



a new era takes shape

Rochester & Elmore District Health Service
Annual & Quality of Care Report 2009



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Our Vision

Rochester & Elmore District Health Service (REDHS) is widely recognised for its service excellence, through the provision of high quality, sustainable health services.

Our Mission

REDHS provides quality and compassionate services in the areas of comprehensive acute hospital, residential aged and community based care.

Our Objectives

To organise for and provide health care services in Rochester and Elmore districts, in particular acute hospital, residential aged care, community based services, and services provided jointly with other agencies in accordance with the Health Services Act 1988 and all existing or future relevant Acts and Regulations.

To utilise appropriate physical and personnel resources, knowledge and technologies available to promote health and independence and to prevent disability, injury and suffering.

To set and achieve standards consistent with best practice principles of quality patient and residential care and promote and provide access to community health.

To foster continuing quality improvement in best practice standards through education and training.

Who We Are

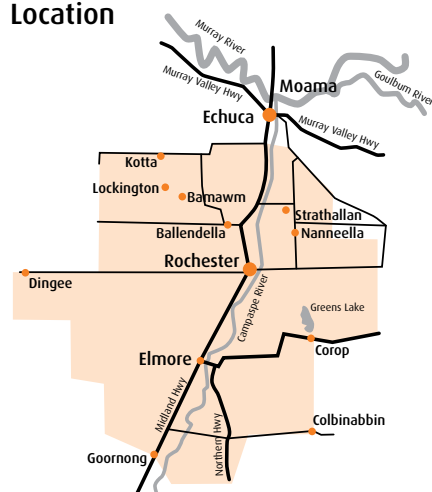
Rochester & Elmore District Health Service was established on 1st November 1993 following the amalgamation of the Rochester and District War Memorial Hospital and the Elmore District Hospital.

REDHS is an incorporated body under Section 31 of the Health Services Act 1988 providing a broad range of services including acute, residential aged and primary care services including home nursing to our catchment population of 8,697 and has:

- 97.3 Staff (FTE)
- 30 high care residential aged care beds
- 30 low care residential aged care beds (including 1 respite and 10 dementia-specific beds)
- 12 inpatient beds, including 1 palliative care bed
- 1 accident & emergency bay

The responsible Minister is the Victorian Minister for Health, the Hon Daniel Andrews MLA.

Location



Year In Brief – 2008-2009

Highlights

- Appointment of Chief Executive Officer (Mar 2009)
- Community Garden Grant awarded for aged care residents (Mar 2009)
- Completion and official opening of Stage Two redevelopment – Acute Ward, Operating Theatre, Administration (May 2009)
- Commencement of Stage 3 redevelopment (June 2009)

Challenges

- Resignations
 - Chief Executive Officer (Jan 09)
 - Clinical & Ambulatory Care Manager (Dec 08)
- Planning and execution of move to the new acute ward and administration area
- Communicating changes of entry and access points for services to public
- Provision of consultation, office and storage space for Primary Care/ Allied Health staff while Stage 3 redevelopment is completed.

The Future

- Completion of final stage (3) of the redevelopment and moving all of our services back on site to function from one integrated facility.
- Recruitment to key positions e.g. surgeons, anaesthetists, peri-operative nurses
- Establishment of day surgery
- Financially and practically assisting the Rochester Community House to establish a customised men's shed on the REDHS campus
- Developing a REDHS Diabetes Educator service
- Enjoying the Community Garden Project benefits
- Review of reporting processes



Board of Management President, Mary Magennis, assists the Honourable Daniel Andrews, Victorian Minister for Health, to unveil the plaque at the opening of the Stage 2 redevelopment in May 2009.

2008-09

Acute Ward	
Total Acute Ward Separations	501
Acute Bed Days	2,582
Average Length of Stay (Days)	5.3
Total NHT (Days)	263
Total Non-admitted Occasions of Service	
Emergency	578
Radiology	734
District Nursing	6,077
Planned Activity Group	1,604
Meals on Wheels	9,648
Community Health	
Dietitian	415
Fitness for Older Adults	402
Occupational Therapist	176
Physiotherapy (IP)	44
Physiotherapy (OP)	338
Podiatry	757
Social Workers	478
Aged Care	
Nursing Home Bed Days	10,882
Nursing Home Separations	15
Hostel Bed Days	10,429
Hostel Separations	15

Services offered by REDHS

- Acute Services
- Dietetics
- District Nursing
- Health Promotion
- Men's Health/ Drought Counselling
- Occupational Therapy
- Pathology Collection
- Physiotherapy
- Planned Activity Group (PAG)
- Podiatry
- Psychologist
- Radiology
- Residential Aged Care
- Social Work and Counselling
- Visiting drug/ alcohol counselling; diabetes education; Centre Against Sexual Assault (CASA)
- Women's Health/ Community Nurse

Report From President and CEO



Mary Magennis
Board President

In accordance with the Financial Management Act 1994, we are pleased to present the Rochester & Elmore District Health Service Report of Operations for the year ending 30 June 2009.

Rochester & Elmore District Health Service is committed to the ongoing implementation of the Strategic Plan, and has held its focus on our seven key strategic goals:

- Our People (Attract and retain people of the highest calibre)
- Our Community (Actively and positively engage with the community)
- Our Service (Service delivery responsive to changing needs)
- Our Partnerships (Integrated, client focused care)
- Our Resources (Responsible and sustainable use of our financial resources)
- Our Culture (Continuous improvement is embedded in the work culture)
- Our Leadership (United, focused and proactive leadership at all levels)

The REDHS Management Team has continued to provide support and leadership to all our staff despite the disruptions from the Building Program and from the resignation of Michael Krieg, Chief Executive Officer, mid-year. Michael has taken up the position of CEO for Calvary HealthCare, Tasmania. All at REDHS wish Michael well in his new role.

Achievements

Our major achievement has been the successful commissioning of Stage 2 of our three part \$21.7m redevelopment program. Amid significant building works and disruptions, our staff have continued to provide high quality services to the community. REDHS' achievements are many as readers will identify throughout the body of this report.

Accreditation

REDHS prides itself in maintaining a high level of care and commitment to our patients, residents and community, as indicated by our continuing achievement in the various accreditation processes for Acute, Community and Aged Care.

Redevelopment

Stage 2 of our three stage redevelopment program met the project time lines and in early May 2009, our Acute ward, Accident and Emergency and Administrative areas relocated to the new facility. The new Theatre complex was built and partially fitted out, awaiting final equipment orders and commissioning for day surgery.

The redevelopment achievements reflect much hard work from a core REDHS working group whose members include Redevelopment Project Officers Mathew Dennis and Gayle Kerlin, Staff Development Officer Wendy Rogasch, Acting Nurse Unit Manager Margaret Stanford, Supply Manager Gayle McConnell, Support Services Manager Richard Beddell and Director of Nursing and Primary Health, Ruth White. They have contributed a great deal to ensure the smooth progress of Stage Two.

The Project Control Group includes DHS Regional Office and Capital Development Branch, and REDHS Executive and Board of Management representatives. This team has assisted the Project Manager in achieving the outcomes to date.



Glenis Beaumont
Chief Executive Officer

We have now entered Stage 3 of the Redevelopment, and our District Nursing and Community Health services are looking forward to having one final move into their new areas around March 2010.

Sustainability

As a Department of Human Services 'Small Rural Health Service', we continue to be challenged to provide a broad range of services directed towards health improvements and illness treatment for all people within the district. We will continue our commitment to this broad approach, subject to regular reviews directed towards the viability of services.

REDHS posted a positive result prior to Capital and Depreciation of \$508,616. This reflects some growth in revenue and constrained expenditure during the period around Stage 2 relocation. The Board is committed to improving our fiscal robustness and responsible financial management. Again this year, REDHS maintained a solid investment strategy.

REDHS ensures a close liaison with the Regional Office of the Department of Human Services (DHS) as they support us in our quest to manage a sound financial business which meets the needs of the district in the provision of health care.

Our Thanks

REDHS is a vibrant and dynamic organisation moving forward in the face of its many challenges. I thank all staff, health service providers, volunteers, auxiliary members and the many others who provide ongoing support. We are indebted to your services, as we are to our community for their continuing support through donations, bequests and volunteer work.

On behalf of the Board of Management I thank the DHS for their support through the year.

I thank my fellow board members for their contributions, and acknowledge the service given to REDHS by outgoing board members Astrid O'Farrell and Sonia Martin.



The new Main Entrance.



Moving out of the original hospital.

Mary Magennis
Board President

Glenis Beaumont
Chief Executive Officer

Corporate Governance

President



Mary Magennis, RN

B.App.Sc, MA(Sc)
Consultant
Term of Appointment:
1.7.2008 to 30.6.2010

Vice-President



Sonia Martin, RN

BNSci(Hons), Dip.App.
Sci, Registered Nurse
Agribusiness owner
Term of Appointment:
1.11.2008 to 30.6.2011

Treasurer



Meeuwis Boelen

BSc(Neth), MSc(Neth),
PhD(Neurophysiology)
Assoc Prof Neuroscience &
Pharmacology
Academic Head, Higher
Education Programs
Term of Appointment:
1.11.2008 to 31.10.2011

REDHS Board of Management

The Rochester & Elmore District Health Service (REDHS) is an incorporated body listed under Schedule 1 of the Health Services Act 1988. Board members are recommended by the Minister and appointed by the Governor-In-Council for a term of up to three years and act in a voluntary capacity.

The activities of REDHS are directed by the Board of Management, which meets regularly with the Chief Executive Officer and Executive staff to determine policy and strategic direction. The Board is supported in its decision-making by a number of sub-committees.

Subject to the requirements of government and the Health Service By-Laws, the Board exercises decisions including the control of funds, determining the range of services to be provided, and the appointment of visiting medical officers and other senior staff.

Members



Heather Acocks

Farm Management
Term of Appointment:
1.11.2008 to
31.10.2010



Deborah Mellor

BA Humanities,
Grad Cert VET Policy
& Design, Cert IV
Managing Social &
Comm Services
Professional
Development Worker
Term of Appointment:
1.7.2008 to 30.6.2010



Graham Clark

Retired
Term of Appointment:
1.7.2008 to 30.6.2009



Keith Oberin

Dip Ed
Community & Culture
Executive Manager
Term of Appointment:
1.7.2008 to 30.6.2011



Stuart McDonald, AO

MSc(Melb)
Farm Management -
Retired
Term of Appointment:
1.7.2006 to 30.6.2009



Astrid O'Farrell

BBus(Pub Rel)
Business Network
Officer, Economic
Development.
Term of Appointment:
1.11.2006 to 30.6.2009

Meeting Attendance

Meeting Attendance

Meeting Attendance	Board Meetings												Total meetings attended	Other meetings *
	2008						2009							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
Mary Magennis	✓	✓	✓		✓			✓	✓	✓	✓	✓	9/9	4
Sonia Martin	✓	LOA	LOA		LOA			LOA	LOA	LOA	LOA	LOA	1/9	0
Meeuwis Boelen	✓	✓	✓		✓			✓	✓	✓	A	A	7/9	2
Heather Acocks	✓	✓	✓		✓			✓	A	✓	✓	✓	8/9	3
Graham Clark	✓	A	✓		✓			✓	A	✓	A	A	5/9	2
Stuart McDonald	A	✓	✓		✓			✓	✓	✓	✓	LOA	7/9	3
Deborah Mellor	✓	A	✓		✓			✓	✓	✓	A	✓	7/9	3
Keith Oberin	✓	✓	✓		A			✓	✓	✓	✓	✓	8/9	2
Astrid O’Farrell	LOA	LOA	LOA		LOA			✓	✓	✓	✓	A	4/9	2

* denotes Department, education, regional and extraordinary Board meetings.

Please note: A denotes Apology and LOA denotes Leave of Absence

Committee Membership

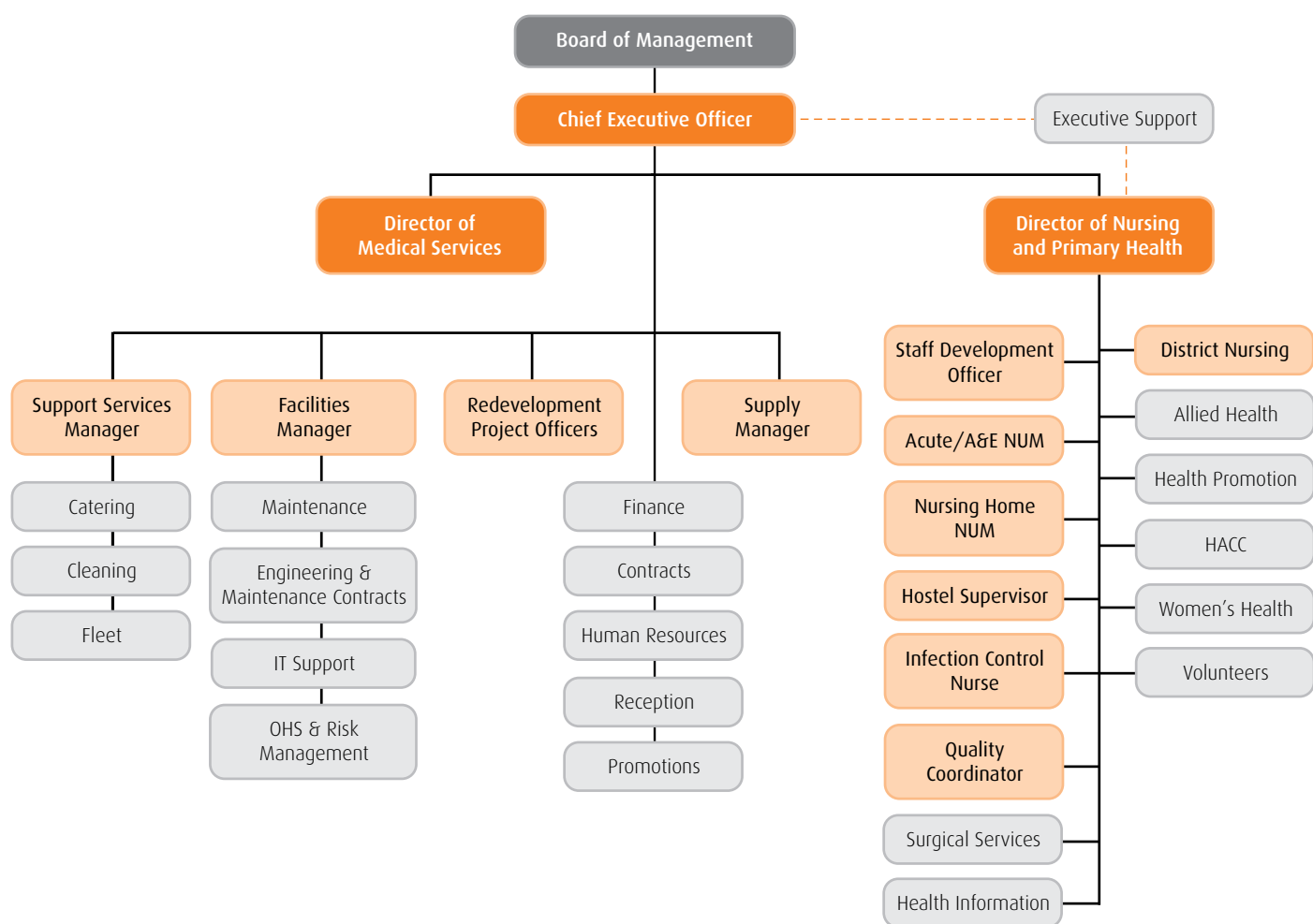
Committee Membership	Risk Management and Planning	Audit Committee	Credentials and Medical Appointment Advisory Committee	Quality of Care
Mary Magennis	✓ 3/3	✓ 3/3	✓ 1/1	
Sonia Martin	LOA			
Meeuwis Boelen		✓ 2/3		
Heather Acocks			✓ 1/1	✓ 2/6
Graham Clark	✓ 2/3			
Stuart McDonald		✓ 3/3		✓ 2/3*
Deborah Mellor	✓ 3/3			✓ 1/3*
Keith Oberin	✓ 2/3			
Astrid O'Farrell		✓ 2/3		
Mark Ryan (independent member)		✓ 1/3		

*Deborah Mellor replaced Stuart McDonald as a board representative on the Quality of Care Committee from January 2009.



Board Members Graham Clark, Heather Acocks, Stuart McDonald and Mary Magennis inspect the new operating theatre with CEO Glenis Beaumont (second from left) and Victorian Minister for Health, the Hon. Daniel Andrews (centre).

Organisational Chart



REDHS Department Managers:



Richard Beddell



Wendy Rogasch



Mathew Dennis



Gayle McConnell



Colin Jones



Anne Chirnside



Gayle Kerlin



Jenny Ellis



Margaret Stanford



Lynn Wolfe

Key Personnel

Executive

Chief Executive Officer

Mr Michael Krieg
RN, B Hlth Sc
(16.7.08 to 25.1.09)

Ms Glenis Beaumont
RN, RM, MBA, GAICD, MRCNA, AFCHSE
(from 23.3.09)

Director of Nursing

Ms R White
RN, RM, Dip N Ed, Bch App Sc, FRCNA,
FNSWCN, FACNM, AFCHSE

Director of Medical Services

Prof I Brand
AM, MB, BS, FCPA, FRACMA, FCHSE, FSHP

Department Heads

Clinical & Ambulatory Care Manager

Ms H Thomson
RN, BNursing, ICU Cert, MHA
(resigned December 2008)

Clinical & Ambulatory Care Manager (Acting)

Ms Margaret Stanford
RN, RM, IWC
(December 2008-June 2009)

District Nurse Unit Manager

Mr C Jones
RN, BNursing

Hostel Supervisor

Ms J Ellis
RN, RM, B Hlth Sc, Grad Cert Dementia,
Grad Cert Gerontology

Nursing Home Unit Manager

Ms A Chirnside
RN, Cert Onc, Grad Cert Gerontology

Planned Activity Group Coordinator

Ms A Hewlett
Cert III Fitness

Quality Coordinator

Ms L Wolfe
Adv Dip Bus Man, Adv. Dip Bus Man (HR
Bridging)
Dip App Sci (Hort)

Infection Control Practitioner/ Redevelopment Project Officer

Ms G Kerlin
RN, RM, SIC Cert.

Staff Development Officer/ Clinical Support Nurse

Ms Wendy Rogasch
RN, RM, Grad Cert Adv Nursing, Grad Dip
Crit Care, Dip Bus Mgt. Cert IV Training &
Assessment

Visiting Medical Officers

General Practitioners

Dr AS Asaid, MBBS (Egypt), AMC, FRACGP,
FACRRM

Dr I Buadromo, MBBS, FRACGP (from
16.3.09)

Dr ED Ekeanyanwu, MBBS (Nigeria),
FRACGP

Dr N Fang, MBBS, DRANZCOG, FRACGP

Dr T Howley, MBBS, Dip Obs & Gynae
(from 11.3.09)

Dr P Radrekusa, MBBH

Dr J Sandhu, MBBS (from 25.2.09)

Dr OT Shaw, MBBS

Dr K Thompson, MBBS

Visiting Radiology Service

Goulburn Valley Imaging

Radiographer

Denise Levy
Dip Diagnostic Radiography

Staff Awards

40 years

Heather Oliver

25 years

Judith Kiefel

20 years

Maira Lewis
Gayle McConnell
Mary McCormick

15 years

Helen Comer
Denise Levy
Ruth O'Connor
Darlene Weeks

10 years

Beverley Lees
Nicole Hickey
Dianne Niven



Heather Oliver celebrated 40 years with REDHS this year.

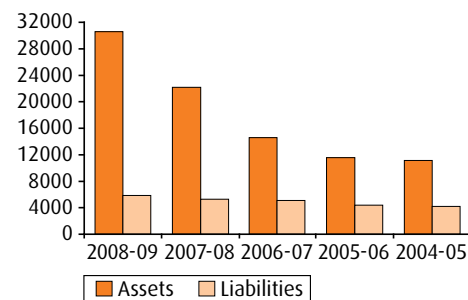
Key Performance Indicators

Revenue/Expenses



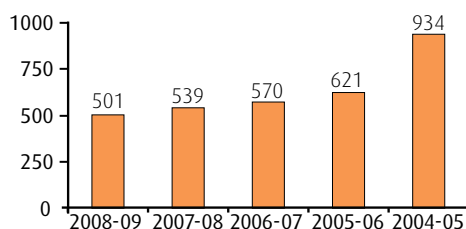
Revenue increase shown in the past two years relates to the redevelopment revenue stream.

Assets/Liabilities



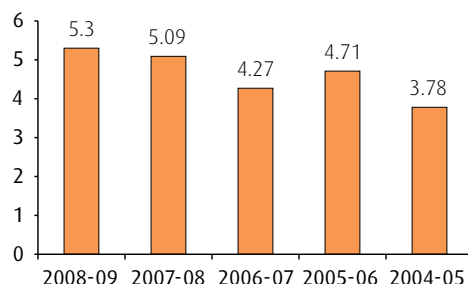
The significant rise in assets over the past two years directly relates to the redevelopment.

Acute Separations



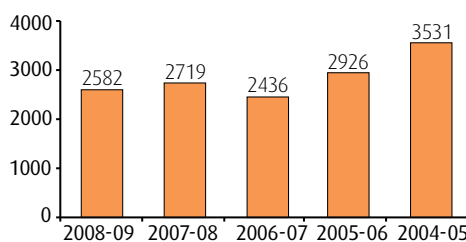
In late 2004, day procedure surgery ceased. Separations reflect the closure of theatre and reduction of bed numbers from 16 to 12. Temporary closures were in place for eight weeks while the acute ward moved into the new facility in May 2009. Bed capacity meets the community's current needs.

Acute Ward: Average Length of Stay(days)



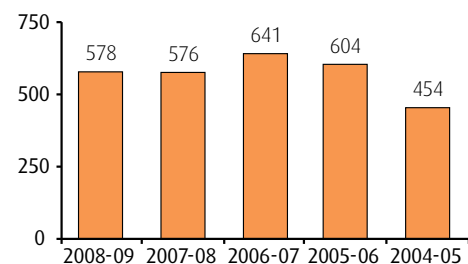
There has been an increase in the Average Length of Stay in the Acute Ward with a corresponding increase in NHT patients who are awaiting placement in an aged care facility.

Acute Bed Days: Including Nursing Home Types



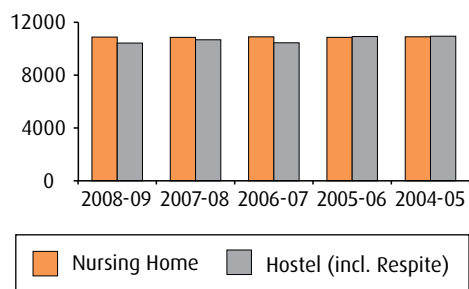
These figures show an decrease from last year and reflect the growing number of people who are able to access community based services to support them living in the community longer and delaying the need for residential aged care. A patient is defined as being Nursing Home Type once they exceed a length of stay of 35 days.

Accident & Emergency (A&E)



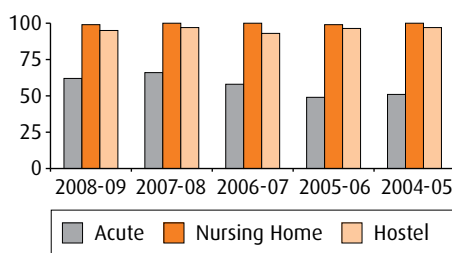
This is a non-government funded service where VMO attendances are based around an "On Call" arrangement involving both Rochester Medical Practice and Elmore Medical Practice and managed by the Acute Ward staff. The number of presentations to A&E this year is similar to last year.

Aged Care Bed Days



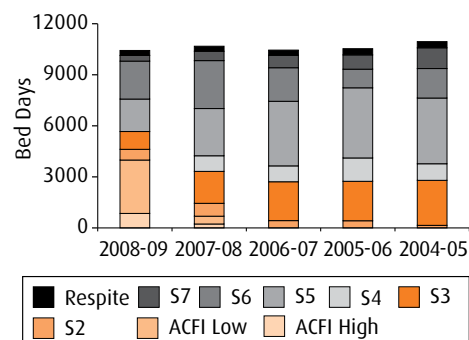
There are no major changes in total Aged Care bed days, as bed numbers have remained unchanged since April 2004 (except for temporary closures in the Hostel during redevelopment). Members of the community who are assessed as needing this type of support consistently use the low care Respite service. The Nursing Home and Hostel each had fifteen separations in 2008-09.

Occupancy (%)



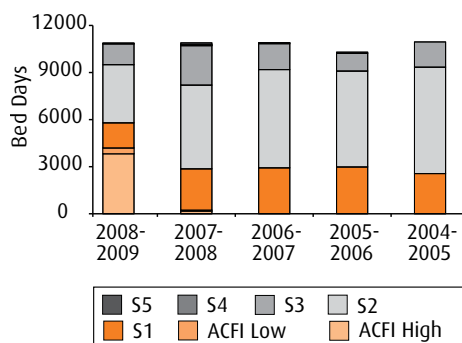
Aged Care occupancy is consistently high with almost 100% occupancy in the Nursing Home at all times. The Hostel has experienced vacancies at times this year due to a number of internal and external factors including the redevelopment and lower demand for permanent low care residency. Acute ward occupancy is down slightly on last year.

Hostel Bed Days per Care Level



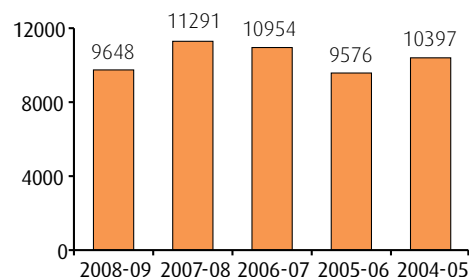
Residents who are entering the hostel are increasingly frail on admission and their health is often subject to decline. (Note: S2 is a higher level of care than S7). The new ACFI Low and High categories began in March 2008. As expected, ACFI classifications have increased significantly this year as new admissions and reassessed residents' care requirements were categorised using this system.

Nursing Home Bed Days per Care Level



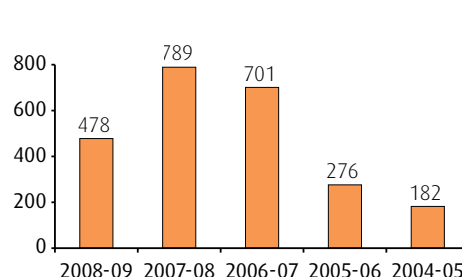
These results are the expected levels of care provision required in the Nursing Home. The new ACFI Low and High categories began in March 2008 and are gradually replacing the classifications from the previous system.

Meals on Wheels



There has been a decrease in the number of meals. This reflects the current downward trend being experienced across the Shire. Volunteers deliver the meals in the townships of Rochester, Elmore and Lockington.

Social Workers: Occasions of Service



There was a decrease in occasions of service following the resignation of two social workers in May and June 2008.

Performance Against Strategic Goals

Strategic Goals	Strategies	Achievements in 2008-09
Attract and retain skilled people of the highest calibre	Professional development opportunities	<ul style="list-style-type: none"> • Staff Development / Clinical support role strengthened • New professional development facilities • Medical, nursing, pharmacy, secondary college student placements • Recruitment of additional, appropriately skilled board members
	Staff conduct and consultation	<ul style="list-style-type: none"> • High participation rate in People Matter Survey. Participation in Change Management Survey (Monash Uni) • Collaborative Strategic Plan review between Board of Management, Executive and Department Managers • Inclusion of Code of Conduct education at staff orientation days • Introduction of new staff uniforms allowing easier identification of staff types
Actively and positively engage with the community	Establish positive working relationships with community groups	<ul style="list-style-type: none"> • REDHS representatives were guest speakers at local service group meetings, Senior Citizens, Probus, Citizens Action Group • Three issues of the Community newsletter published and widely distributed and also made available on website • Monthly "What's Happening" page and column in local newspaper • Upgrade and update of REDHS website • Public tours of new facilities conducted prior to Stage 2 opening • Volunteer orientation program reviewed and expanded
	Increased opportunities for community input to REDHS planning	<ul style="list-style-type: none"> • Feedback methods via website enhanced. • Resident/Family committee meetings with support services management regarding improvements to laundry and meals services
Service Delivery that is responsive to changing needs	Health initiatives / regional networks	<ul style="list-style-type: none"> • PCP Integrated Chronic Disease Management program commenced • Flexible facility design in acute ward • Increase in podiatry occasions of service • Successful Sustainable Farm Families follow up program conducted
	Recruitment of key personnel for Primary Care development	<ul style="list-style-type: none"> • Successful recruitment of podiatrist and physiotherapists
	Build flexibility into new facilities	<ul style="list-style-type: none"> • Increase in combined activities in aged care facilities, particularly through the use of the purpose built activities room • Centralised area for streamlined provision of administrative services

Status	Plans for 2009-10
✓ ✓ ✓ Ongoing ✓ Ongoing ✓ Ongoing ✓ ✓ ✓	<ul style="list-style-type: none"> • Recruit new Staff Development Officer/Clinical Nurse Educator and Dietitian • Continue hosting student placements • Scholarship support for peri-operative training of Nurses and training for support staff • Team Building activities • Staff consultation forums • Annual staff health clinic to be investigated
✓ Ongoing ✓ Ongoing ✓ Ongoing ✓ Ongoing ✓ ✓	<ul style="list-style-type: none"> • Regular guest speaker engagements to provide information sessions for the community • Continue publishing and distribution of Community Newsletters • Expand current website to extend the information provided to the community and it's timeliness
✓ Ongoing ✓	<ul style="list-style-type: none"> • Continue to recruit and orientate volunteers • Incorporate men's shed participants into our community gardening project • Continue to encourage and facilitate aged care residents and their families to express their opinions and ideas
✓ Ongoing ✓ ✓ ✓ ✓	<ul style="list-style-type: none"> • Apply for additional funding for: <ul style="list-style-type: none"> • Primary Care development • Chronic Disease Management • Expansion of Surgical Services • Sustainable Farm Families program to be continued with new groups of participants • Develop the REDHS diabetes educator role locally
✓	<ul style="list-style-type: none"> • Recruitment of Dietitian and Health Promotion staff
✓ ✓	<ul style="list-style-type: none"> • Develop Primary Care Centre integrated with GP practices

Performance Against Strategic Goals (continued)

Strategic Goals	Strategies	Achievements in 2008-09
Integrated client-focused care and client satisfaction	Develop service linkages and collaborative arrangements with other providers	<ul style="list-style-type: none"> • GVH & BH- review of surgical services • Successful collaborations re recruitment of podiatrist (ERH) and physiotherapists (KDHS) • Pilot site for Riskman incident reporting system in Loddon Mallee Health Alliance
Responsible and sustainable use of financial and environmental resources	Develop a culture of financial and environmental accountability	<ul style="list-style-type: none"> • Financial management processes upgraded resulting in faster, more accurate processing • Medicare Online Claiming implemented in aged care facilities that has streamlined claim lodgement and checking processes • Increased Environmental education at Annual Training Day
	Provision of skills, tools and processes for managers to manage budgets	<ul style="list-style-type: none"> • "Introduction to Budgeting" sessions attended by managers. • Budget updates regularly presented by CEO to Department Managers
	Reduction of our environmental footprint by the responsible use of sustainable resources	<ul style="list-style-type: none"> • Continuation of recycling processes • Platinum status for GMTM investigated but on hold until 2009-2010 • Replacement of last pan flushers with macerators that use less water • Increase in number of publications / documents available electronically to reduce paper usage • Automated building management systems online to assist in increasing energy efficiency
Continuous Improvement is embedded in the work culture	Organisation-wide approach to OHS	<ul style="list-style-type: none"> • OH&S presentation at ATD reviewed and updated • OH&S policies reviewed and updated as required • All appropriate staff received training on new equipment • All staff attended familiarisation sessions for new facilities • New members elected to OH&S Committee
	Publish our successes	<ul style="list-style-type: none"> • Newspaper articles fortnightly • Community & Staff Newsletters published
United, focused and proactive leadership at all levels	Organisational structure and reporting review	<ul style="list-style-type: none"> • Strategic Plan review
	Succession planning	<ul style="list-style-type: none"> • Identified, recruited and retained board members during nomination cycle
	Board education program and performance review	<ul style="list-style-type: none"> • Board governance, training and recruitment upgraded

Status	Plans for 2009-10
✓ Ongoing ✓ ✓	<ul style="list-style-type: none"> • Investigate sharing of surgical services with other health providers • Continue collaborations with other providers for recruitment of allied health professionals • Investigate application of PCP outcome measures for community health activities at REDHS
✓ ✓ ✓	<ul style="list-style-type: none"> • Continue to provide staff education. • Training re submission of AIMS data to DHS • Review and approval of Environment Plan
✓	<ul style="list-style-type: none"> • Provision of budgets per cost centre • Monthly financial variance reporting by departments
✓ ✓ ✓ ✓ ✓	<ul style="list-style-type: none"> • Investigations into further reductions in waste, water usage and energy usage • Review involvement in GMTM • Continue to add publications to website and intranet • Further training as new buildings are completed
✓ ✓ ✓ ✓ ✓	<ul style="list-style-type: none"> • Fully implement risk / hazard reporting tools in new incident reporting system • Training and refresher courses for HSRs and Deputy HSRs
✓ Ongoing	<ul style="list-style-type: none"> • Continue to submit articles for publishing
✓	<ul style="list-style-type: none"> • Organisational review to reflect anticipated growth in primary care and chronic disease management
✓ Ongoing	<ul style="list-style-type: none"> • Identify opportunities for internal promotion and appropriate education
✓	<ul style="list-style-type: none"> • Develop action plan from review findings • Review of Board Member induction and communication policies and education program

Clinical Care Report



Professor Ian Brand
Director of Medical Services

Director of Medical Services

The second stage of our building program is now complete and we have state-of-the-art facilities in the new ward and operating theatre. We expect the theatre will be in use by the end of the year. REDHS is very fortunate in the calibre of medical and nursing staff who work here. Both the Rochester and Elmore medical practices have clinics adjacent to the hospital, and provide an out-of-hours on-call service for the hospital on alternate weeks. As well as their own practices, our doctors attend to inpatients of the hospital and both the extended care facilities. My thanks to all our Visiting Medical Officers for their service to the hospital and to the community.

Across the State the number of medical students has more than doubled since

1997, and there have generally also been big increases in nursing and allied health students. Last November the COAG meeting announced that funding would be provided for the resources and infrastructure needed for the clinical training of these students; we look forward to these supports when they become available. The health community need to take care that the 2920 new doctors graduating in 2012 (in 1997 there were 1244) have sufficient teaching support and clinical exposure to acquire the necessary skills, so that their contributions to the medical workforce of Australia are maximised.

In conclusion, I wish to thank Glenis Beaumont and Ruth White for their warmth and encouragement. The Hospital is lucky to have such a successful management team.

Prof. Ian Brand



Ruth White
Director of Nursing and Primary Health

Director of Nursing and Primary Health

This year has witnessed the completion of Stage 2 of the redevelopment. This included the Acute Ward, Operating Suite, A&E and Administration areas of the hospital. Administration, Acute and Primary Care were all required to move into their new locations in May 2009. Preparation, planning and moving from the old facilities to the beautiful, new/ redeveloped areas was an enormous task for all groups. The staff are to be congratulated on a job well done; in particular Gayle Kerlin, Mathew Dennis, Margaret Stanford and Robyn Kelly. The patients, clients and staff really appreciate the changes.

Primary Health staff and clients have made the next move into their new locations in May 2009. Preparation, planning and moving from the old facilities to the beautiful, new/ redeveloped areas was an enormous task for all groups. I thank them for their patience while Stage 3 is completed. Tricia Costello has managed to keep the Primary Care clients and staff well coordinated during this phase.

A physiotherapy service has been re-established in conjunction with Kyabram & District Health Services. Kristen Brown, Dietitian and Health Promotion Officer has also provided a very valuable service to the community. Her skills have also been utilised as a weekly

outreach service to Rumbalara Aboriginal Co-operative in Mooroopna. Social work/welfare has also maintained a service to those affected by the continuing drought.

This year has been one of consolidation for Aged Care following the move into the new Nursing Home and completion of the update to a portion of Deravin wing in the Hostel. Staff and residents in the Nursing Home have found the facility very beautiful and have settled in quickly to their new surroundings. The Hostel has had funding made available by DHS to install air conditioning throughout the facility – in all bedrooms and public spaces. This will ensure that residents and staff are able to live and work in comfort, especially during the hotter summer months. It is anticipated that this will be completed in the near future.

In the upcoming year we will be undergoing Aged Care Accreditation, ACHS Periodic Review for the Acute area of the hospital and HACC accreditation for District Nursing, as well as the reopening of the state of the art theatre suite.

As in the past, all staff remain committed to providing a high standard of care to this dynamically changing organisation. This commitment is commended and I thank them all.

Ruth White

Acute Services

The Acute ward continued to provide acute medical and palliative care services to the local community with twelve acute beds and one emergency trolley in both the old and new facilities. We faced many challenges this year maintaining quality services in the old hospital while substantial amounts of staff time were required for planning the move to the new facility. We were physically isolated from the aged care facilities and support services for much of the past twelve months as the new acute ward was refurbished and the administration wing and theatre complex were constructed. This meant that communication, meal delivery and other supply processes had to be modified to ensure that patient and staff needs were met.

Nursing and administration staff from the acute ward were involved in ensuring that the former nursing home was refurbished to meet patient and staff needs and that suitable equipment was purchased and installed appropriately. Staff co-ordinated the reduction in bed numbers during the preparation and moving phase for a period of six weeks, minimised stock levels and packed up of equipment and essential office supplies while maintaining best practice. Considerable planning was also done around work flows to assist with staff orientation to the new surroundings. Staff familiarisation sessions for the facility

and emergency systems were held before we moved across in May. Staff were also trained in the use of new equipment. As expected, there have been a few teething problems which are being addressed as they arise and have not had adverse results for our patients or staff. Overall, staff and patients are very pleased with their new surroundings.

The Acute ward team has been enhanced with the employment of three new staff members. We welcomed Paula Hinton, Ali Moorhouse and graduate nurse Esther Guinea. Nurses Paula Hinton and Paul Hughes are undertaking a twelve month pilot course - Rural and Remote Advanced Primary Care Certificate. This will enhance their skills in rural and remote nursing and benefit this organisation greatly. All staff have received training on the new incident reporting system.

Acute staff are currently working hard in preparation for an ACHS Periodic Review in October 2009, with the self assessment due for submission in September.

A number of improvement projects are being developed and completed by Acute Ward staff including Best Practice for Deep Vein Thrombosis in the elderly and the setting up of a decontamination shower to assist with washing down someone who has had exposure to chemicals.



Stocking the new pharmacy.



Filling the new medical records room shelves.

Aged Services



Aged care staff Leonie Corbett and Anne Chirnside discuss the new nursing home's first year of operation with the Hon. Daniel Andrews, Victorian Minister for Health.



Resident Lucy Weeks celebrates St Patrick's Day with staff member Cheryl Lethlean. Residents enjoyed joining with Cheryl in singing Irish songs.



Residents enjoy playing carpet bowls in the new Activity Room.



Resident Dot Knight proudly shows her mosaic work.



Lewis Burge using the handrail that was installed in the new courtyard at the suggestion of a resident.

Nursing Home residents and staff have now been settled into the new building for just over twelve months and they, along with residents' families, volunteers and visitors, continue to enjoy our new facilities. Both Nursing Home and Hostel residents and staff have benefited from the two aged care facilities now being internally linked, with the hostel now less isolated.

To address temperature control issues during the hotter months, funding was received for the purchase and installation of air-conditioning, with works commencing in March. The hostel has a lack of office space and adequate storage areas for increasing amounts of equipment required for the increased frailty and dependency of our resident mix. Options will be investigated to address these issues.

Centralised access to the bright, sunny purpose-built Activities Room allows for a wide range of activities and gatherings involving residents, families, volunteers and staff from both facilities. Diversional Therapists, Karen Tognolini and Pauline Wileman, coordinate many activities including indoor bowls, concerts, movies on the big screen or watching sporting events, arts and crafts, community church and school children visits. The use of the bowling/ putting green in the central courtyard by residents has led to a continuation of activities that residents have enjoyed within the community in a supported environment. The courtyard has also played host to Carols in the Courtyard, barbeques and a place for sitting quietly or having a chat.

Residents have also enjoyed outings to the Lockington Heritage Complex, crop viewing, pokies, shopping and sheep dog trials. Commemorations were held to mark ANZAC Day, Remembrance Day and the annual Memorial Service to remember residents who have passed away during the year. Special celebrations were held for Pancake Day, St Patrick's Day, April Fool's Day, Biggest Morning Tea, birthdays,

anniversaries and other significant events. The favourite activity continues to be Bingo, but residents can also participate in card playing, newspaper reading, exercises, beauty therapy, craft afternoons, board games, footy tipping, gardening, scrabble, outdoor wheelchair walks, quizzes, book club, Happy Hour and one to one visits. Words on Wheels visits the Hostel monthly. Thank you to our valued volunteers, without whom some of these activities could not take place.

Nursing Home resident Barbara Holmes was presented with the prestigious Distinguished Service Award for her services to Harness Racing Victoria (one of only three awarded in 2008 for Victoria). Numerous milestones have been reached in our birthday books.

Aged care staff are always looking for ways to improve care and work routines for the benefit of our residents and have participated in Wound Care and Speech Pathology programs for this region.

The Manad Plus software has greatly assisted staff with the update and coordination of resident care plans and assessments as well as data collection and reporting.

The installation of macerators to replace the pan flushers in both facilities has enhanced infection control measures. The single use cardboard pans have eliminated double handling by staff. An added bonus is that the macerators also use less water.

Aged care staff are to be congratulated on the continuing high standard of care provided to our residents.

Primary Care Services

District Nursing Service

Our District Nursing Service (DNS) is supported by funding from the Australian and Victorian Governments under the HACC program and continues to operate from their temporary office in Village Drive until their much anticipated new offices are completed during Stage 3 redevelopment. Nurses Colin Jones, Leanne Rankin, Andrea Howarth, Gena Kidd, Joel Lind and Nicole Close travelled just over 33,000km this year as they made a total of 6,077 visits to their clients who live in an area that includes Rochester, Elmore, Nanneella, Goornong, Ballendella areas.

After Nicole Close left DNS in March, Paul Hughes covered some of the hours as part of his staff development year.

District Nurses Colin Jones and Leanne Rankin were involved with the second year of the Sustainable Farm Family program. The annual client satisfaction survey once again returned a very high level of satisfaction with the services and care provided and DNS is looking forward to a successful evaluation against HACC standards in October 2009, in order to maintain accreditation (see Quality of Care report for details of these activities).

Dietetics

Dietitian Kristen Brown conducted 415 consultations with aged care residents, in-patients and community clients. She developed individualised nutrition and menu plans and provided advice on healthy food choices to assist in the promotion of wellbeing. Kristen also reviewed the aged care facilities' menus and coordinated the Nutritional Support project to investigate the use of nutritional supplements and develop processes to identify the people who would benefit. She and Chef, Darlene Weeks, are working together to provide tasty foods for residents and patients that meet special nutritional requirements without the use of supplements.

Occupational Therapy

Occupational Therapist Leah Williams provided advice on maximising independence during 176 consultations this year for our aged care residents, inpatients and community members. She identifies strategies and equipment for the easier completion of manual tasks. Leah visited homes in the community to identify aids and equipment that would allow people to continue managing in their own homes.

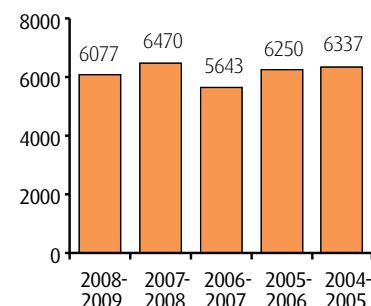
Planned Activity Group (PAG)

PAG staff Anne-Maree Hewlett and Fiona Irwin have continued to enjoy the challenge of providing clients with a program that meets as many of their needs as possible. They have continued to work closely with district nurses, social workers, case managers, families and volunteers to provide the best level of care. Many of activities that are undertaken would not be possible without the support and dedication of our volunteers. We extend our gratitude to them. Support Services staff have continued to successfully meet the challenge of providing us with a variety of enjoyable meals offsite.

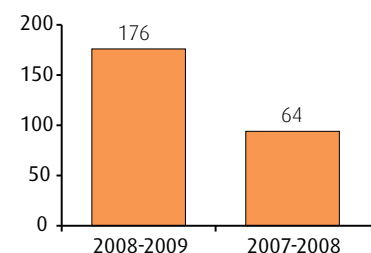
The Salvation Army community have continued to be very accommodating of our needs. We will miss their hospitality when the time comes to move and our ladies will miss being able to 'pop' next door to check for any bargains. Clients watched with a variety of emotions as the old hospital was demolished, but are looking forward to watching the new building take shape and moving into the new facilities.

Staff and clients are enjoying the comfort provided by the new bus. The bus is well utilised each session providing a pick-up and take home service, as well as being vital for providing outings. Clients enjoyed a day at Lockington fishing from the boardwalk; the catch of the day was a muddy white handkerchief. The ladies enjoyed the chance to go shopping for a

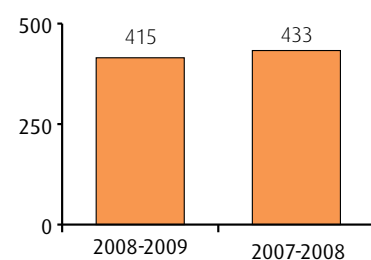
District Nursing: Occasions of Service



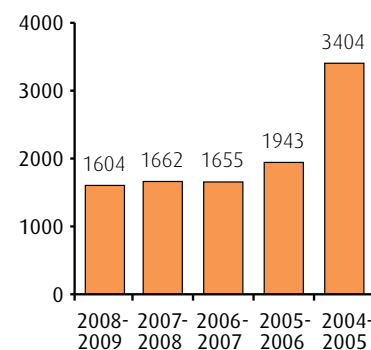
Occupational Therapist: Occasions of Service



Dietitian: Occasions of Service

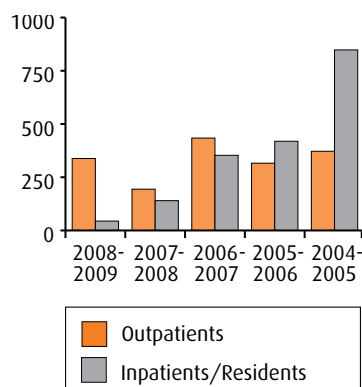


Planned Activity Group Attendance

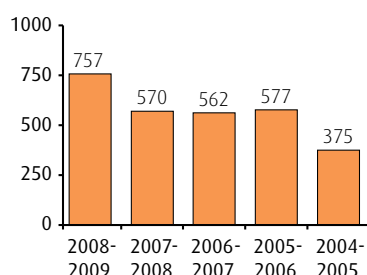


Primary Care Services (continued)

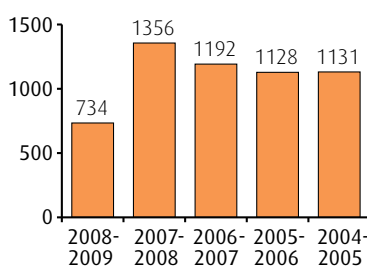
Physiotherapy: Occasions of Service



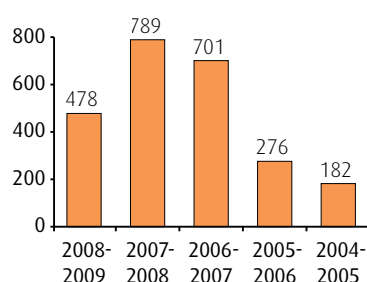
Podiatry: Occasions of Service



Radiography: Number of X-Rays



Social Work: Occasions of Service



bargain. Ten Pin Bowling has proven to be a popular activity with many of the clients experiencing bowling for the first time.

PAG staff and volunteers look forward to continuing to provide an excellent service to our community in the coming year. PAG is jointly funded by the Australian and Victorian governments.

Physiotherapy

This year, a physiotherapy service has been re-established in conjunction with Kyabram & Districts Health Service. Services are provided 2 days a week for inpatient, aged care and community clients.

Podiatry

This HACC service, supported by funding from the Australian and Victorian governments, provides services for people aged over 65 years or those with a significant disability. It is greatly utilised by the community's aged population and people diagnosed with diabetes who appreciate being able to access this service locally. The podiatry service also attends outlying areas including Rushworth every Friday and Stanhope once a month.

Bendigo Community Health Service provided this service 1 day per week until January 2009, when REDHS and ERH received extra funding to enhance the service at both sites. We now have Lisa Farrant providing this service at Rochester 4 days per fortnight.

Private and DVA clients are able to access the services of Aged Footcare Australia through Primary Care every 6 weeks. This service was previously provided by Shepparton Foot Clinic who were unable

to continue after 1 June 2009. We extend our thanks to John Head and his associates for providing such a great service over many years.

Radiography

Due to the redevelopment of REDHS, the Radiology department closed in November 2008 after sixteen years of service. Currently the same service is being provided two days a week by the REDHS radiographer out of the Elmore Medical Practice's Radiology room. In early 2010, the service will again resume at REDHS when the third stage of the redevelopment is completed. The new radiology department will feature up to date computerised radiography, replacing the current film-chemical processing technique.

Social Work

REDHS Primary Care social work and counselling service has been strongly utilised by the community in 2008-2009.

The service is available to hospital in-patients, aged care residents, clients who access primary care, as well as those who require in-home and telephone consultations.

Community mental wellbeing programs are also run by social worker/counselling staff and this year we facilitated another very well attended "Women on the Move" program in partnership with Rochester Community House.

Drought funding has boosted our ability to provide an assertive outreach program to those affected by the ongoing drought conditions.

Campaspe Primary Care Partnership

The Campaspe PCP office moved into their temporary accommodation in Village Drive in August 2008 and currently have 3.4 FTE positions working on various PCP initiatives. Recruitment to a Service Coordination Project Manager role is also underway. See our website for more information www.campaspepcp.com.au.

Showcase Project: b ur best

Health Promoting Communities Project

B ur best is the Campaspe Primary Care Partnership's Be Active Eat Well: Health Promoting Communities project which aims to increase physical activity, healthy eating and to promote healthy weight for 12-18 year olds across the Shire of Campaspe. It's a three year project that started in 2007/08 and finishes 30 June 2010. Most of the activity has occurred in this year.

The priority population group for the project

was identified by Campaspe's consortium for the enjoyment of Physical Activity and Nutrition (PACeN). The group identified population service gaps across the shire and considered the evidence for obesity prevention.

The project is working across both school and neighbourhood settings. Using this approach, others outside the target population group will benefit from the project strategies, particularly when healthy urban design strategies are implemented. The b ur best project is based at Campaspe PCP at REDHS, and is managed by both Kate Whitecross and Kellie Crossley, where Kate is responsible for the school initiatives and Kellie for the community settings.

Key stakeholders for the project are seven secondary schools across Campaspe Shire, Community health services, Neighbourhood Houses, Shire of Campaspe, Njernda Aboriginal Corporation and Physical Activity and Nutrition Consortium for Enjoyment (PACeN).



Further details can be obtained from Health Promotion Project Manager, Kate Whitecross or Health Promoting Communities Project Manager Kellie Crossley on (03) 5484 4485.

Support Services

In the past year Support Services staff have undertaken and achieved some significant milestones in logistics. The move into the new support services building which houses the Kitchen, Laundry and Stores areas set some challenges for staff, including familiarisation with new equipment, and developing the means to transport meals from the temporarily separate Support Services building to the Acute ward. Our staff managed this difficult and time consuming requirement of transferring meals and dirty dishes for 12 months while the second stage redevelopment was underway. It was particularly significant that during this period, patients received high quality, tasty meals at the correct temperature despite the distances that separated the two buildings.

This year we have had the opportunity to participate in the Rochester Secondary College work experience program; positive feedback was received from the students who worked in the Kitchen.

Moving into the stage 3 redevelopment will involve establishing a new kitchenette for the planned activity group and special functions, and a Cafe for staff and visitors. Catering for community functions is a future opportunity for REDHS.

Supply Department

It has been a very busy year in the Supply Department. As well as the usual purchasing and storage of supplies, Supply Manager Gayle McConnell has had a busy year assisting with the purchase of furniture, fittings and equipment for the new facilities. Procurement practices and purchasing policies at REDHS comply with the Victorian Industry Participation Policy as applicable. Gayle has also been attending training for the October 2009 regional rollout of the Oracle purchasing/finance system. A lot of preparation is going into the implementation including a review of the imprest stock system and suppliers for all departments scheduled for March 2010.

Did you know?

In the past year the Kitchen produced almost 67,000 meals for residents, 49,288 morning and afternoon teas, 5,200 fruit platters, 17,992 sandwiches and 9,648 Meals on Wheels!



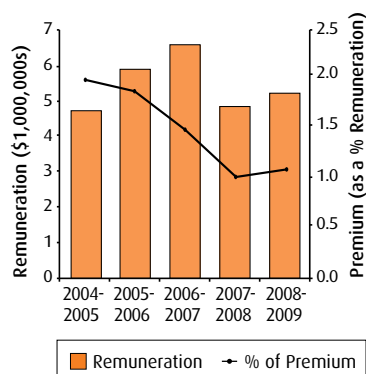
Ann Williams observes food safety and hygiene standards as she uses the industrial dishwasher in the Support Services facility.

Facilities Management



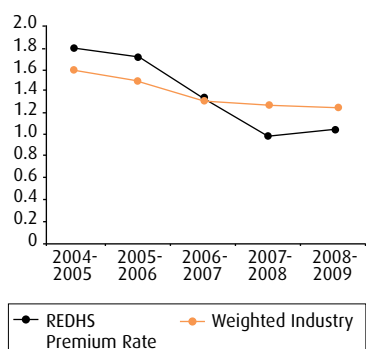
Brett Shotton documenting completed maintenance tasks.

Premium Payable as a Percentage (%) of Total Remuneration



The reduction in premium paid since 2006-07 reflects lower WorkCover costs with reduced claims

REDHS Premium Rate / Weighted Industry Rate by Year



REDHS' reduced WorkCover insurance premiums reflect positively against the industry generally.

Our changing facilities at REDHS provided the highlight of the year with the completion of Stage 2 of the Redevelopment. After many hours of planning, REDHS moved its administration department, acute and ambulatory care wing and primary care department into the new facility before decommissioning the old facilities. New state of the art plant and equipment provides maintenance staff with the right diagnostic tools to minimise interruptions associated with building services. These include a building management system showing status of all air handling systems with location maps, enabling Maintenance staff to quickly identify problems and areas affected. In addition, online systems in Nurse call, access control, security cameras and lighting control enables remote access by IT staff and contractors allowing prompt issue resolution.

This year took us into the first summer located in the new Support Services wing and Nursing Home. Systems were put to the test in many areas with the heat wave during February; one of the worst on recent record. The cooling systems generally coped well with the exception of a couple of staff areas which were subsequently addressed in the following months. Overall the challenges were met with a positive and co-ordinated approach to achieving the best outcome for all.

The major achievement for 2008-09 was commissioning services in the new facility including all Information Technology & Communication, and the Fire detection equipment before the opening of the new facility. For the Hostel we commenced the installation of a new VRV Air conditioning system. The system includes individually controlled units in each room and common area, allowing for complete climate control throughout the Hostel. Along with all of the redevelopment impacts on the facility support team, there were 945 work orders placed for repairs, maintenance and additions to be performed that kept our Facilities Technician, Brett Shotton occupied. Completed tasks are entered onto the database for reporting purposes.

The coming year promises to be another eventful one with the completion of the redevelopment scheduled for March 2010.

Occupational Health & Safety

REDHS has an Occupational Health & Safety Committee that is committed to ensuring a safe workplace for all staff in accordance with legislative requirements and the REDHS OH&S Action Plan. Members from all departments, as well as management and executive are involved. The elected membership had some changes this year with resignations and additions resulting in four new members joining the committee. The committee aims to meet monthly to ensure all aspects of OH&S are dealt with in a timely manner. During the year there were a total of 10 OH&S incidents affecting staff with a further 6 risks identified. There was no time lost as a result of these incidents. All were followed up satisfactorily in accordance with REDHS policies and procedures. The recent implementation of the Riskman reporting system has changed the way staff report incidents, near misses and risks with all reports now being completed online. The next twelve months will enable us to assess the impact and effectiveness of this newly implemented system. The last year has seen more improvements for staff safety with the addition of two closed circuit television cameras to the newly constructed buildings and the implementation of an integrated duress alarm system.

Community Involvement and Support

Rochester and District Hospital Auxiliary

The Auxiliary have had another very successful year, presenting a cheque to REDHS for \$14,643 to purchase two patient monitors at a cost of \$10,918, with the remaining funds to be used to purchase equipment for the new Acute Ward and Theatre.

Funds have been raised from the Ploughman's Lunch, catering for the Reunion of Soldier Settlement; "Australia" movie night, Melbourne Cup Day Luncheon and Raffle, Easter Egg Raffle, Devonshire Tea at the RSL Hall, Sonya Maree's Fashion Parade, Christmas Raffle, Art Show Afternoon Tea and the Anti-Cancer Morning Tea. We also put our skills together for the Rochester Show and St John's Fair, and Ruth Hunter made an "Angels" theme Christmas tree for display with photos of auxiliary members. Members attended the Better Health Program and Volunteers' Cuppa which was held in the Board Room, and went to the Golden Age of Couture at the Bendigo Art Gallery.

President Yvonne Andrews thanks all her committee, friends and husbands for their tireless efforts, as well as Ruth White and the staff at REDHS for their support.

Diggora and Ballendella Hospital Auxiliary

This very small, dedicated, ageing group has helped to raise funds for REDHS since the 1950s. It covers a large area of the Shire of Campaspe, to the west of Rochester. The ongoing drought conditions are causing hardship for everyone and yet our few dedicated members were able to add \$2,500 to the account. We wish to thank everyone for their generous donations. President John Lees also wishes to recognize the efforts of long time members Mrs Grace Haines and Mr Geoff Carr for their continued dedication to the auxiliary over many years. We sincerely hope that we can continue to work for

REDHS in the future and look forward to welcoming any new members at our annual meeting.

Life Governors

REDHS awards the title 'Life Governor' to individuals who have made an outstanding personal contribution to the health service. Those awarded the title of Life Governor are recorded in a register and include those who have served for many years either as an Auxiliary, Board Member, or volunteer, or those who have made significant financial contributions to the health service.

This year REDHS is awarding two Life Governorships in appreciation of the services that the following have so generously provided to the health service:

Mrs Jan Browning - Jan has been a dedicated member of the hospital auxiliary since moving to Rochester nine years ago, and has held the office of President and Vice President during that time. Jan is a caring member who takes pride in helping others through her volunteer work.

Dr Onn Shaw - Dr Shaw has been a dedicated general practitioner, providing a quality, professional medical service to the residents of Rochester and surrounding districts for the past 35 years. For many years Dr Shaw was the only doctor in the town, which entailed long hours, both in his practice and on call. During that time he has also delivered a countless number of babies and was available to expectant mothers around the clock when delivery was imminent. For many years Dr Shaw undertook the role of anaesthetist in the operating theatre and also assisted with minor surgery. Many young medical students have been mentored by Dr Shaw, all of whom have benefited from his professionalism and expertise. Dr Shaw has also served a term as a REDHS Board member where his insight and input was appreciated.



Auxiliary member and Life Governor, Val Griffith and Board Member, Heather Acocks cut the celebratory cake at the Volunteers' Day in December.



Life Governor, Dr Onn Shaw.

Community Involvement and Support



A wishing well made by participants of the Rochester Men's Shed was donated for use in the Special (Palliative) Care Garden.

Certificates of Appreciation

Certificates of Appreciation have been awarded to the following retiring Board of Management members, who have served the health service with great dedication:

- Sonia Martin (from 1.11.05)
- Astrid O'Farrell (1.11.06 – 30.6.09)

Volunteers

All volunteers are required to attend an orientation session. Forty nine volunteers attended sessions this year that included information on the health service's strategic directions, statutory requirements, board of management, infection control, quality care and occupational health & safety followed by a tour of the facilities and lunch.

In December, a celebration to thank volunteers for their valuable contributions to REDHS was well attended. Support services staff provided a delicious morning tea that was enjoyed by all. Board Member Heather Acocks thanked the volunteers on behalf of the health service, patients and residents.

Community Generosity

Donations and Bequests (over \$100)

Rochester & District Health Service Auxiliary	\$14,643.00
Ronald W Somerville	\$5,000.00
Rochester Art Show	\$3,001.04
Estate of K Reynolds	\$1,000.00
Donations in memory of Bon Williams	\$600.00
'You Care, We Care' Fosters Community Program	\$500.00
Donations in memory of Albert Wills	\$328.00
Shamrock Hotel, Rochester	\$200.00
Donations in memory of Jack Osterlund	\$174.40
Donations in memory of Olwyn Haines	\$170.00
Donations in memory of Ted Fiedler	\$150.00
Mr & Mrs H Watson	\$150.00
Donations in memory of Phyllis Igoe	\$115.00
Donations in memory of Jack Godden	\$115.00
Murray Plains Division of General Practice	\$100.00
Jewish Aid – Drought Relief	\$100.00
Donations in memory of Max Hewitt	\$100.00
John Sharkey	\$100.00

Total Donations for 2008/09 **\$26,774.94***

*Includes donations of less than \$100.

Statutory Requirements

The Rochester & Elmore District Health Service Annual Report has been prepared in compliance with the requirement of the Financial Management Act 1994 and the Standing Directions of the Minister for Finance and the Financial Reporting Directions.

Building Compliance

Rochester & Elmore District Health Service ensures that all buildings, plant and equipment in its control are maintained and operated according to the statutory requirements of the Building Act 1993 and the Minister for Finance Guideline Building Act 1993/ Standards for Publicly Owned Buildings November 1994. The new Nursing Home facility obtained Commonwealth Certification as a Class 9C building in June 2008.

Competitive Neutrality

Rochester & Elmore District Health Service is committed to meeting all competitive neutrality requirements in accordance with government costing policies for public hospitals including the Victorian Government Competitive Neutrality Policy. REDHS is continually reviewing market changes and conducting benchmarking against applicable tenders.

Compliments, Suggestions & Complaints

We welcome your comments in regard to the quality of our service. Your suggestions are important to us as we develop our strategies for continuous improvement. Compliments, suggestions and complaints should be directed to: Chief Executive Officer, REDHS, PO Box 202, Rochester, Victoria 3561 or by telephoning (03) 5484 4451 or emailing rochhosp@redhs.com.au.

Consultants

There were eleven consultancies this year, none of which exceeded \$100,000. The combined total of the consultancies was \$60,651.

Disclosure of ex-gratia payments

There have been no ex-gratia payments made during the reporting period.

Employee & Industrial Relations

REDHS has maintained harmonious employee relations with no time lost due to industrial issues.

Equal Opportunity Employer

Rochester & Elmore District Health Service is an equal opportunity employer and is committed to a policy of equal opportunity based on the merit principle in employment in accordance with the Public Sector Management Act 1992, including the submission of an Annual Report to the Commissioner of Public Employment. REDHS employs a workforce of permanent, part time and casual staff throughout the year. At 30th June 2009, the Health Service employed 97.3 FTE.

Freedom of Information

The Freedom of Information Act 1982 provides the public with a means to obtain information held by the Health Service. During the 2008/09 financial year, one request for information was received. This request was granted in full to the applicant. Freedom of Information requests can be made by contacting the Health Service Freedom of Information Officer on (03) 5484 4451 or emailing rochhosp@redhs.com.au.

Financial Management Compliance Framework (FMCF)

The Financial Management Compliance Framework (FMCF) was introduced from 1 July 2003 and applies to all Victorian Public Sector (VPS) entities. The Framework has been established to ensure that all VPS entities have implemented appropriate systems to ensure that public resources are used in an efficient, effective and responsible manner.

Financial Management Compliance Framework (FMcF) continued

REDHS has been largely compliant with the framework since it was introduced and this opinion was again endorsed this year via the Internal Audit Program. Work is continuing to ensure that full compliance is achieved. REDHS will continue to review its performance, policies and procedures against the compliance tool to ensure that the Service is operating in an effective and responsible manner.

National Police Register (NPR) Checks

All new staff are required to have a current, satisfactory national police register check prior to commencing employment with REDHS. All existing staff have the same requirement. NPR checks are deemed valid for three years. Volunteers are also required to have the same check undertaken at the commencement of their engagement and each three years. Some staff are also required to have a satisfactory "Working With Children" check.

Staff Analysis – Total FTE

Labour Category	JUNE Current Month FTE	JUNE YTD FTE
Nursing	46.16	46.68
Administration and Clerical	13.78	13.91
Medical Support	13.77	14.29
Hotel & Allied Services	23.63	24.48
Medical Officers	0	0
Hospital Medical Officers	0	0
Sessional Clinicians	0	0
Ancillary Staff (Allied Health)	0	0

Whistleblowers' Protection

The Whistleblowers' Protection Act 2001 is designed to protect people who disclose information about serious wrongdoing within the Victorian Public Sector and to provide a framework for the investigation of these matters. The Act's key objectives are to promote a culture in which people feel safe to make disclosures; protect these people

from reprisal; provide a clear process for investigating allegations, and ensure that investigated matters are dealt with properly.

Rochester & Elmore District Health Service has a prescribed procedure in place for dealing with disclosures made under the Act. A copy of the procedures is available from the Privacy Officer, to whom all enquiries on this matter should be directed.

In the year ended 30th June 2009 there were no disclosures made to the Rochester & Elmore District Health Service under the Whistleblowers' Protection Act 2001.

Data Accuracy

I, Glenis Beaumont, certify that the Rochester & Elmore District Health Service has put in place appropriate internal controls and processes to ensure that the Department of Human Services is provided with data that reflects actual performance. The Rochester & Elmore District Health Service has critically reviewed these controls and processes during the year.



Accountable Officer
1 August 2009

Risk Management

I, Glenis Beaumont, certify that the Rochester & Elmore District Health Service has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executives to understand, manage and satisfactorily control risk exposures. The Risk Management & Planning Committee verifies this assurance and that the risk profile of the Rochester & Elmore District Health Service has been critically reviewed within the last twelve months.



Accountable Officer
1 August 2009

Financial & Operational Performance Summary

- The noteworthy shift in revenue reflects capital redevelopment funds over the 07/08 and 08/09 financial years.
- Positive operating result of \$509,000.
- Important note: The increase in salaries and wages due to changes in EBA entitlements had a significant impact on the 2007-08 Operating result of \$(93,000).

Financials in Brief

	2009 \$000's	2008 \$000's	2007 \$000's	2006 \$000's	2005 \$000's
Total Revenue	16,096	16,803	7,937	8,493	8,250
Total Expenses	9,732	9,607	8,531	8,268	9,071
Operating Surplus (Deficit)	509	(93)	(27)	225	(821)
Net Cash Result	(239)	1,210	846	14	(130)
Total Assets	30,561	22,182	14,606	11,563	11,154
Total Liabilities	5,857	5,276	5,105	4,372	4,188
Net Assets	24,704	16,906	9,501	7,191	6,966
Total Equity	24,704	16,906	9,501	7,191	6,966

Debtors Outstanding as at 30 June, 2009

	Under 30 days	31-60 days	61-90 days	Over 90 days	Total 30/6/09	Total 30/6/08
Private	6,681	1,100	3,003	3,624	14,408	32,489
TAC	-	-	-	-	-	-
VWA	-	-	-	-	-	-
Other Compensable	-	-	-	-	-	-
Psychiatric	-	-	-	-	-	-
Nursing Home	36,996	9,073	3,803	14,064	63,936	58,254
TOTAL	43,677	10,173	6,806	17,688	78,344	90,743

Revenue Indicators

Revenue Indicators	Average Collection Days		
	2009	2008	2007
Private	31	39	29
TAC	-	-	-
VWA	-	-	-
Other Compensable	-	-	-
Psychiatric	-	-	-
Nursing Home	47	47	44

Quality Of Care Report

Rochester & Elmore District Health Service (REDHS) is committed to providing integrated, safe, high quality health care and services to its local community. A collaborative approach is taken whereby aged care residents and their families, patients, clients and other members of our rural community as well as staff and board members have input into the quality of care. Input occurs in a variety of ways and feedback is provided in return.

It is important for the local community to have information regarding the performance of their Health Service that is relevant, accurate and informative. This Quality of Care Report highlights the processes and systems that are in place, and the results achieved, that provide the means for REDHS to monitor and continually improve its performance for the provision of safe, high quality care.

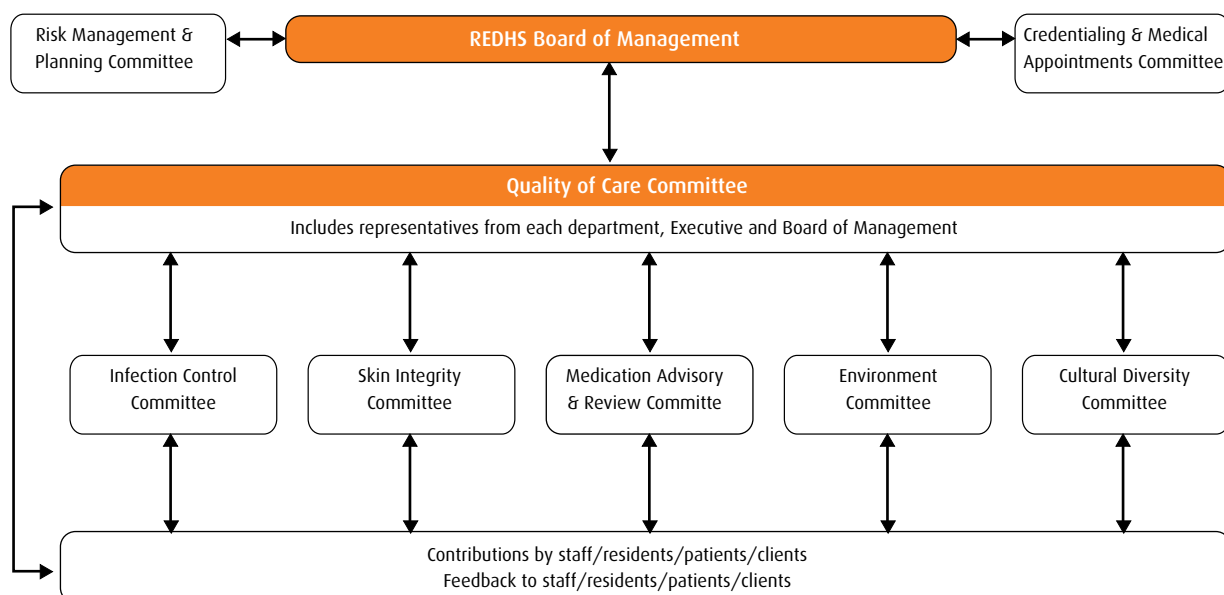
The ultimate responsibility for quality lies with the REDHS Board of Management. This involves ensuring that there are processes in place at all levels of the organisation for monitoring, reviewing and improving performance. This means that the Board of Management, the Executive Officers, managers, clinicians (the staff attending to direct care of consumers) and non-clinical staff such as catering, cleaning and administration staff are all responsible. A substantial proportion of monitoring quality is carried out by the Quality of Care Committee (see diagram).

Meeting the standards

As a rural health service that provides a wide range of services, both within its facilities and in the wider community, we are required to meet standards set by a number of agencies and achieve accreditation. With REDHS currently fully accredited, the community can feel safe in the knowledge that its health service is meeting or exceeding standards.

Our nursing home and hostel are accredited with the Aged Care Standards and Accreditation Agency of Australia (ACSAA) until October 2009. There was an unannounced visit conducted in August 2008 by an ACSAA assessor. Nutrition and Hydration, Oral and Dental Care and Continuous Improvement processes and results were reviewed. The impressive teamwork of our dietitian, care and catering staff in ensuring the nutritional and hydration needs for residents are being met as they arise was noted. In August 2009 our two aged care facilities will be audited to check compliance with all of the required outcomes that cover management systems, personal care, lifestyle, physical environment and safe systems.

The acute ward is required to meet the criteria set down by the ACHS and is accredited until January 2012. The required self assessment was submitted to ACHS in September 2008 to update them on progress with recommendations made in 2007 and any subsequent improvements to care. Two auditors



will be on site in October 2009 to confirm the self assessment. Our District Nursing Service must meet the HACC National Service Standards and will also be audited in October 2009.

How does REDHS know if it can safely and effectively assist someone?

As a small, rural health service, REDHS can only safely provide or manage certain types of treatments that someone may require. We have a number of assessments and criteria in place to ensure that if we admit someone to our facilities or services, we are able to provide the appropriate level of care.

In our acute facility (hospital), there is a set of admission criteria that assist the staff to determine if it is appropriate and safe for the patient to be admitted. General Practitioners are available on call twenty four hours a day to attend the Accident & Emergency bay. If REDHS cannot provide the type of care required, then that person will be referred or transferred as quickly as possible to another facility where they will receive suitable care. There is also a process in place for transferring an admitted patient if their condition has deteriorated to the point where we can no longer provide suitable care.



Acute nurses Joan Phelps, Ali Moorhouse, Paula Hinton, Margaret Stanford liaise with District Nurse, Colin Jones in the new acute ward.

Before residents move into either of our aged care facilities, they are assessed in the community, another facility or our acute ward. These assessments ascertain where the most appropriate care for the person can be provided. This may be our nursing home or our hostel or community based care may continue to be the most appropriate.

An integrated approach to care is essential to quality and our Co-ordinated Care Committee is an important part of the care process that enhances communication between departments. The committee comprises the Director of Nursing and Nurse Unit Managers from

the Acute Ward, our Aged Care facilities and District Nursing and meets regularly to keep each other up to date with ongoing care needs both in the community and in our facilities. An Aged Care Assessment team representative is also invited to attend these meetings.

Who are the people that access our services?

REDHS has access to many sources of information regarding the people in our community including Census 2006, Shire of Campaspe and Campaspe PCP demographic analyses as well as our own admission records. This information is valuable when planning of services and the ways they are delivered.

Our Cultural Diversity Committee meets twice yearly and works within the Cultural Diversity Plan. The plan includes actions for monitoring our clients' cultural and linguistic requirements, identifies information networks, aims to encourage a culturally diverse workforce, ensures language services are available and that all relevant standards are met and maintained. At present REDHS has met cultural requirements in accordance with both ACHS and ACSAA standards.

Our community is predominantly Australian-born (95%) and English-speaking (99%). Of people arriving from overseas, 93% arrived before 2001. Our community also includes a comparatively high percentage of people over 65 years of age (approx. 17%) with the vast majority of our services accessed by this group. We have a very small Aboriginal Torres Strait Islander population (approx. 16) with a much larger population living just to our north at Echuca. For reasons of cultural connectedness, ATSI people tend to access specific health care services through organisations such as the Njernda Aboriginal Co-operative. REDHS has not had any ATSI admissions recorded since 2005-06.

Seasonal workers from overseas (mostly Asia) work in the area from time to time but none sought treatment in 2008-09. REDHS' staff have access to a telephone translation service should a non-English speaking patient present for treatment. The translation service was not required in 2008-09. REDHS can also access written translation services for its Aged Care Facilities from the Centre for Cultural Diversity in Ageing. If required our Resident Handbook can be translated to a nominated language. One of our current Aged Care residents was born overseas. Our staff have researched the country and city of origin, accessing local media, recipes and other information. This resident is very excited that people are taking such an interest and staff have found the learning experience equally rewarding.

Although not culturally diverse in the non-English speaking sense, we have other cultural needs to meet. We have a mix of people, both in the community and in aged care who have rural, regional or metropolitan backgrounds. The support, activities and outings are tailored to meet these needs. Staff are also sensitive to the needs of war veterans and widows in our care. We commemorate significant days such as Remembrance Day, ANZAC Day and the Bombing of Darwin. Visitors from the local RSL share morning tea with residents at least monthly and some residents attend local RSL meetings. Emotional and special dietary support are provided as required. Aged Care staff are also attending training around person-centred care that includes a person's cultural background and requirements.

Planning and managing quality & safety

REDHS has many processes and plans in place to allow it to manage and monitor the care it provides. The Quality Improvement Plan is in place and is allied to REDHS' Strategic Plan. The Quality of Care Committee is guided by the Quality Improvement Plan and is central to the flow of information throughout the health service. It is this committee that closely monitors improvements, incidents, audits and any other quality of care issues that may arise. The Quality Improvement Plan was submitted to the Victorian Quality Council who responded that it was "very comprehensive" and identified clear governance responsibilities.

Policies and procedures are in place to assist staff with carrying out their duties and tasks in a consistent manner that reflects Best Practice. The electronic policy creation and review system allows the appropriate staff, board of management and/or committees to have input into the content. This allows us to accurately capture the procedures that are carried out in the health service and confirm that they reflect current legislative and/or best practice requirements. Staff can easily access the current policies and procedures on the REDHS intranet.

All Visiting Medical Officers (VMO) are required to be credentialed. The medical credentialing and appointment processes must be successfully completed before a VMO is permitted to care for our clients/patients/residents. Credentialing covers such things as qualifications, registration with the medical board and medical insurance. Medical staff are credentialed within a scope of practice that reflects their skill levels and experience. The credentialing process is carried out three yearly but a VMO must present proof of registration and insurance

on an annual basis. Admitting rights are determined as a separate process of engagement, and approved by the Board of Management.

Keeping our knowledge and qualifications up to date

One of the most important considerations is ensuring that there are suitably qualified people on hand to provide suitable care. All nursing staff are required to be registered and must present proof of registration to the Director of Nursing annually. In line with current best practice, REDHS ensures that staff maintain their competency in a wide variety of areas relevant to their roles including Advanced & Basic Life Support, Medication Management, Blood Transfusions, No Lift techniques, Food Handling, Chemical Handling and Bus Driver training.



Staff received training for the new bus.

As we are all aware, technology is moving at a rapid rate. New discoveries and treatments are also always being made in healthcare worldwide. This is why it is important that staff continue to develop their professional skills. Staff have been involved in a considerable amount of education, some in response to new innovations and some in response to the move into our new facilities. During the transition phase for Stage 2, the Staff Development Officer (SDO) coordinated and assisted in tours of the new facility to ensure staff familiarisation of the new building especially emergency procedures, location of safety features, location of exits etc., Education around the new equipment in the acute ward was also undertaken by staff.

Our SDO, Wendy Rogasch, coordinates the REDHS Training Plan, organises training sessions, assists staff with their individual professional development needs and manages traineeships, coordinates and supports students on placement. This year Wendy spoke at various community functions such as Women's Health day at the Rochester Community House and the World's Biggest Morning Tea in aid of cancer research.

Our new Staff Development Room is used for the mandatory Training Day (held monthly, all staff must attend annually), various education sessions, nurses' study days and numerous meetings and interviews. We have hosted sessions that have been attended by staff from other health services including two Continuing Nurse Education days on Dementia and Emergency Presentations these sessions were free to nurses within the Loddon Mallee region.

Our Graduate Nurse Program involves one first year graduate nurse, Esther Guinea, who is rotating through all areas within REDHS, and also some specialist areas at Bendigo Health. Esther has a passion for Rural & Remote nursing and intends to explore a future career in that area of nursing.

Division 1 Nurses, Paul Hughes and Joel Lind, are participating in the Staff Development Year Program that aims to encourage and enhance advanced nursing theory in selected nursing areas within REDHS as well as offsite. Participants are able to have input into the types of extra experiences that they feel will benefit their continuing professional development. Paul has been mentored in auditing the safe handling and administration of insulin. As a result of the audit, some storage and insulin order notation issues were identified that have subsequently been rectified. The existing policy was updated to accommodate patients self-administering if appropriate.

REDHS was very happy to assist Ali Moorhouse in her quest to return to nursing after more than five years away from the profession. After an intensive Return to Nursing program run by Mt Alexander Hospital in Castlemaine, Ali is now working on the Acute ward and participating in a supportive program similar to the Staff Development Year Program.

REDHS provided forty placements for students in the past year:

- Nursing – Division 1 - La Trobe Uni Bendigo & Vic Uni Melton (15), Division 2 from BRIT Bendigo and GoTAFE Shepparton (11)
- Medicine - 5th year Melbourne University (2)
- Pharmacy - La Trobe University Bendigo (2)
- Personal Care Attendants (5)
- Work Experience - Rochester Secondary College (5)

We see this as an important function of our role in promoting the health sector as an attractive career pathway, and REDHS as an employer of choice.

Congratulations to Division 1 nurses Heather Wickham and Jenny Ellis for gaining their Graduate Certificates of Gerontology this year.

This year, many Division 2 registered nurses were able to expand their scope of practice by completing the Medication Administration course endorsed by the Nurses Board of Victoria. With the support of the SDO and Division 1 nurses, the endorsed Division 2 nurses have begun administering medications in our nursing home. This initiative will ultimately mean that the medication rounds will be completed in a more timely manner than previously and allow the Division 1 nurse more time to assist in care planning and care coordination for residents. REDHS also hosted Division 2 nurses on placement from other organisations as they completed the course.

A considerable amount of work has been done this year to update the Intranet site with many education resources and links. This has provided a great resource and allows ready access for all staff, especially those on night shift when education and administration staff are not on site. Computers are an integral part of information flow throughout the organisation. Ongoing training for new systems is provided as they are introduced and continue as required. This may take the form of group sessions (on or off-site), 1:1 tutorials and/or written instructions.

In February, RN Division 1 nurse Wendy Kneebone was appointed as the REDHS Best Practice Champion for the "Encouraging Best Practice in Residential Aged Care" (EBPRAC) program. It has been developed by the Australian government to support Residential Aged Care facilities improve the quality of care by implementing evidence-based practice with a focus on the creation of dementia-friendly physical and social environments. Staff are soon to start attending training in person-centred care and we envisage that residents will greatly benefit from the knowledge gained by staff.

In the coming year, we will continue to support and mentor nurses in their continuing professional development and expanding scope of practice, as well as assisting all staff in their career endeavours. The focus will be to implement and continually improve the REDHS Training Plan, with continuing emphasis on in-house education, including subjects such as Documentation & Legal Issues, Mental Health and Infection Control.

Monitoring safety & quality in the health service

The Quality of Care committee receives reports from its members including reports generated from our Incident / Near Miss reporting system, reports from the Statewide Limited Adverse Occurrence Screening (LAOS) program, compliments, suggestions and complaints. When combined, these various reports provide a useful picture of the levels of quality and safety. Relevant publications such as the Coronial Communiqué and Health Alert are reviewed for findings or recommendations to further assist us with improving our performance.

Our incidents and near misses have been tracked on databases for almost five years. This has allowed us to report, track and analyse incidents very effectively. In early 2009, REDHS was chosen as one of five pilot sites for the rollout of a new system in the Loddon Mallee region. Since June 2009, staff have been submitting incidents, near misses and hazards electronically which has significantly streamlined the flow of information and the reporting process. Residents, patients and visitors are also encouraged to report any existing or potential hazards to staff.

There are also policies and procedures in place for the Sentinel Event program. Sentinel events are defined as relatively infrequent, clear-cut events that occur independently of a patient's condition, commonly reflect hospital system and process deficiencies; and result in unnecessary outcomes for patients. These events must be reported to DHS but there were no sentinel events at REDHS in 2008-09.

The safe administration of medications

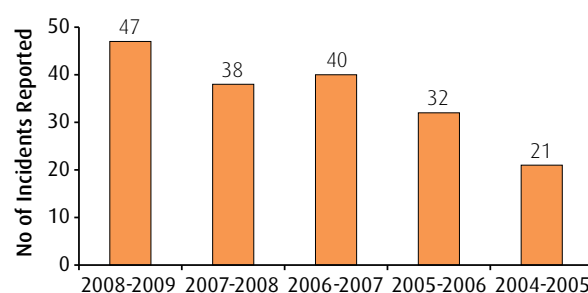
Medications are administered many thousands of times each year by our health service personnel; unfortunately there are occasions where medications are missed or the wrong medication given.

Medication incidents and near misses are recorded in our incident database. There is an average of nine steps in the process of medication administration from the ordering by medical staff, to pharmacy delivery, to our patients/ residents/ clients receiving their medication.

In 2008-09, there were over 65,000 medication administrations across REDHS. During these administrations, 47 medication incidents/near misses were recorded across all health service departments. There were no major adverse outcomes for patients/ residents/clients resulting from these incidents/ near misses. With the introduction of a new incident

database last year, comprehensive staff education and training was undertaken for all the care team. Staff have been encouraged to record all occasions where the process of medication administration had or had the potential to have, an error. This new diligence and heightened awareness has resulted in an artificial increase in reported incidents.

Medication errors



All medication incidents/near misses were investigated at department level and the results of investigations reported to the Medication Advisory Committee (MAC) for discussion and analysis. Administration related error (27) continues to be the main reason identified, with the most common error type - omission of medication (15) followed by incorrect dose (8) and pharmacy errors (5). To address administration errors, education and refresher sessions were provided to the individuals involved and reviews of processes were also undertaken. In the acute ward, two Division 1 nurses are required to sign out medications and at the annual medication competency session there is additional focus on reporting and discussing error causes. Pharmacists promptly rectified the pharmacy errors. Many incidents occurred during busy medication rounds. Further education sessions were provided in all departments and the Hostel introduced the P.I.L.L.S. checklist (Pause, Inhale, Liaise, Look, Speak) to assist medication staff in dealing with distractions and to focus on the task at hand.

Minimising falls and the outcomes

Falls in the elderly increase with the aging process; they can be debilitating for those in care and those in the community. Falls can result in a loss of confidence, bruising, or fractures that may require surgery and/or extensive rehabilitation. Our staff are very aware of these effects. Comprehensive falls risk assessments are completed for all patients and residents on admission and are reviewed regularly or following a fall. Contemporary practice for Aged Care residents involves a minimum of physical and chemical (medication) restraint. In past decades

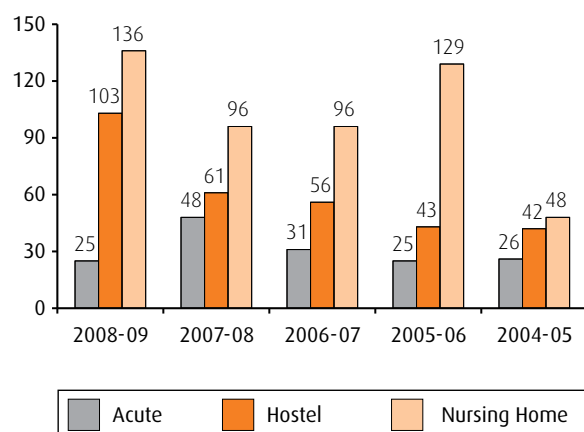
across health facilities, restraint was used as a means to prevent the elderly from falling and wandering. Health providers have moved away from this physical and/or chemical restraint as it has many side effects and can cause complications and frustration to residents. Using less restraint and allowing the elderly to mobilise can mean the potential for falls is increased, so it is always a decision made with thorough deliberation and family consultation.

A fall is defined as an event, which results in a person coming to rest inadvertently on the ground or other lower level. This can include rolling onto the floor from a low position bed, sliding from a chair or falling to the knees while walking or standing, to name but a few.

REDHS has been involved in the United Stand Against Falls project with the Shire of Campaspe and Campaspe Primary Care Partnership since its inception in late 2005. The aim of the project was to reduce the risk, incidence and severity of falls, increase awareness of falls prevention and promote prevention strategies in residential aged care and acute facilities in the Campaspe region. A Falls Prevention Pathway was developed that adopted many of the strategies and processes already in place at REDHS.

In 2008-09, there were 264 falls (see graph) with a few residents /patients having repeated falls. The acute ward recorded a decrease in falls but both of our aged care facilities recorded increases. The Quality of Care committee analyses the falls to check for patterns e.g. times of day when most falls occur, fall locations, severity of the outcome etc. The falls pattern for individual residents is also analysed. All reports are made available to care staff for consideration when putting strategies in place to assist residents in preventing falls or minimising outcomes.

Falls by department



Aged Care residents and staff noted that one of the risks faced by residents was that the height adjustable beds may not be returned to a suitable position, putting the resident off balance when sitting down or standing up. A new and very successful proactive initiative was for our physiotherapist or occupational therapist to ascertain the appropriate bed height for the individual and place a dot on the wall at that level. The beds are now returned to a suitable height so that residents can more easily maintain balance and therefore reduce the risk of falls.



Hostel staff member Nicole Hickey adjusts the bed height for resident Barbara Lees.

The installation of handrails in hostel ensuites is ongoing and in order of priority for residents with the highest falls risk. Residents have reported feeling more confident when accessing the ensuite. Entering and using the ensuite toilet was difficult for one resident and after trialling various aids including an over-toilet stool, it was decided to turn the whole toilet bowl around to a different angle. This proactive initiative has worked extremely well with the resident feeling much more secure and less likely to fall. Reminder notices continue to be used in all departments as appropriate to act as prompts for patients and residents to use their wheelie frames or call for assistance when moving around. Medication reviews are conducted externally at regular intervals and assist in alerting residents and carers to any side effects that may increase the likelihood of falls.

Promoting wellbeing

Consumers are involved at all levels of the health service. REDHS' Board of Management consists of volunteers, all of whom live in the region. Their knowledge of community needs and opinions is an important part of the consultation process. The majority of the staff also live locally. There are two local hospital auxiliaries that support the health service through fund raising activities. Three Community Newsletters were published and distributed in 2008-09

to provide information on what was happening with the redevelopment, personnel changes and other relevant information. People receiving care and their carers are encouraged to be involved in their own Care Plan development and reviews in association with REDHS staff, and appropriate allied health professionals including the Dietitian, Chef, Occupational Therapist, Physiotherapist, Pharmacist and Social Worker. Acute care plans are reviewed daily and resident care plans monthly or sooner if required. This year there has also been increased GP involvement with resident care planning as well as increased family involvement in taking hostel residents for planned medical reviews.

During the redevelopment, some of our services have had to move off-site and have found temporary homes in the community. Our Planned Activity Group currently meets in the Salvation Army Hall and some of our health promotion activities have been held in the Rochester Community House. These include the weekly Fitness for Older Adults class that averages eleven participants. Having activities offsite has led to a greater familiarity with our services through increased direct exposure in the community. The public were also invited to tour the new facilities just before they opened and considerable feedback has been provided.

Alpha Dental has provided on-site dental services on 71 occasions since October 2007, eliminating many of the challenges of having our most frail and vulnerable residents receive optimal dental and oral health care. Twenty seven community members were also able to utilise this service.

REDHS continued to promote health in the community through a number of programs and special occasions. All attendees at events and programs are encouraged to complete evaluations to enable REDHS to monitor its performance and to ensure that it is meeting or exceeding community needs.



Director of Nursing, Ruth White celebrates International Women's Day with publisher, Dionne Higgins and adventurer, Linda Beilharz.

International Women's Day was celebrated in March with over 50 local women in attendance to hear guest speakers Linda Beilharz (Mountain Climber / Adventurer) and Dionne Higgins (Chief Operations Officer - Pearson Australia incorporating Penguin Books) and to join in a supper of international foods. Evaluations indicated that it was a very worthwhile event with 96% of attendees finding it valuable and 98% finding the guest speakers interesting and inspiring.

The popular program "Women on the Move" was held for a third time and again well attended. Ladies met at the Rochester Community House to participate in a wide range of activities including healthy ageing, creative writing, occupational therapy, drought-tolerant gardening, smart shopping and community kitchen with our dietitian. Some attendees suggested a visit to the presenter's drought-tolerant garden could be included in the next program.

During the very hot weather in February, the District Nurses made extra visits to elderly clients to check if they were able to remain cool and hydrated. One client wrote: "The daily visits during the very hot weather were appreciated".

In April, District Nurses Colin Jones and Leanne Rankin held a follow up day for the successful Sustainable Farm Families project first held last year. Of the twenty two original participants, sixteen attended this year. Follow up clinical tests and reviews of individual action plans were carried out. Participants found the education session beneficial including the "Gender Bender" sessions where Colin spoke to the men about women's health and Leanne spoke to the women about men's health issues. Participants enjoyed the sessions and found the program to be very beneficial.

During National Diabetes Week in July, dietitian Kristen Brown organised a healthy food tasting afternoon tea for interested community members, and staff were treated to a healthy barbeque lunch.



Staff enjoyed the delicious and healthy barbeque lunch during National Diabetes Week.

Quality of Care Report

REDHS personnel attended the Rochester Health & Safety Expo in August and the Elmore Field Days in October to provide information and carry out health checks. Flu vaccinations in the workplace were carried out for workers at the Murray Goulburn factory in Rochester.

REDHS was successful in gaining funding for a Community Garden as a social inclusion project for our aged care residents. Meetings with residents, interested community members and staff have been held to provide input. Plans will soon be available for comment from interested parties. The residents are very excited at the prospect of being able to grow vegetables and flowers where they live.

Nurse Practitioner Scoping Project

REDHS undertook a Nurse Practitioner Scoping Project with funds provided by DHS. Nurse Practitioners are registered nurses who are authorised to practice in an expanded nursing role that supports the delivery of holistic care. The Nurse Practitioner's expanded role includes prescribing medicines, ordering and interpreting investigations and tests. The project findings were submitted to DHS in September 2008. The report identified REDHS' and the local health community's ability to support the Nurse Practitioner role in the future.

Rating and monitoring our performance

Tracking our performance is also done by analysing the various survey results that we gather throughout the year. Patient, resident, client and staff surveys are regularly conducted and reported to the Quality of Care committee and information is fed back through newsletters, meetings and the local newspaper. Surveys provide valuable feedback on the things we are getting right and highlight the areas where we can improve.

The Victorian Patient Satisfaction Monitor (VPSM) provides benchmark data for comparing REDHS Acute ward with other hospitals. (Our hospital is a Category D). With consent, acute patient contact details are provided to external surveyors. Surveys are distributed and collated externally on behalf of DHS and the de-identified results passed on to health services.

These most recent VPSM results were collected before the move into the new facilities. You can see that REDHS continues to perform favourably against other hospitals, both large and small, however a review of Discharge and Follow Up processes is being conducted.

Comments written by patients are also provided and taken into account in our staff recognition and improvement activities. For example, one respondent was very impressed with the level of confidentiality maintained in such a small facility, others appreciate being able to receive care in their own community. Other feedback included dissatisfaction with meals (see Complaints section) and the discharge process which is currently in review.

A number of internal satisfaction surveys were conducted in many areas of the health service during the year. In last year's survey, Planned Activity Group clients indicated their dissatisfaction with bus comfort. A new bus was provided in September 2008 and clients were surveyed in May 2009. Nine out of eleven clients rated it quite highly and all appreciated being able to stand upright, the comfortable seats and increased leg room. Some indicated having difficulty with the seatbelts but staff are able to assist with fastening them. Air temperature control is also much improved.

District Nursing clients provided responses in March regarding their satisfaction with the service provided. Responses confirmed that clients do not

	REDHS Sept 08 - Feb 09	REDHS Mar 08 - Aug 08	REDHS Sept 07 - Feb 08	Other Cat D Hospitals Sept 08 - Feb 09	All Hospitals Sept 08 - Feb 09
Overall Care	84	88	82	84	78
Access & Admission	88	89	81	84	77
General Patient Information	87	91	84	87	82
Treatment & Related Information	81	87	80	83	79
Complaints Management	85	89	83	85	80
Physical Environment	84	85	82	83	75
Discharge & Follow-Up	77	84	76	81	76

have to go on a waiting list for treatment, 93% felt involved with their care planning, all were satisfied with the explanations regarding their care and the appropriateness and explanations of the care given.

"The nurses were exceptional. The concern and compassion they showed to me was beyond that called for. The way their visits were structured to fit into my work schedule was greatly appreciated. I feel I made a whole lot of new friends".

Our aged care residents (and/or their families) are encouraged to attend Resident Committee meetings and to participate in the annual satisfaction survey in October. Survey results indicated that the overall satisfaction with the care is very high, especially the friendliness of staff, the emotional support that they provide the residents and families as well as the nursing care.

"I can't speak highly enough of the care and attention given to my mother".

"We have read the survey through and can only rate each question as excellent. Have found the nurses and staff very caring".

"Particularly enjoy the staff - all caring and fun. Do enjoy the trips we have had but there are not enough. The cooling in summer is not suitable (hostel) for old people who feel the heat".

Areas for improvement included laundry services (see Complaints section), access to physiotherapy (additional hours were put in place in March 2009), noise from other residents' televisions (use of remote earphones encouraged) and some residents indicated that although they were very happy with the activities available, they would like more time with the activities staff. It is hoped that the rollout of computer software to assist activities staff in maintaining their records more quickly and efficiently will allow them more time with residents. Air conditioning is being installed in the hostel to keep it cooler for residents in the hotter months.

There are a number of ways that community members can provide feedback and one of them is to use the Compliments / Suggestions / Complaints form that is readily available throughout our facilities, email us direct or through our website.

Compliments

Everyone likes to receive compliments and our staff are no exception. We received sixty-six formal compliments this year regarding the care provided,

food, recognising special occasions and the hosting of students. We also receive many verbal compliments and recognition of care in the local newspaper.

"I have nothing but praise for the staff working here. I received all the care I needed with a smile and felt safe and well cared for at all times."

"All the staff were caring and considerate, the food was excellent, the cleaning was superb, no complaints whatsoever".

"Nursing staff were caring, efficient and attentive. A big thank you to them for answering my buzzer promptly, getting me reading material and treating me with respect and dignity".

"Thank you to nursing home staff for the kind care of our mother and grandmother while she was a resident. The care she was given was outstanding".

"I had marvellous help while in respite (hostel). The food was always nice, lovely meals, everyone was so nice. I felt like I was on holidays".

"For a long time, your (District) nurses have been coming to my house and treating a bad sore on my leg. The leg has now cleared up and I want to thank all the people who looked after me. They were very good at their job and always very pleasant".

Suggestions

We also received seven suggestions from consumers regarding food/meals, nursing home access, air conditioning, paper saving, rehabilitation activities and shower screens. As a result of these suggestions and other feedback, quotes for shower screens in the new acute ward have been obtained, nursing home access has been altered with reviews ongoing and new facilities and equipment are addressing the air conditioning issue. Increased use of the REDHS intranet provides us with an opportunity to reduce paper usage when providing information to staff.

Complaints

Twenty one formal complaints were received this year. These were resolved to the mutual satisfaction of all involved. Two complaints fell outside our preferred response timeframe due to the multiple staff required to provide input, both were appropriately addressed. Complaints were mainly concerning access points in the new facilities since opening in May, communication, food and laundry concerns.

As a result of the complaints, we were able to make a number of improvements. Access to the nursing home has been slightly altered and continues to be reviewed. Additional signage has been installed to further assist people in finding the new After Hours entrance, with additional information also provided in the Community Newsletter and local newspaper.

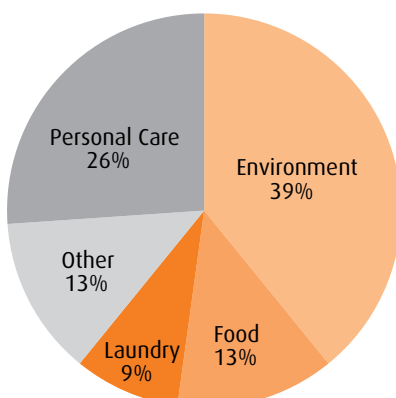
Support Services management met with the Residents' Committee to address resident concerns regarding some aspects of the laundry and meals services. These concerns arose after the commissioning of the new support services building and use of new equipment. With resident feedback from the meeting and after each midday meal, the catering department was able to make appropriate changes to the heating of meals with residents reporting that they were very pleased with the improvements. A laundry audit was conducted that included checking clothing for unusual wear and tear or colour changes. As a result of the audit and resident feedback, changes were made to the wash cycles, a new stain remover accessed and additional staff training provided. Residents have been happy with the results and appreciated the efforts taken to address their concerns.

Two complaints led to a review of the timing and type of communication with acute patients and their families.

Complaints



Complaints by category



Preventing the spread of infection

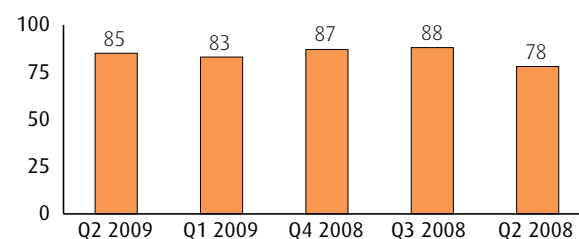
The main focus for REDHS regarding infection prevention and control is to continue implementing the Department of Human Services' "Start Clean Strategy 2007- 2011". There are three components to this strategy: Hand Hygiene compliance, increase in standards for cleaning of health care facilities and responsible antibiotic stewardship.

Hand hygiene

It is well accepted that poor hand hygiene is a major cause of infection spread in health care. REDHS has adopted the World Health Organization's (WHO) Hand Hygiene program: "Five Moments for Hand Hygiene". The five moments indicate appropriate times to clean hands in a clinical setting. This year, the Hand Hygiene Program has been extended Australia-wide, providing the opportunity to benchmark across the nation.

Hand hygiene audits are conducted to assess compliance and education is given at the annual training day and volunteer orientation. The target set by the Start Clean Victorian Control Strategy 2007-11 (DHS) for these audits was 55%. As you can see from the graph, REDHS' results were well above the target.

Hand Hygiene Compliance (%)



To assist with hand hygiene compliance, our clinical and support services staff were encouraged to remove wrist watches and most are now wearing colourful fob watches instead.



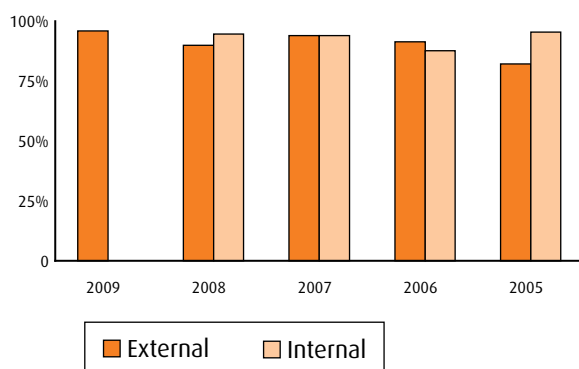
Di Wilkins wearing her fob watch as she serves morning tea at the Stage 2 redevelopment opening ceremony

Quarterly Hand hygiene compliance reports are sent to the Victorian Hand Hygiene Co-ordinator for benchmarking. We are pleased to note the increasing number of visitors to the Health Service who now clean their hands on arrival and when leaving the facility.

Victorian Hospital Cleaning Standards

In 2008 -2009 health services were required to report one internal cleaning audit and one conducted by an external auditor. On both occasions, REDHS' 2008-09 results exceeded the required level of 85%.

Acute ward cleaning audits



Responsible Antibiotic Stewardship

Acute ward medication charts are checked by ERH's pharmacists and the aged care charts are reviewed by a contracted pharmacist to check the medications that are in use. Results are reported to the Medication Advisory Committee. An audit on the best practice prescription of antibiotics for community acquired pneumonia yielded useful information which was forwarded to GPs and the Murray Plains Division of General Practice.

REDHS continues to participate in the Victorian Nosocomial (hospital acquired) Infection Surveillance System (VICNISS) which collects data on areas of multi resistant organism infections, blood stream infections, occupational exposures, surgical infection reports and staff influenza vaccine uptake. Fortunately we have continued to have few cases to report.

Our association with the Bendigo Health Care Group Infection Prevention and Control Unit remains strong with support in areas of advice, surveys, benchmarking and policy development. In 2008-2009, REDHS again participated in the annual Aged Care Point Prevalence audit and clinical compliance audits with pleasing results in all areas.

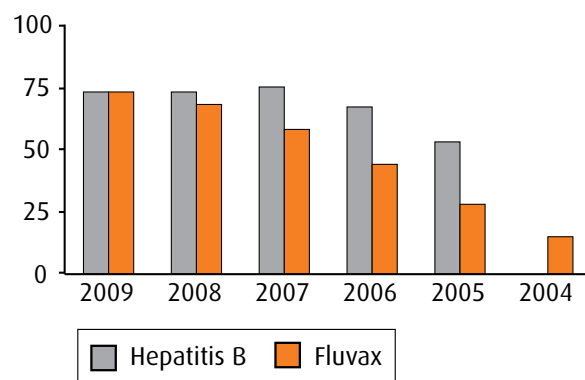
Our redevelopment has enhanced REDHS' ability to maintain cleanliness throughout the nursing home, support services and the acute ward and improve our compliance with infection control requirements. The new sterile stock room temperature is centrally controlled, giving confidence that the appropriate temperature is maintained. Our aged care facilities both have new stainless steel dressing trolleys and the nursing home has two Clean Utility Rooms for sterile stock and dressing supplies.

Staff Vaccination

Once again we are able to report an increased uptake of influenza vaccination by staff with 73% vaccinated. Not only is a high rate of influenza vaccination important to prevent staff illness, it also prevents transmission to patients and residents. This year we can report that nearly all of our residents received their vaccination. Of those who have not been vaccinated, the main reason is because of contraindications to substances in the vaccine.

Hepatitis B vaccination is also encouraged for all staff, especially clinical staff. This year the percentage of staff who have been vaccinated is also 73 %.

Staff Vaccination



Keeping skin intact - pressure ulcer prevention & management

Pressure ulcers can cause pain, increased debility and increased length of stay. Those most vulnerable to developing pressure ulcers are the elderly, the very ill and the very young. Contributing factors are the level of mobility/ activity, weight, nutritional status and continence. Interventions are applied according to the severity of the ulcer. REDHS continues to report data to DHS on pressure ulcers for both acute ward patients and aged care residents, and monitors the results. Results are reported to the Quality of Care

Committee. Skin integrity is closely monitored and appropriate treatments applied. Treatment techniques and equipment are continually being improved with staff receiving ongoing training in this important area of care. One of our residents and their care staff are very pleased with the significant improvement of a long term, severe pressure ulcer since using a medical vacuum pump.

Our Skin Integrity Committee monitors any pressure ulcers that develop at REDHS and any that patients/residents/clients already have when they are admitted. Initial and regular assessments are carried out for all patients and residents and are essential to the prevention of pressure ulcers. REDHS continues to report a very low incidence of pressure ulcers acquired after admission.

The committee recently implemented a new Pressure Risk form and is currently trialling a new wound care chart, the aim of which is to allow for clearer description of the wound and management of the treatment regime.

Report distribution and feedback

The Annual Report/ Quality of Care Report 2008-09 is forwarded to the Department of Human Services for tabling in State Parliament and is available to the wider community at the Annual General Meeting, notification for which is printed in the local newspaper.

The report is available to the community or any other interested parties on request thereafter, directly from the Health Service or from our website. The provision of both paper and electronic copies ensures appropriate access to the report. The availability of the report will also be noted in the local newspaper.

Readers are invited to provide written and/or electronic feedback on the report through reply paid response (inserted in each hard copy) or by email to rochhosp@redhs.com.au

Only two formal responses to the report were received last year and indicated that the overall design and presentation were very good and that the content was comprehensive, of a high standard, clearly written and easy to understand. Favourable verbal comments were also received. Suggestions for improvement related to formatting, which have been taken into consideration this year.



Your Community – Your Health Service You Can Help In Many Ways

Donations and Bequests are a vital part in the provision of services to Residents in our community.

Our service relies on the generosity of individuals and organisations within our community.

You can help by:

- Making a Donation towards a specific item
- By defraying the cost of much needed equipment
- By remembering the Health Service in your Will
- By joining one of the Health Service Auxiliaries

Donations in memory of loved one or in lieu of flowers is also appreciated. Envelopes are available for this purpose from the Health Service. Receipts are issued, acknowledgement letters are written, and when known, summary letters are mailed to the decedent's next of kin.

Your Help Is Needed - And Will Be Appreciated

ROCHESTER & ELMORE DISTRICT HEALTH SERVICE

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

We certify that the attached financial report for Rochester & Elmore District Health service has been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable *Financial Reporting Directions*, Australian Accounting Standards, Australian Accounting Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes forming part of the financial report, presents fairly the financial transactions during the year ended 30 June 2009 and financial position of the Rochester & Elmore District Health service as at 30 June 2009.

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 report for issue on this day.



Ms M. Magennis
Chairperson

Rochester

17/09/09



Mrs G. Beaumont
Accountable Officer

Rochester

17/9/09



Mrs G. Beaumont
Chief Finance & Accounting
Officer

Rochester

17/9/09



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board, Rochester and Elmore District Health Service

The Financial Report

The accompanying financial report for the year ended 30 June 2009 of Rochester and Elmore District Health Service which comprises the operating statement, balance sheet, statement of changes in equity and cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the board member's, accountable officer's and chief finance and accounting officer's declaration has been audited.

The Members of the Board's Responsibility for the Financial Report

The Members of the Board of Rochester and Elmore District Health Service are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

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. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

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



Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of Rochester and Elmore District Health Service for the year ended 30 June 2009. The Members of the Board of Rochester and Elmore District Health Service are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Rochester and Elmore District Health Service website.

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.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Rochester and Elmore District Health Service as at 30 June 2009 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
17 September 2009

A large, stylized signature in green ink, appearing to read "DDR", is written over the name and title of the Auditor-General.

D D R Pearson
Auditor-General

Operating Statement for the year ended 30 June 2009

	Note	2009 \$	2008 \$
Revenue from Operating Activities	2	8,922,785	8,539,852
Revenue from Non-operating Activities	2	426,401	325,087
Employee Benefits	3	(6,862,981)	(6,839,986)
Non Salary Labour Costs	3	(302,752)	(301,561)
Supplies and Consumables	3	(511,443)	(496,144)
Other Expenses from Continuing Operations	3	(1,163,394)	(1,320,231)
Net Result Before Capital & Specific Items		508,616	(92,983)
Capital Purpose Income	2	6,746,832	7,937,945
Impairment of Non-Financial Assets	3	(21,036)	0
Depreciation and Amortisation	4	(661,131)	(427,848)
Finance Costs	5	(23,455)	(20,180)
Expenditure Using Capital Purpose Income	3	(185,598)	(201,531)
NET RESULT FOR THE YEAR		6,364,228	7,195,403

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

Balance Sheet as at 30 June 2009

	Note	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	2,825,352	3,402,878
Receivables	7	593,818	414,662
Other Financial Assets	8	2,552,042	1,867,374
Inventories	9	41,821	42,119
Non-Financial Assets Classified as Held for Sale	10	24,450	0
Prepayments	11	277,191	49,805
Total Current Assets		6,314,674	5,776,838
Non-Current Assets			
Receivables	7	150,765	65,959
Property, Plant & Equipment	12	24,095,120	16,338,850
Total Non-Current Assets		24,245,885	16,404,809
TOTAL ASSETS		30,560,559	22,181,647
LIABILITIES			
Current Liabilities			
Payables	13	622,879	292,886
Interest Bearing Liabilities	14	143,317	104,160
Employee Benefits and Related On-Cost Provisions	15	1,551,968	1,426,223
Other Liabilities	16	3,157,007	3,153,787
Total Current Liabilities		5,475,171	4,977,056
Non-Current Liabilities			
Interest Bearing Liabilities	14	105,145	82,793
Employee Benefits and Related On-Cost Provisions	15	276,698	215,905
Total Non-Current Liabilities		381,843	298,698
TOTAL LIABILITIES		5,857,014	5,275,754
NET ASSETS		24,703,545	16,905,893
EQUITY			
Property, Plant & Equipment Revaluation Reserve	17a	4,092,074	2,658,650
Restricted Specific Purpose Reserve	17a	181,933	181,933
Contributed Capital	17b	7,369,839	7,369,839
Accumulated Surplus	17c	13,059,699	6,695,471
TOTAL EQUITY		24,703,545	16,905,893
Commitments for Expenditure	20		
Contingent Liabilities and Contingent Assets	21		

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

Statement of Changes in Equity for the year ended 30 June 2009

	Note	2009 \$	2008 \$
Total Equity at beginning of financial year		16,905,893	9,500,725
Gain/(loss) on Asset Revaluation	17a	1,433,424	104,576
NET INCOME RECOGNISED DIRECTLY IN EQUITY		1,433,424	104,576
Net result for the year		6,364,228	7,195,403
TOTAL RECOGNISED INCOME AND EXPENSES FOR THE YEAR		7,797,652	7,299,979
Transactions with the State in its capacity as owner	17b	0	105,189
Total Equity at the end of financial year		24,703,545	16,905,893

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

Cash Flow Statement for the year ended 30 June 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES		Inflows/(Outflows)	Inflows/(Outflows)
Operating Grants from Government		7,205,304	6,758,142
Patient and Resident Fees Received		1,279,351	1,184,834
Donations and Bequests Received		23,624	627,948
GST (Paid to)/received from ATO		(141,753)	(217,089)
Interest Received		265,511	203,340
Other Receipts		358,482	337,745
Employee Benefits Paid		(6,887,535)	(6,777,950)
Fee for Service Medical Officers		(302,752)	(301,561)
Payments for Supplies and Consumables		(511,145)	(490,950)
Finance Costs		(23,455)	(20,180)
Other Payments		(951,634)	(1,158,251)
Cash Generated from Operations		313,998	146,028
Capital Grants from Government		6,533,426	7,218,105
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	18	6,847,424	7,364,133
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Non-Financial Assets		(7,121,455)	(6,407,100)
Proceeds from sale of Non-Financial Assets		61,795	92,727
Purchase of Investments		(152,043)	0
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(7,211,703)	(6,314,373)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		125,509	55,518
Contributed Capital from Government		0	105,189
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		125,509	160,707
NET INCREASE /(DECREASE) IN CASH HELD		(238,770)	1,210,467
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		2,771,714	1,561,247
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	2,532,944	2,771,714

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

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 1 : Statement Of Significant Accounting Policies

(a) Statement of Compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the Financial Management Act 1994, and applicable Australian Accounting Standards (AAS) and Australian Accounting Interpretation. AAS's includes Australian equivalents to International Financial Reporting Standards.

The entity is a not-for-profit entity and therefore applies the additional paragraphs applicable to "not-for-profit" entities under the AAS's.

(b) Basis of preparation

The financial report is prepared in accordance with the historical cost convention, except for the revaluation of certain non-financial assets and financial instruments, as noted. Cost is based on the fair values of the consideration given in exchange for assets.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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 report for the year ended 30 June 2009, and the comparative information presented in these financial statements for the year ended 30 June 2008.

(c) Reporting Entity

The report includes all the controlled activities of Rochester and Elmore District Health Service.

(d) Rounding Of Amounts

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

(e) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

Rochester & Elmore District Health Service had no bank overdraft at 30 June 2009.

(f) Receivables

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

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

(g) Inventories

Inventories include goods and other property held either for sale or distribution at no or nominal cost in the ordinary course of business operations.

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

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

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

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

(h) Other Financial Assets

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

Rochester and Elmore District Health Service 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.

Rochester and Elmore District Health Service assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Loans and receivables

Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment.

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

Available-for-sale financial assets

Other financial assets held by the entity are classified as being available-for-sale and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in profit or loss for the period. Fair value is determined in the manner described in Note 19.

(i) Property, Plant and Equipment

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

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

Plant, Equipment and Vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

(j) Revaluations of Non-current Physical Assets

Non-current physical assets measured at fair value are revalued in accordance with FRD103D. This revaluation process normally occurs 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. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised as revenue in the net result.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 1 : Statement Of Significant Accounting Policies (cont)**(j) Revaluations of Non-current Physical Assets (cont)**

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

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 reserves are not transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103D Rochester and Elmore District Health Service's non-current assets were subjected to a detailed valuation in the current financial year.

(k) Non-Current Assets Classified as Held for Sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is expected to be completed within one year from the date of classification.

(l) Depreciation

Assets with a cost in excess of \$1,000 (2007-08 and 2008-09) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives using the straight-line method. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually. This depreciation charge is not funded by the Department of Human Services.

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

	2009	2008
Buildings	30 to 40 Years	30 to 40 Years
Plant & Equipment	8 to 10 Years	8 to 10 Years
Medical Equipment	4 to 5 Years	4 to 5 Years
Furniture & Fittings	3 to 5 Years	3 to 5 Years
Motor Vehicles	2 to 3 Years	2 to 3 Years
Other	3 to 5 Years	3 to 5 Years

(m) Net Gain/(Loss) on Non-Financial Assets

Net gain/(Loss) on Non-financial assets includes realised and unrealised gains and losses from revaluations, impairments and disposals of all physical assets and intangible assets.

Disposal of Non-Financial Assets

Any gain or loss on the sale of non-financial assets is recognised at the date that the control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

Impairment of Non-Financial Assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount, and so require write-downs) and whenever there is an indication that the asset may be impaired. All other assets are assessed annually for indications of impairment, except for:

- inventories;
- financial assets;
- non-current assets held for sale.

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 amount applicable to that class of asset.

It is deemed that, in the event of the loss off 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.

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

Net gain/(loss) on Financial Instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

Revaluations of Financial Instruments at Fair Value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

(o) Payables

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Nett 30 days.

(p) Provisions

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

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

(q) Resources Provided and Received Free of Charge or for Nominal Consideration

Resources provided or received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another entity 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.

(r) Interest Bearing Liabilities

Interest bearing liabilities in the Balance Sheet are recognised at fair value upon initial recognition. Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability using the effective interest rate method. Fair value is determined in the manner described in Note 19.

(s) Functional and Presentation Currency

The presentation currency of the Rochester and Elmore District Health Service is the Australian dollar, which has also been identified as the functional currency of the Rochester and Elmore District Health Service.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 1 : Statement Of Significant Accounting Policies (cont)

(t) Goods and Services Tax

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

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

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

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

(u) Employee Benefits

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

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

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

Long Service Leave

Current Liability - unconditional LSL (representing 10 or more years of continuous service) is disclosed as a current liability even where Rochester and Elmore District Health Service does not expect to settle the liability within 12 months as it does not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

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

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

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

Superannuation

Defined contribution plans Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans The amount charged to the Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Rochester and Elmore District Health Service to the superannuation plan in respect of the services of current Rochester and Elmore District Health Service staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

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

The name and details of the major employee superannuation funds and contributions made by Rochester and Elmore District Health Service are as follows:

Fund		Contributions Paid or Payable for the year	
		2009 \$	2008 \$
Defined Benefit Plans:	Health Super	19,207	25,512
Defined Contribution Plans:	Health Super	493,599	511,894
	HESTA	29,782	6,925

Rochester and Elmore District Health Service does not recognise any unfunded defined benefit liability in respect of the superannuation plans because Rochester and Elmore District Health Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial report.

Termination Benefits

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

On-Costs

Employee benefits on-costs (workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

(v) Finance Costs

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

Finance costs include:

- interest on bank overdrafts and short-term and long-term borrowings;
- finance charges in respect of finance leases recognised in accordance with AASB 117 leases.

(w) Residential Aged Care Service

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

(x) Joint Ventures

Interest in jointly controlled assets are accounted for by recognising in the Rochester and Elmore District Health Service's financial statements, its share of asset, liabilities and any revenue and expenses of such joint ventures. Details of joint ventures are set out in note 23.

(y) Intersegment Transactions

Transactions between segments within Rochester and Elmore District Health Service have been eliminated to reflect the extent of Rochester and Elmore District Health Service's operations as a group.

(z) Income Recognition

Income is recognised in accordance with AASB 118 Revenue and is recognised as to the extent it is earned. Unearned income at reporting date is reported as income received in advance.

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

Government Grants

Grants are recognised as income when Rochester and Elmore District Health Service gains control of the underlying assets in accordance with AASB 1004

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 1 : Statement Of Significant Accounting Policies (cont)

(z) Income Recognition (cont)

Government Grants (cont)

Contributions. For reciprocal grants, Rochester and Elmore District Health Service is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, Rochester and Elmore District Health Service is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Indirect Contributions

- Insurance is recognised as revenue following advice from the Department of 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 34/2008.

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.

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

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

(aa) Fund Accounting

Rochester and Elmore District Health Service operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. The Rochester and Elmore District Health Service's Capital and Specific Purpose Funds include unspent capital donations and receipts from fundraising activities conducted solely in respect of these funds.

(ab) 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 Human Services and include Residential Aged Care Services (RACS) and are also funded from other sources such as the Commonwealth, patients and residents, while *Services Supported by Hospital and Community Initiatives* (Non HSA) are funded by the Health Service's own activities or local initiatives and/or the Commonwealth.

(ac) Change in Accounting Policies

In accordance with Victorian Government Financial Reporting Direction 103D 'Non-Current Physical Assets', Rochester and Elmore District Health Service measures plant and equipment, and medical equipment assets at fair value from 1 July 2008. Previously these assets were measured at cost. This change in accounting policy is required to ensure Victoria's Whole of Government financial report, to which Rochester and Elmore District Health Service is consolidated into, complies with the requirements of AASB1049 *Whole of Government* and General Government Sector Financial Reporting. As this change is the initial application of a policy to revalue assets in accordance with AASB116 *Property, Plant and Equipment* the change is treated as a revaluation in the current year.

(ad) Comparative Information

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

(ae) Property, Plant & Equipment Revaluation Reserve

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

(af) General Reserves

No General Reserves are in existence at the date of this report.

(ag) Specific Restricted Purpose Reserve

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

(ah) Contributed Capital

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

(ai) Net Result Before Capital & Specific Items

The subtotal entitled 'Net Result Before Capital & Specific Items' is included in the Operating Statement to enhance the understanding of the financial performance of Rochester and Elmore District Health Service. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, and items of an unusual nature and amount such as specific revenues and expenses. The exclusion of these items are made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The Net result Before Capital & Specific Items is used by the management of Rochester and Elmore District Health Service, the Department of Human Services and the Victorian Government to measure the ongoing result of the Health Services in operating hospital services.

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

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer note 1(q)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- Specific income/expense, comprises the following items, where material:
 - Voluntary departure packages
 - Write-down of inventories
 - Non-current asset revaluation increments/decrements
 - Restructuring of operations (disaggregation/aggregation of health services)
 - Litigation settlements
 - Non-current assets lost or found
 - Reversals of provisions
 - Voluntary changes in accounting policies (which are not required by an accounting standard or other authoritative pronouncement of the Australian Accounting Standards Board)
- Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), related to non current assets only which have been recognised in accordance with note 1 (m) and (n)
- Depreciation and amortisation, as described in note 1 (i) and (l)
- Assets provided or received free of charge, as described in note 1 (q)
- Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold (note 1 (i)), or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the Balance Sheet, where funding for that expenditure is from capital purpose income.

(aj) Category Groups

Rochester and Elmore District Health Service has used the following category groups for reporting purposes for the current and previous financial years.

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

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

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

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 1 : Statement Of Significant Accounting Policies (cont)

(aj) Category Groups (cont)

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

including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also falls in this category group..

(ak) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting period. As at 30 June 2009, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2009. Rochester and Elmore District Health Service has not and does not intend to adopt these standards early.

(ak) New Accounting Standards and Interpretations (cont)

Standard / Interpretation	Summary	Applicable for reporting periods beginning on or ending on	Impact on Health Service's Annual Statements
AASB8 Operating Segments	Supersedes AASB 114 Segment Reporting	Beginning 1 January 2009	Not applicable
AASB 2007-3. Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038]	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2007-6. Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and interpretations 1 & 12]	Option to expense borrowing cost related to a qualifying asset had been removed. Entities are now required to capitalise borrowing costs relevant to qualifying assets.	Beginning 1 January 2009	All Australian government jurisdictions are currently still actively pursuing an exemption for government from capitalising borrowing costs.
AASB 2008-3. Amendments to AAS arising from AASB 3 and AASB 127 [AASB 1,2,4,5,7,101,107,112,114,116,121,128,131,132,133,134,136,137,138 & 139 and Interpretation 9 and 107]	This Standard gives effect to consequential changes arising from revised AASB 3 and amended AASB 127. The Prefaces to those Standards summarise the main requirements of those Standards.	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2008-5. Amendments to AASs arising from the Annual Improvements Project [AASBs 5,7,101,102,107,108,110,116,118,119,120,123,127,128,129,131,132,134,136,138,140,141,1023 & 1308]	A suite of amendments to existing standards following issuance of IASB Standard Improvements to IFRSs in May 2008. Some amendments result in accounting changes for presentation, recognition and measurement purposes.	Beginning 1 January 2009	Impact is being evaluated.
AASB 2008-6. Further Amendments to Australian Accounting Standards arising from the Annual Improvements project [AASB 1 and AASB 5]	The amendments require all the assets and liabilities of a for-sale subsidiary's to be classified as held for sale and clarify the disclosure required when the subsidiary is part of a disposal group that meets the definition of a discontinued operation.	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2008-7. Amendments to AASs Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136]	Changes mainly relate to treatment of dividends from subsidiaries or controlled entities	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items [AASB 139]	The amendments to AASB 139 clarify how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item, should be applied in particular situations.	Beginning 1 January 2009	Impact is being evaluated.
AASB 2008-09 Amendments to AASB 1049 Consistency with AASB 101	Amendments to AASB 1049 for consistency with AASB 101 (September 2007) version.	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2009-1 Amendments to Australian Accounting Standards - Borrowing Costs of Not-for profit Public Sector Entities [AASB 1, AASB 111 & AASB 123]	Amendments to Australian Accounting Standards to allow borrowing costs of Not-for profit Public Sector Entities to be expenses. item, should be applied in particular situations.	Beginning 1 January 2009	Impact expected to be insignificant.
AASB 2009-2 Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]	Amendments to AASB 7 to enhance disclosures about fair value requirements and liquidity risk. Editorial amendments to AASB 4, AASB 1023 and AASB 1038 resulting from the amendments to AASB 7	Beginning 1 January 2009	Impact expected to be insignificant.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 2: Revenue

	HSA 2009 \$	HSA 2008 \$	Non HSA 2009 \$	Non HSA 2008 \$	TOTAL 2009 \$	TOTAL 2008 \$
Revenue from Operating Activities						
Government Grants						
- Department of Human Services	5,005,210	4,877,136	0	0	5,005,210	4,877,136
- Commonwealth Government						0
- Residential Aged Care Subsidy	1,997,726	1,928,246	0	0	1,997,726	1,928,246
- Other	0	73,451	0	0	0	73,451
Total Government Grants	7,002,936	6,878,833	0	0	7,002,936	6,878,833
Indirect Contributions by Department of Human Services						
- Insurance	223,881	225,256	0	0	223,881	225,256
- Long Service Leave	125,257	58,720	0	0	125,257	58,720
Total Indirect Contributions by Department of Human Services	349,138	283,976	0	0	349,138	283,976
Patient and Resident Fees						
- Patient and Resident Fees (refer note 2b)	327,098	270,351	0	0	327,098	270,351
- Residential Aged Care (refer note 2b)	809,845	816,265	0	0	809,845	816,265
Total Patient & Resident Fees	1,136,943	1,086,616	0	0	1,136,943	1,086,616
Business Units & Specified Purposes Funds						
Catering	0	0	70,723	90,511	70,723	90,511
Property Income	0	0	23,610	18,808	23,610	18,808
Total Business Units & Specific Purpose Funds	0	0	94,333	109,319	94,333	109,319
Interest & Dividends	121,186	124,710	0	0	121,186	124,710
Loddon Mallee Rural Health Alliance Revenue	84,726	0	0	0	84,726	0
Other Revenue from Operating Activities	133,523	56,398	0	0	133,523	56,398
Sub-Total Revenue from Operating Activities	8,828,452	8,430,533	94,333	109,319	8,922,785	8,539,852
Revenue from Non-Operating Activities						
Interest and Dividends	0	0	128,998	116,164	128,998	116,164
Other Revenue from Non-Operating activities	0	0	297,403	208,923	297,403	208,923
Sub-Total Revenue from Non-Operating Activities	0	0	426,401	325,087	426,401	325,087
Revenue from Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	6,483,426	7,218,105	0	0	6,483,426	7,218,105
- Other	73,000	0	0	0	73,000	0
- Loddon Mallee Rural Health Alliance	90,369	0	0	0	90,369	0
Residential Accommodation Payments (refer note 2b)	109,130	98,218	0	0	109,130	98,218
Net Gain/(Loss) on Disposal of Non-Financial Assets (refer note 2c)	0	0	(32,717)	(6,326)	(32,717)	(6,326)
Donations and Bequests	2,411	829	21,213	627,119	23,624	627,948
Sub-Total Revenue from Capital Purpose Income	6,758,336	7,317,152	(11,504)	620,793	6,746,832	7,937,945
Total Revenue (refer note 2a)	15,586,788	15,747,685	509,230	1,055,199	16,096,018	16,802,884

Indirect Contributions by Department of Human Services

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

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 2a: Analysis of revenue by source

Revenue from Services Supported by Health Services Agreement

	Admitted Patients 2009 \$	Residential Aged Care 2009 \$	Aged Care 2009 \$	Primary Health 2009 \$	Other 2009 \$	TOTAL 2009 \$
Government Grants	3,610,777	2,864,192	491,824	36,144	0	7,002,937
Indirect Contributions by Department of Human Services	349,138	0	0	0	0	349,138
Patient and Resident Fees (refer note 2b)	274,294	809,845	52,288	516	0	1,136,943
Interest and Dividends	121,186	0	0	0	0	121,186
Other	8,012	39,991	7,759	77,760	84,726	218,248
Capital Purpose Income (refer note 2)	6,558,767	109,130	0	70	90,369	6,758,336

Sub-Total Revenue from Services Supported by Health Services Agreement

10,922,174	3,823,158	551,871	114,490	175,095	15,586,788
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Revenue from Services Supported by Hospital and Community Initiatives

Catering	0	0	0	0	70,723	70,723
Bank & Investment Income	0	0	0	0	128,998	128,998
Property Income	0	0	0	0	23,610	23,610

Other Activities

Capital Purpose Income (refer note 2)	0	0	0	0	(11,504)	(11,504)
Other	0	0	0	0	297,403	297,403

Sub-Total Revenue from Services Supported by Hospital and Community Initiatives

0	0	0	0	509,230	509,230
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TOTAL REVENUE FROM ALL SOURCES

10,922,174	3,823,158	551,871	114,490	684,325	16,096,018
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Indirect Contributions by Department of Human Services: Department of Human Services makes certain payments on behalf of the Health Service. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

Note 2a: Analysis of revenue by source

Revenue from Services Supported by Health Services Agreement

	Admitted Patients 2008 \$	Residential Aged Care 2008 \$	Aged Care 2008 \$	Primary Health 2008 \$	Other 2008 \$	TOTAL 2008 \$
Government Grants	3,697,943	2,678,608	480,624	6,767	14,891	6,878,833
Indirect Contributions by Department of Human Services	283,976	0	0	0	0	283,976
Patient and Resident Fees (refer note 2b)	226,365	816,265	43,923	63	0	1,086,616
Interest and Dividends	124,710	0	0	0	0	124,710
Other	11,421	22,061	2,235	20,681	0	56,398
Capital Purpose Income (refer note 2)	7,218,569	98,527	35	21	0	7,317,152

Sub-Total Revenue from Services Supported by Health Services Agreement

11,562,984	3,615,461	526,817	27,532	14,891	15,747,685
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Revenue from Services Supported by Hospital and Community Initiatives

Catering	0	0	0	0	90,511	90,511
Bank & Investment Income	0	0	0	0	116,164	116,164
Property Income	0	0	0	0	18,808	18,808

Other Activities

Capital Purpose Income (refer note 2)	0	0	0	0	620,793	620,793
Other	0	0	0	0	208,923	208,923

Sub-Total Revenue from Services Supported by Hospital and Community Initiatives

0	0	0	0	1,055,199	1,055,199
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TOTAL REVENUE FROM ALL SOURCES

11,562,984	3,615,461	526,817	27,532	1,070,090	16,802,884
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Indirect Contributions by Department of Human Services: Department of Human Services makes certain payments on behalf of the Health Service. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 2b: Patient and resident fees

	2009 \$	2008 \$
Patient and Resident Fees Raised		
Recurrent:		
Acute		
- Inpatients	274,294	226,365
Residential Aged Care		
- Nursing Home	426,840	433,724
- Hostel	383,005	382,541
Aged Care & Primary Health		
- District Nursing	52,288	43,923
Primary Health	516	63
TOTAL RECURRENT	1,136,943	1,086,616
Capital Purpose:		
Residential Accommodation Payments (*)	109,130	98,218
TOTAL CAPITAL	109,130	98,218

(*) This includes accommodation charges, interest earned on accommodation bonds and retention amount.

Note 2c: Net gain/(loss) on disposal of non-financial assets

	2009 \$	2008 \$
Proceeds from Disposal of Non-Current Assets		
- Motor Vehicles	46,091	92,727
- Plant & Equipment	15,704	0
Total Proceeds from Disposal of Non-Current Assets	61,795	92,727
Less: Written Down Value of Non-Current Assets Sold		
- Motor Vehicles	(43,129)	(99,053)
- Plant & Equipment	(46,057)	0
- Furniture & Fittings	(5,326)	0
Total Written Down Value of Non-Current Assets Sold	(94,512)	(99,053)
NET GAINS/(LOSSES) ON DISPOSAL OF NON-FINANCIAL ASSETS	(32,717)	(6,326)

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 3: Expenses

	HSA 2009 \$	HSA 2008 \$	Non HSA 2009 \$	Non HSA 2008 \$	TOTAL 2009 \$	TOTAL 2008 \$
Employee Benefits						
Salaries & Wages	5,750,409	5,760,277	275,568	292,684	6,025,977	6,052,961
WorkCover Premium	69,968	94,983	3,532	4,812	73,500	99,795
Long Service Leave	219,007	130,336	1,909	12,563	220,916	142,899
Superannuation (refer note 1(u))	518,408	520,212	24,180	24,119	542,588	544,331
Total Employee Benefits	6,557,792	6,505,808	305,189	334,178	6,862,981	6,839,986
Non Salary Labour Costs						
Fee for Service Medical Officers	161,976	216,785	0	0	161,976	216,785
Purchased Services	115,312	72,522	25,464	12,254	140,776	84,776
Total Non Salary Labour Costs	277,288	289,307	25,464	12,254	302,752	301,561
Supplies and Consumables						
Drug Supplies	52,564	38,889	0	0	52,564	38,889
Medical, Surgical Supplies and Prosthesis	168,996	152,456	178	3,793	169,174	156,249
Pathology Supplies	14,162	16,352	0	0	14,162	16,352
Special Services	0	0	1,492	2,166	1,492	2,166
Food Supplies	230,866	237,525	43,185	44,963	274,051	282,488
Total Supplies and Consumables	466,588	445,222	44,855	50,922	511,443	496,144
Other Expenses from Continuing Operations						
Domestic Services & Supplies	112,266	116,562	5,443	7,558	117,709	124,120
Fuel, Light, Power and Water	105,695	108,085	4,407	0	110,102	108,085
Insurance costs funded by DHS	223,881	225,256	0	0	223,881	225,256
Motor Vehicle Expenses	45,867	42,412	0	0	45,867	42,412
Repairs & Maintenance	69,911	53,698	0	5,968	69,911	59,666
Maintenance Contracts	38,093	40,220	0	0	38,093	40,220
Patient Transport	45,813	37,897	0	0	45,813	37,897
Bad & Doubtful Debts	0	4,257	0	0	0	4,257
Administrative Expenses	489,422	647,519	0	14,206	489,422	661,725
Audit Fees						
- VAGO - Audit of Financial Statements	10,800	10,380	0	0	10,800	10,380
- Other	11,796	6,213	0	0	11,796	6,213
Total Other Expenses from Continuing Operations	1,153,544	1,292,499	9,850	27,732	1,163,394	1,320,231
Expenditure Using Capital Purpose Income						
Employee Benefits						
Salaries & Wages	0	0	50,327	66,732	50,327	66,732
WorkCover Premium	0	0	958	1,023	958	1,023
Long Service Leave	0	0	2,663	1,832	2,663	1,832
Superannuation	0	0	5,250	4,568	5,250	4,568
	0	0	59,198	74,155	59,198	74,155
Other Expenses from Continuing Operations						
Domestic Services & Supplies	0	0	100	0	100	0
Fuel, Light, Power and Water	0	0	4,400	0	4,400	0
Repairs & Maintenance	0	0	63,165	51,027	63,165	51,027
Administrative Expenses	0	0	58,735	76,349	58,735	76,349
Total Expenditure using Capital Purpose Income	0	0	185,598	201,531	185,598	201,531
Impairment of Non-Financial Assets	21,036	0	0	0	21,036	0
Depreciation and Amortisation	661,131	427,848	0	0	661,131	427,848
Finance Costs	19,038	20,180	4,417	0	23,455	20,180
Total	701,205	448,028	4,417	0	705,622	448,028
Total Expenses	9,156,417	8,980,864	575,373	626,617	9,731,790	9,607,481

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 3a: Analysis of expenses by source

	Admitted Patients 2009 \$	Residential Aged Care 2009 \$	Aged Care 2009 \$	Primary Health 2009 \$	Other 2009 \$	TOTAL 2009 \$
Services Supported by Health Service Agreement						
Employee Benefits	1,975,796	3,663,280	472,008	446,710	0	6,557,794
Non Salary Labour Costs	160,462	27,279	2,498	87,049	0	277,288
Supplies and Consumables	130,578	310,035	16,986	8,990	0	466,589
Other Expenses	365,008	637,961	80,481	76,869	(6,778)	1,153,541
Depreciation and Amortisation (refer note 4)	0	0	0	0	661,131	661,131
Finance Costs (refer note 5)	4,733	6,207	7,754	344	0	19,038
Impairment of Non-Financial Assets (refer note 3)	0	0	0	0	21,036	21,036
Sub-Total Expenses from Services Supported by Health Services Agreement	2,636,577	4,644,762	579,727	619,962	675,389	9,156,417
Services Supported by Hospital and Community Initiatives						
Employee Benefits	0	0	0	0	305,189	305,189
Non Salary Labour Costs	0	0	0	0	25,464	25,464
Supplies and Consumables	0	0	0	0	44,855	44,855
Other Expenses	0	0	0	0	5,433	5,433
Finance Costs (refer note 5)	0	0	0	0	4,417	4,417
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	0	0	0	0	385,358	385,358
Services Supported by Capital Sources						
Other Expenses	0	0	0	0	190,015	190,015
TOTAL EXPENSES	2,636,577	4,644,762	579,727	619,962	1,250,762	9,731,790

Note 3a: Analysis of expenses by source

	Admitted Patients 2008 \$	Residential Aged Care 2008 \$	Aged Care 2008 \$	Primary Health 2008 \$	Other 2008 \$	TOTAL 2008 \$
Services Supported by Health Service Agreement						
Employee Benefits	1,851,182	3,627,902	459,270	567,454	0	6,505,808
Non Salary Labour Costs	218,819	28,926	2,758	38,804	0	289,307
Supplies and Consumables	119,836	295,149	16,915	13,321	0	445,221
Other Expenses	393,269	675,626	88,445	135,161	0	1,292,501
Depreciation and Amortisation (refer note 4)	0	0	0	0	427,848	427,848
Finance Costs (refer note 5)	6,807	3,990	8,586	796	0	20,179
Sub-Total Expenses from Services Supported by Health Services Agreement	2,589,913	4,631,593	575,974	755,536	427,848	8,980,864
Services Supported by Hospital and Community Initiatives						
Employee Benefits	0	0	0	0	334,179	334,179
Non Salary Labour Costs	0	0	0	0	12,254	12,254
Supplies and Consumables	0	0	0	0	50,921	50,921
Other Expenses	0	0	0	0	27,732	27,732
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	0	0	0	0	425,086	425,086
Services Supported by Capital Sources						
Other Expenses	0	0	0	0	201,531	201,531
TOTAL EXPENSES	2,589,913	4,631,593	575,974	755,536	1,054,465	9,607,481

Note 3b: Analysis of expenses by internal and restricted specific purpose funds for services supported by hospital and community initiatives

	2009 \$	2008 \$
Radiology	67,097	51,873
Property Maintenance	25,090	20,348
Meals on wheels	167,535	189,980
Redevelopment Expenditure	152,379	183,074
Primary Care Partnership	163,272	181,342
TOTAL	575,373	626,617

Note 4: Depreciation

	2009 \$	2008 \$
Depreciation		
Buildings	315,573	203,505
Land Improvements	4,050	4,050
Plant & Equipment		
- Plant	216,976	146,344
- Motor Vehicles	69,188	49,474
Furniture and Fittings	54,736	24,475
Loddon Mallee Rural Health Alliance	608	0
TOTAL DEPRECIATION	661,131	427,848

Note 5: Finance costs

	2009 \$	2008 \$
Finance charges on Hire Purchase Liabilities	23,455	20,179
TOTAL FINANCE COSTS	23,455	20,179

Note 6: Cash and cash equivalents

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

	2009 \$	2008 \$
Cash on Hand	650	650
Cash at Bank	2,817,030	3,395,148
Deposits at Call	7,672	7,080
TOTAL	2,825,352	3,402,878

Represented by:

Cash for Health Service Operations (as per Cash Flow Statement)	2,532,944	2,771,714
Cash Held for Loddon Mallee Rural Health Alliance	189,707	0
Cash for Monies Held in Trust		
- Cash at Bank	102,701	631,164
TOTAL CASH AND CASH EQUIVALENTS	2,825,352	3,402,878

Note 7: Receivables

	2009 \$	2008 \$
CURRENT		
Contractual		
Trade Debtors	160,746	79,917
Patient Fees	154,552	187,830
Accrued Investment Income	22,207	37,534
Accrued Revenue - Other	53,429	13,500
Loddon Mallee Health Alliance Receivables	7,732	0
Less Allowance for Doubtful Debts Patient fees	(14,000)	(14,000)
	384,666	304,781
Statutory		
GST Receivable	204,133	62,381
FBT Refund Owing	5,019	0
Accrued Revenue - DHS	0	47,500
Less Allowance for Doubtful Debts	0	0
	209,152	109,881
TOTAL CURRENT RECEIVABLES	593,818	414,662
NON CURRENT		
Contractual		
Bond Debtors	2,806	3,749
	2,806	3,749
Statutory		
DHS - Long Service Leave	147,959	62,210
	147,959	62,210
TOTAL NON-CURRENT RECEIVABLES	150,765	65,959
TOTAL RECEIVABLES	744,583	480,621

	2009 \$	2008 \$
(a) Movement in the Allowance for doubtful debts		
Balance at beginning of the year	(14,000)	(14,000)
Amounts written off during the year	0	0
Amounts recovered during the year	0	0
Increase/(decrease) in allowance recognised in profit or loss	0	0
Balance at end of the year	(14,000)	(14,000)

(b) Ageing analysis of receivables

Please refer to note 19(b) for the ageing analysis of receivables

(c) Nature and extent of risk arising from receivables

Please refer to note 19(b) for the nature and extent of credit risk arising from receivables

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 8: Other financial assets

	Capital		Total	
	2009	2008	2009	2008
	\$	\$	\$	\$
CURRENT				
<i>Term Deposit</i>				
Aust. Dollar Term deposits	2,552,042	1,867,374	2,552,042	1,867,374
TOTAL CURRENT OTHER FINANCIAL ASSETS	2,552,042	1,867,374	2,552,042	1,867,374
Represented by:				
Health Service Investments	152,042	0	152,042	0
Accommodation Bonds (Refundable Entrance Fees)	2,400,000	1,867,374	2,400,000	1,867,374
TOTAL	2,552,042	1,867,374	2,552,042	1,867,374

(b) Ageing analysis of other financial assets

Please refer to note 19(b) for the ageing analysis of other financial assets

(c) Nature and extent of risk arising from other financial assets

Please refer to note 19(b) for the nature and extent of credit risk arising from other financial assets

Note 9: Inventories

	2009	2008
	\$	\$
CURRENT		
Pharmaceuticals - at cost	13,451	14,035
Catering Supplies - at cost	7,033	7,503
Housekeeping Supplies - at cost	3,520	5,269
Medical and Surgical Lines - at cost	12,031	8,973
Administration Stores - at cost	5,786	6,339
TOTAL INVENTORIES	41,821	42,119

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.

Note 10: Non financial assets classified as held for sale

	2009	2008
	\$	\$
Plant	23,700	0
Furniture & Fittings	750	0
TOTAL	24,450	0

Note 11: Other assets

	2009	2008
	\$	\$
Prepayments	274,742	49,805
Loddon Mallee Rural Health Alliance Prepayments	2,449	0
TOTAL	277,191	49,805

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 12: Property, plant & equipment

	2009 \$	2008 \$
Land		
- Land at Fair Value	439,000	534,576
Less Impairment	439,000	534,576
Land Improvements at Cost	0	3,000
Less Accumulated Depreciation	0	799
	0	2,201
Land Improvements at Valuation	320,000	75,000
Less Accumulated Depreciation	0	19,250
	320,000	55,750
Total Land	759,000	592,527
Buildings		
- Buildings Under Construction at Cost	9,374,686	8,103,904
- Buildings at Cost	0	883,666
Less Accumulated Depreciation	0	140,171
	0	743,495
- Buildings at Fair Value	214,010	0
Less Accumulated Depreciation	0	0
	214,010	0
- Buildings at Valuation	11,818,000	11,094,046
Less Accumulated Depreciation	0	5,553,574
	11,818,000	5,540,472
Total Buildings	21,406,696	14,387,871
Plant & Equipment		
- Loddon Mallee Rural Health Alliance Equipment at Cost	2,520	0
Less Accumulated Depreciation	609	0
- Plant and Equipment at Cost	0	1,772,724
Less Accumulated Depreciation	0	902,131
- Plant and Equipment at Fair Value	2,036,212	0
Less Accumulated Depreciation	763,465	0
Total Plant and Equipment	1,274,658	870,593
Furniture and Fittings		
- Furniture and Fittings at Cost	0	659,180
Less Accumulated Depreciation	0	384,605
- Furniture and Fittings at Fair Value	630,618	0
Less Accumulated Depreciation	370,444	0
Total Furniture and Fittings	260,174	274,575
Motor Vehicles		
- Motor Vehicles at Cost	0	310,887
Less Accumulated Depreciation	0	97,603
- Motor Vehicles at Fair Value	489,445	0
Less Accumulated Depreciation	94,853	0
Total Motor Vehicles	394,592	213,284
TOTAL	24,095,120	16,338,850

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 12: Property, plant & equipment (cont)

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

	Land \$	Buildings & Land Improv. \$	Plant & Equipment \$	Furniture & Fittings \$	Motor Vehicles \$	Total \$
Balance at 1 July 2007	430,000	9,103,401	527,882	106,971	185,821	10,354,075
Additions	0	5,549,976	489,055	192,079	175,990	6,407,100
Disposals	0	0	0	0	(99,053)	(99,053)
Transfers	104,576	0	0	0	0	104,576
Depreciation and Amortisation	0	(207,555)	(146,344)	(24,475)	(49,474)	(427,848)
Balance at 1 July 2008	534,576	14,445,822	870,593	274,575	213,284	16,338,850
Additions	0	5,979,825	744,757	103,248	293,625	7,121,455
Loddon Mallee Rural Health Alliance	0	0	2,520	0	0	2,520
Disposals	0	0	(46,057)	(5,326)	(43,129)	(94,512)
Classified as Held for Sale	0	0	(23,700)	(750)	0	(24,450)
Impairment losses recognised in net result	0	0	(20,453)	(583)	0	(21,036)
Revaluation Increments/(Decrements)	(95,576)	1,529,000	0	0	0	1,433,424
Net Transfers between Classes	0	91,672	(35,418)	(56,254)	0	0
Depreciation and Amortisation	0	(319,623)	(217,584)	(54,736)	(69,188)	(661,131)
Balance at 30 June 2009	439,000	21,726,696	1,274,658	260,174	394,592	24,095,120

Land and buildings carried at valuation

An independent valuation of the Health Service's land & buildings was performed by the Valuer-General Victoria to determine the 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.

Fair value of plant and equipment has been assessed by management in accordance with Financial Reporting Direction 103D. Management have obtained secondhand values for equipment where possible, or completed an assessment of value based on depreciated replacement cost.

The effective date of the valuation is 30 June 2009.

Note 13: Payables

	2009 \$	2008 \$
CURRENT		
Contractual		
Trade Creditors	374,995	155,109
Accrued Expenses	33,300	124,263
Accrued Audit Fees	10,800	9,800
Loddon Mallee Rural Health Alliance Payables	20,534	0
Other Payable	3,840	3,714
	443,469	292,886
Statutory		
PAYG Payable	64,050	0
DHS	115,360	0
	179,410	0
TOTAL	622,879	292,886

(a) Maturity analysis of payables Please refer to Note 19(c) for the ageing analysis of payables

(b) Nature and extent of risk arising from payables Please refer to note 19(c) for the nature and extent of risks arising payables

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 14: Interest bearing liabilities

	2009 \$	2008 \$
CURRENT		
Australian Dollar Borrowings		
- Hire Purchase Liability (refer Note 20)	143,317	104,160
Total Current Australian Dollars Borrowings	<u>143,317</u>	<u>104,160</u>
NON CURRENT		
Australian Dollar Borrowings		
- Hire Purchase Liability (refer Note 20)	105,145	82,793
Total Non Current Australian Dollars Borrowings	<u>105,145</u>	<u>82,793</u>
TOTAL INTEREST BEARING LIABILITIES	<u>248,462</u>	<u>186,953</u>
CURRENT		
Secured		
- Hire Purchase Liability	143,317	104,160
NON CURRENT		
Secured		
- Hire Purchase Liability	105,145	82,794

Borrowings are secured by motor vehicles to which the agreements relate. Ten hire purchase agreements exist with terms of up to 24 monthly payments followed by a balloon payment. Interest rates vary between 6.0% and 9.5%.

The approved Bank Overdraft limit is \$150,000.

Finance costs of the Health Service incurred during the year are accounted for as follows:

Amount of Finance Costs recognised as expenses	23,455	20,180
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(a) Maturity analysis of interest bearing liabilities

Please refer to note 19(c) for the ageing analysis of interest bearing liabilities.

(b) Nature and extent of risk arising from interest bearing liabilities

Please refer to note 19(c) for the nature and extent of risks arising from interest bearing liabilities.

(c) Defaults and breaches

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

Note 15: Employee benefits and related on-costs provisions

	2009 \$	2008 \$
Current Provisions		
Employee Benefits		
- unconditional and expected to be settled within 12 months	798,371	769,855
- unconditional and expected to be settled after 12 months	582,268	515,031
Provisions related to employee benefit on-costs		
- unconditional and expected to be settled within 12 months (nominal value)	98,339	84,684
- unconditional and expected to be settled after 12 months (present value)	72,990	56,653
Total Current Provisions	1,551,968	1,426,223
Non-Current Provisions		
Employee Benefits	249,277	194,509
Provisions related to employee benefit on-costs	27,421	21,396
Total Non-Current Provisions	276,698	215,905
Current Employee Benefits		
Unconditional Long Service Leave Entitlements	520,705	453,156
Annual Leave Entitlements	598,316	582,381
Accrued Salaries and Wages	252,879	238,623
Accrued Days Off	8,739	10,726
Non-Current Employee Benefits		
Conditional Long Service Leave Entitlements (present value)	249,277	194,509
Total Employee Benefits	1,629,916	1,479,395
On-Costs		
Current On-Costs	171,329	141,337
Non-Current On-Costs	27,421	21,396
Total On-Costs	198,750	162,733
Total Employee Benefits and Related On-Costs	1,828,666	1,642,128
Movement in Long Service Leave:		
Balance at start of year	647,665	599,219
Provision made during the year	220,916	142,899
Settlement made during the year	(98,599)	(94,453)
Balance at end of year	769,982	647,665

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 16: Other liabilities

	2009 \$	2008 \$
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust	18,538	28,257
- Accommodation Bonds (Refundable Entrance Fees)	3,138,469	3,125,530
Total Current	<u>3,157,007</u>	<u>3,153,787</u>
* Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer to Note 6)	102,701	631,164
Receivables (refer to Note 7)	2,806	3,749
Other Financial Assets (refer to Note 8)	2,400,000	1,867,374
Land and Buildings	651,500	651,500
TOTAL	<u>3,157,007</u>	<u>3,153,787</u>

Note 17: Equity

	2009 \$	2008 \$
(a) Reserves		
Property, Plant & Equipment Revaluation Reserve¹		
Balance at beginning of the reporting period		
- Land	348,901	244,325
- Buildings	2,309,749	2,309,749
Revaluation Increment/Decrement		
- Land	(95,576)	104,576
- Buildings	1,529,000	
Balance at the end of the reporting period	<u>4,092,074</u>	<u>2,658,650</u>
Represented by:		
- Land	253,325	348,901
- Buildings	3,838,749	2,309,749
	<u>4,092,074</u>	<u>2,658,650</u>

(1) The property, plant & equipment asset revaluation reserve arises on the revaluation of property, plant & equipment.

Restricted Specific Purpose Reserve

Balance at the beginning of the reporting period	181,933	181,933
Balance at the end of the reporting period	<u>181,933</u>	<u>181,933</u>
Total Reserves	<u>4,274,007</u>	<u>2,840,583</u>

(b) Contributed Capital

Balance at the beginning of the reporting period	7,369,839	7,264,650
Capital Contribution received from Victorian Government	0	105,189
Balance at the end of the reporting period	<u>7,369,839</u>	<u>7,369,839</u>

(c) Accumulated Surpluses/(Deficits)

Balance at the beginning of the reporting period	6,695,471	(499,932)
Net Result for the Year	6,364,228	7,195,403
Balance at the end of the reporting period	<u>13,059,699</u>	<u>6,695,471</u>

(d) Total Equity at end of financial year

	<u>24,703,545</u>	<u>16,905,893</u>
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Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 18: Reconciliation of net result for the year to net cash flows from operating activities

	2009 \$	2008 \$
NET RESULT FOR THE YEAR	6,364,228	7,195,403
Depreciation & Amortisation	661,131	427,848
Impairment of Non Current Assets	21,036	0
Share of Net Result from Joint Ventures	(181,873)	
Net (Gain)/Loss from Sale of Plant and Equipment	32,717	6,326
Change in Operating Assets & Liabilities, Net of Effect from Restructuring		
(Increase)/Decrease in Receivables	(156,422)	(242,170)
(Increase)/Decrease in Prepayments	(224,937)	(20,862)
(Increase)/Decrease in Stores	298	5,194
Increase/(Decrease) in Payables	144,707	(143,797)
Increase/(Decrease) in Employee Benefits	186,539	136,191
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	<u>6,847,424</u>	<u>7,364,133</u>

Note 19: Financial instruments

(a) Financial Risk Management Objectives and Policies

The Rochester & Elmore District Health Service's principal financial instruments comprise of:

- Cash Assets
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)
- Accommodation Bonds

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

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

Categorisation of financial instruments

Details of each category, in accordance with AASB 139, shall be disclosed either on the face of the balance sheet or in the notes.

	Carrying Amount 2009 \$	Carrying Amount 2008 \$
Financial Assets		
Cash and cash equivalents	2,825,352	3,402,878
Loans and Receivables	<u>2,936,708</u>	<u>2,172,155</u>
Total Financial Assets (i)	<u>5,762,060</u>	<u>5,575,033</u>
Financial Liabilities		
At amortised cost	<u>3,848,938</u>	<u>3,633,626</u>
Total Financial Liabilities (ii)	<u>3,848,938</u>	<u>3,633,626</u>

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit receivable)

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

Note 19: Financial instruments (cont)**Net holding gain/(loss) on financial instruments by category**

	Carrying Amount 2009 \$	Carrying Amount 2008 \$
Financial Assets		
Cash and cash equivalents (i)	0	0
Loans and Receivables (i)	121,186	124,710
Total Financial Assets	121,186	124,710
Financial Liabilities		
At amortised cost (ii)	0	0
Total Financial Liabilities	0	0
Total Financial Liabilities	0	0

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.

(ii) For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

(b) Credit Risk

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

Ageing analysis of financial asset as at 30 June

	Consol'd Carrying Amount \$	Not Past due and not impaired \$	Less than 1 Month \$	1 - 3 Months \$	3 Months - 1 Year \$	1 - 5 Years \$	Impaired Financial Assets \$
2009							
Financial Assets							
Cash and Cash Equivalents	2,825,352	2,825,352	0	0	0	0	0
Receivables							
- Trade Debtors	315,298	25,785	90,716	72,983	125,814	0	0
- Other Receivables	69,368	69,368	0	0	0	0	0
Other Financial Assets							
- Term Deposit	2,552,042	2,552,042	0	0	0	0	0
- Other	0	0	0	0	0	0	0
Total Financial Assets	5,762,060	5,472,547	90,716	72,983	125,814	0	0
2008							
Financial Assets							
Cash and Cash Equivalents	3,402,878	3,402,878	0	0	0	0	0
Receivables							
- Trade Debtors	267,747	55,786	150,476	35,307	26,178	0	0
- Other Receivables	37,034	37,034	0	0	0	0	0
Other Financial Assets							
- Term Deposit	1,867,374	1,867,374	0	0	0	0	0
- Other	0	0	0	0	0	0	0
Total Financial Assets	5,575,033	5,363,072	150,476	35,307	26,178	0	0

Note 19: Financial instruments (cont)**(c) Liquidity Risk**

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

Maturity analysis of financial liabilities as at 30 June

	Total Carrying Amount \$	Contractual Cash Flows \$	Maturity Dates			
			Less than 1 Month \$	1 - 3 Months \$	3 Months - 1 Year \$	1 - 5 Years \$
2009						
Financial Liabilities						
Payables	443,469	443,469	443,469	0	0	0
Interest Bearing Liabilities	248,462	248,455	5,693	17,302	120,315	105,145
Other Financial Liabilities - Monies Held in Trust	3,138,469	3,157,007	0	0	3,157,007	0
Total Financial Liabilities	3,830,400	3,848,931	449,162	17,302	3,277,322	105,145
2008						
Financial Liabilities						
Payables	292,886	292,886	292,886	0	0	0
Interest Bearing Liabilities	186,953	186,953	4,018	23,731	69,717	89,487
Other Financial Liabilities - Monies Held in Trust	3,125,530	3,153,787	0	0	3,153,787	0
Total Financial Liabilities	3,605,369	3,633,626	296,904	23,731	3,223,504	89,487

(d) Market Risk

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

Currency Risk

Rochester and Elmore District 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's arise primarily through the Rochester and Elmore District Health Services' other financial assets. Minimisation of risk is achieved by mainly holding fixed rate or non-interest bearing financial instruments. For financial assets the Hospital mainly holds financial assets with relatively even maturity profiles.

Other Price Risk

The Hospital 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.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 19: Financial instruments (cont)

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

2009	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-Interest Bearing \$'000
Financial Assets					
Cash and Cash Equivalents	3.50	2,825,352	0	2,825,352	0
Receivables					
- Trade Debtors	0.00	315,298	0	0	315,298
- Other Receivables	0.00	69,368	0	0	69,368
Other Financial Assets					
- Term Deposit	4.09	2,552,042	2,552,042	0	0
- Other	0.00	0	0	0	0
Total Financial Assets		5,762,060	2,552,042	2,825,352	384,666
Financial Liabilities					
Payables	0.00	443,469	0	0	443,469
Interest Bearing Liabilities	8.00	248,462	248,462	0	0
Other Financial Liabilities					
- Accommodation Bonds	0	3,138,469	0	0	3,138,469
Total Financial Liabilities		3,830,400	248,462	0	3,581,938
2008					
Financial Assets					
Cash and Cash Equivalents	7.52	3,402,878	0	3,402,878	0
Receivables					
- Trade Debtors	0.00	267,747	0	0	267,747
- Other Receivables	0.00	37,034	0	0	37,034
Other Financial Assets					
- Term Deposit	7.85	1,867,374	1,867,374	0	0
- Other	0.00	0	0	0	0
Total Financial Assets		5,575,033	1,867,374	3,402,878	304,781
Financial Liabilities					
Payables	0.00	292,886	0	0	292,886
Interest Bearing Liabilities	8.95	186,953	186,953	0	0
Other Financial Liabilities					
- Accommodation Bonds	0	3,125,530	0	0	3,125,530
Total Financial Liabilities		3,605,369	186,953	0	3,418,416

Sensitivity Disclosure Analysis

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

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

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

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 19: Financial instruments (cont)

Sensitivity Disclosure Analysis (cont)

	Carrying Amount \$	Interest Rate Risk				Other Price Risk			
		-1% Profit \$	Equity \$	+1% Profit \$	Equity \$	-1% Profit \$	Equity \$	+1% Profit \$	Equity \$
2009									
Financial Assets									
Cash and Cash Equivalents	2,825,352	(28,254)	(28,254)	28,254	28,254	0	0	0	0
Receivables									
- Trade Debtors	315,298	0	0	0	0	0	0	0	0
- Other Receivables	69,368	0	0	0	0	0	0	0	0
Other Financial Assets									
- Term Deposit	2,552,042	(25,520)	(25,520)	25,520	25,520	0	0	0	0
Financial Liabilities									
Payables	443,469	0	0	0	0	0	0	0	0
Interest Bearing Liabilities	248,462	2,485	2,485	(2,485)	(2,485)	0	0	0	0
Other Financial Liabilities									
- Accommodation Bonds	3,138,469	0	0	0	0	0	0	0	0
		(51,289)	(51,289)	51,289	51,289	0	0	0	0
2008									
Financial Assets									
Cash and Cash Equivalents	3,402,878	(34,029)	(34,029)	34,029	34,029	0	0	0	0
Receivables									
- Trade Debtors	267,747	0	0	0	0	0	0	0	0
- Other Receivables	37,034	0	0	0	0	0	0	0	0
Other Financial Assets									
- Term Deposit	1,867,374	(18,674)	(18,674)	18,674	18,674	0	0	0	0
Financial Liabilities									
Payables	292,886	0	0	0	0	0	0	0	0
Interest Bearing Liabilities	186,953	1,870	1,870	(1,870)	(1,870)	0	0	0	0
Other Financial Liabilities									
- Accommodation Bonds	3,125,530	0	0	0	0	0	0	0	0
		(50,833)	(50,833)	50,833	50,833	0	0	0	0

Note 20: Commitments

Capital Commitments

	2009 \$	2008 \$
Land & Buildings	3,000,000	13,000,000
Total Capital Commitments	3,000,000	13,000,000
Not Later than one year	3,000,000	10,000,000
Later than one year and not later than 5 years	0	3,000,000
Total	3,000,000	13,000,000

Total capital commitments for the hospital redevelopment will be met by the Department of Human Services.

Note 21: Contingent liabilities and contingent assets

There are no known contingent assets or liabilities for Rochester & Elmore District Health Service as at the date of this report.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 22: Segment reporting

	HEALTH SERVICES		RACS		OTHER SERVICES		CONSOLIDATED	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
REVENUE								
External Segment Revenue	12,022,676	12,946,549	3,823,158	3,615,461	0	0	15,845,834	16,562,010
Intersegment Revenue	0	0	0	0	0	0	0	0
Total Revenue	12,022,676	12,946,549	3,823,158	3,615,461	0	0	15,845,834	16,562,010
External Segment Expenses	(5,074,197)	(4,959,699)	(4,638,555)	(4,627,603)	0	0	(9,712,752)	(9,587,302)
Unallocated Expense	0	0	0	0	0	0	0	0
Segment Result	6,948,479	7,986,850	(815,397)	(1,012,142)	0	0	6,133,082	6,974,708
Net Result from ordinary activities	6,948,479	7,986,850	(815,397)	(1,012,142)	0	0	6,133,082	6,974,708
Interest Expense	(12,831)	(16,189)	(6,207)	(3,990)	0	0	(19,038)	(20,179)
Interest Income	121,186	124,710	128,998	116,164	0	0	250,184	240,874
Net Result for Year	7,056,834	8,095,371	(692,606)	(899,968)	0	0	6,364,228	7,195,403
OTHER INFORMATION								
Segment Assets	4,874,617	5,212,987	13,389,660	7,471,676	0	0	18,264,277	12,684,663
Unallocated Assets	0	0	0	0	12,296,282	9,496,984	12,296,282	9,496,984
Total Assets	4,874,617	5,212,987	13,389,660	7,471,676	12,296,282	9,496,984	30,560,559	22,181,647
Segment Liabilities	1,430,284	1,231,181	3,785,313	3,751,687	0	0	5,215,597	4,982,868
Unallocated Liabilities	0	0	0	0	641,417	292,886	641,417	292,886
Total Liabilities	1,430,284	1,231,181	3,785,313	3,751,687	641,417	292,886	5,857,014	5,275,754
Acquisition of property, plant and equipment and intangible assets	1,337,085	832,419	18,556	25,405	5,765,814	5,549,276	7,121,455	6,407,100
Depreciation & amortisation expense	(535,338)	(288,404)	(122,602)	(134,543)	(3,191)	(4,901)	(661,131)	(427,848)
Non cash expenses other than depreciation	223,881	283,976	0	0	0	0	223,881	283,976

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

Business Segments

Acute

Services

Acute Hospital services
Aged Care services
Primary Health services

Residential Aged Care

Nursing Home facilities
Hostel facilities

Geographical Segment

Rochester and Elmore District Health Service operates predominantly in Rochester and Elmore, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets related to operations in Rochester and Elmore, Victoria.

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

Note 23: Jointly controlled operations and assets

Name of Entity	Principle Activity	Ownership Interest	
		2009 %	2008 %
Loddon Mallee Rural Health Alliance	Information Systems	3.13	0.00

Rochester & Elmore District 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 categories:

	2009 \$	2008 \$
Current Assets		
Cash and Cash Equivalents	189,707	0
Receivables	7,732	0
Prepayments	2,449	0
Total Current Assets	199,888	0
Non Current Assets		
Property Plant & Equipment	1,911	0
Total Non Current Assets	1,911	0
Total Assets	201,799	0
Current Liabilities		
Payables	19,308	0
Accrued Expenses	1,226	0
Total Current Liabilities	20,534	0
Total Liabilities	20,534	0
Net Assets	181,265	0

Rochester & Elmore District Health Service's interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

Revenues		
Grants	175,095	0
Total Revenue	175,095	0
Expenses		
Information Technology and Administrative Expenses	75,379	0
Depreciation	608	0
Total Expenses	75,987	0
Profit	99,108	0

Contingent Liabilities and Capital Commitments

There are no known contingent liabilities for Loddon Mallee Rural Health Alliance as at the date of this report.

Commitments for Expenditure

Loddon Mallee Rural Health Alliance has entered into the following contract commitments for expenditure as at 30 June 2009:

	No Later than 1 year \$	Later than 1 year no later than 5 years \$	Later than 5 years \$	Total \$
Payable:				
Information Communication Technology	108,830	202,824	131,773	443,427
Total Capital Commitments	108,830	202,824	131,773	443,427

Rochester and Elmore District Health Service Notes to the Financial Statements 30 June 2009

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.

Period**Responsible Ministers:**

The Honourable Daniel Andrews, MLA, Minister for Health 01/07/08 - 30/06/09

Governing Boards

Mrs H. Acocks	01/07/08 - 30/06/09
Assoc Prof M. Boelen	01/07/08 - 30/06/09
Mr G. Clark	01/07/08 - 30/06/09
Mr S. McDonald	01/07/08 - 30/06/09
Ms M. Magennis	01/07/08 - 30/06/09
Ms S. Martin	01/07/08 - 30/06/09
Ms D. Mellor	01/07/08 - 30/06/09
Mr K. Oberin	01/07/08 - 30/06/09
Ms A. O'Farrell	01/07/08 - 30/06/09

Accountable Officers

Ms Ruth White (acting)	01/07/08 - 15/07/08
Mr Michael Krieg	16/07/08 - 25/01/09
Mrs Glenis Beaumont	23/03/09 - 30/06/09

Remuneration of Responsible Persons

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

Income Band	Total Remuneration		Base Remuneration	
	2009 No.	2008 No.	2009 No.	2008 No.
\$40,000 - \$49,000	1	-	1	-
\$100,000 - \$110,000	1	-	1	-
\$140,000 - \$149,000	-	1	-	1
Total Numbers	2	1	2	1
Total Remuneration	155,344	145,000	155,344	145,000

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

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

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

Income Band	2009 No.	2008 No.
\$110,000 - \$120,000	1	0
Total	1	0
Total Remuneration	113,840	0

Disclosure Index

The Annual Report of the Rochester & Elmore District Health Service is prepared in accordance with the relevant Victorian legislation. This index is prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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Glossary

A & E	Accident & Emergency
ACHS	Australian Council of Healthcare Standards
ACFI	Aged Care Funding Instrument
ACSAA	Aged Care Standards and Accreditation Agency
ALOS	Average Length of Stay
ATSI	Aboriginal Torres Strait Islander
CEO	Chief Executive Officer
DHA	Department of Health and Ageing
DHS	Department of Human Services
DVA	Department of Veterans' Affairs
EBA	Enterprise Bargaining Agreement
EEO	Equal Employment Opportunity
ERH	Echuca Regional Health
FOI	Freedom of Information
FTE	Full Time Equivalent - Staff
HACC	Home & Community Care
HR	Human Resources
IC	Infection Control
IP	Inpatient
NHT	Nursing Home Types (Acute)
NUM	Nurse Unit Manager
Occupancy	Percentage of Beds filled per nominated period
OP	Outpatient
PAG	Planned Activity Group
PCP	Primary Care Partnership
TAC	Transport Accident Commission
TAFE	Technical and Further Education
REDHS	Rochester & Elmore District Health Service
Separation /Discharge	The completion of an episode of care and the patient/client leaves the organisation
VET	Vocational Education Training
VMO	Visiting Medical Officer
VPSM	Victorian Patient Satisfaction Monitor
VQC	Victorian Quality Council
VWA	Victorian Workcover Authority