Director of Nursing.
DVA Department of Veterans Affairs.
EACH Extended Aged Care in the Home.
Ecofootprint Is a measure of how many resources you use and tells you whether you tread heavily or lightly on the planet.
ED Emergency Department.
EFT Equivalent Full Time.
Financial Management Compliance Framework A mechanism for Government to review and monitor compliance with the Standing Directions of the Minister of Finance.
FOI Freedom of Information.
GP General Practitioner.
GSERP Government Sector Executive Remuneration Panel.
HACC Home and Community Care.
HR Human Resources.
ICT Information, Communication and Technology.
KPI Key Performance Indicator.
KRA Key Result Area.
MHS Moyne Health Services.
OHAS Occupational Health and Safety.
OPD Outpatients Department.
PFMC Port Fairy Medical Clinic.
QOC Quality of Care Report.
QPI Quality Performance Indicator.
QPS Quality Performance System.
ResourceSmart A healthcare program established by Sustainability Victoria, Department of Health and Department of Sustainability and Environment to assist healthcare agencies with environmental management.
Responsible Bodies Declaration A Report on Operations provided in accordance with the Financial Management Act 1994.
Risk Attestation Statement A requirement to provide a risk statement in the Annual Report in accordance with Standing Direction 4.5.5. of the Minister of Finance.
RN Registered Nurse.
Separation The process by which an episode of care for an admitted patient ceases.
SWARH South West Alliance of Rural Hospitals is an IT alliance of hospitals and multipurpose agencies.
VHA Victorian Healthcare Association.
VMIA Victorian Managed Insurance Authority.
VMO Visiting Medical Officer.
VPSM Victorian Patient Satisfaction Monitor.
WEIS Weighted Equivalent Inlier Separations. A formula applied to the resource weight to determine the WEIS for recovery of funding.
Working Capital This is the amount of funds available when current liabilities are subtracted from current assets.
MOYNE HEALTH SERVICES

Moyneyana House
31 College Street,
Port Fairy, VIC 3284
Phone (03) 5568 0163
Fax (03) 5568 0027

Port Fairy Hospital
30-36 Villiers Street,
Port Fairy, VIC 3284
Phone (03) 5568 0100
Fax (03) 5568 0158

Belfast House
97 Regent Street,
Port Fairy, VIC 3284
Phone (03) 5568 0126
Fax (03) 5568 0120

Spring Park
33 Mill Street,
Koroit, VIC 3282
Phone (03) 5564 9500
Fax (03) 5564 9599

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