

Djerriwarrh Health Services 2008 - 2009

Financial Report



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D J H S



Djerriwarrh Health Services

Board Member's, Accountable Officer's and Chief Finance & Accounting Officer's declaration

We certify that the attached financial report for *Djerriwarrh Health Services* 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 *Djerriwarrh Health Services* 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.



I. Fehring
President
(On behalf of the Board)

Signed at *Djerriwarrh Health Services*
Date: 15 / 9 / 2009



B. Marshall OAM
CHIEF EXECUTIVE OFFICER

Signed at *Djerriwarrh Health Services*
Date: 15 / 9 / 2009



J. Rubeli
DIRECTOR OF FINANCE

Signed at *Djerriwarrh Health Services*
Date: 15 / 9 / 2009

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board, Djerriwarrh Health Services

The Financial Report

The accompanying financial report for the year ended 30 June 2009 of Djerriwarrh Health Services 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 Djerriwarrh Health Services 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.

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 Djerriwarrh Health Services for the year ended 30 June 2009. The Members of the Board of Djerriwarrh Health Services 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 Djerriwarrh Health Services website.

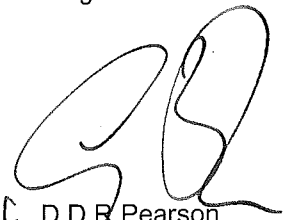
Independence

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 Djerriwarrh Health Services 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
15 September 2009



D D R Pearson
Auditor-General

Djerriwarrh Health Services
Operating Statement
For the Year Ended 30 June 2009

	Note	2009 \$'000	2008 \$'000
Revenue from Operating Activities	2	33,975	31,664
Revenue from Non-operating Activities	2	269	274
Employee Benefits	3	(23,289)	(21,863)
Non Salary Labour Costs	3	(2,796)	(2,851)
Supplies & Consumables	3	(3,428)	(2,903)
Administration Expenses	3	(2,737)	(2,838)
Other Expenses From Continuing Operations	3	(1,549)	(1,499)
Net Result Before Capital & Specific Items		445	(16)
Capital Purpose Income	2	1,720	1,145
Depreciation and Amortisation	3	(2,733)	(2,551)
Assets Provided Free of Charge	2	35	-
Resources Received Free of Charge	2	215	-
NET RESULT FOR THE YEAR		(318)	(1,422)

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

Djerriwarrh Health Services
Balance Sheet
As at 30 June 2009

	Note	2009 \$'000	2008 \$'000
Current Assets			
Cash and Cash Equivalents	5	1,915	269
Receivables	6	718	787
Other Financial Assets	7	1,908	1,768
Inventories	8	350	263
Other Assets	9	204	211
Total Current Assets		5,095	3,298
Non-Current Assets			
Receivables	6	542	550
Property, Plant & Equipment	10	30,779	22,217
Intangible Assets	11	457	956
Total Non-Current Assets		31,778	23,723
TOTAL ASSETS		36,873	27,021
Current Liabilities			
Payables	12	2,061	1,711
Employee Benefits and Related On-Costs Provisions	13	4,990	4,392
Other Liabilities	14	391	348
Total Current Liabilities		7,442	6,451
Non-Current Liabilities			
Employee Benefits and Related On-Costs Provisions	13	750	677
Total Non-Current Liabilities		750	677
TOTAL LIABILITIES		8,192	7,128
NET ASSETS		28,681	19,893
EQUITY			
Property, Plant & Equipment Revaluation Reserve	15a	11,575	2,469
Restricted Specific Purpose Reserve	15a	551	550
Contributed Capital	15b	7,193	7,193
Accumulated Surpluses/(Deficits)	15c	9,362	9,681
TOTAL EQUITY	15d	28,681	19,893
Contingent Liabilities and Contingent Assets	19		
Commitments for Expenditure	18		

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

Djerriwarrh Health Services
Statement of Changes in Equity
For the Year Ended 30 June 2009

	Note	2009	2008
		\$'000	\$'000
Total equity at beginning of financial year		19,893	21,091
Gain/(loss) on Asset Revaluation		9,106	-
NET INCOME RECOGNISED DIRECTLY IN EQUITY		9,106	-
Net result for the year		(318)	(1,422)
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR		8,788	(1,422)
Transactions with the State in its capacity as owner	15b	-	224
Total Equity at the end of the financial year		28,681	19,893

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

Djerriwarrh Health Services
Cash Flow Statement
For the Year Ended 30 June 2009

	Note	2009 \$'000	2008 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		31,521	29,656
Patient and Resident Fees Received		992	1,022
GST Received from/(paid to) ATO		677	134
Interest Received		64	112
Other Receipts		1,584	1,456
Employee Benefits Paid		(22,678)	(20,571)
Non Salary Labour Costs		(2,692)	(2,638)
Payments for Supplies & Consumables		(3,581)	(3,303)
Administration Expenses		(3,837)	(2,993)
Other Payments		(545)	(2,459)
Cash Generated from Operations		1,505	416
Capital Grants from Government		1,419	255
Capital Donations and Bequests Received		177	841
Other Capital Receipts		324	87
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	16	3,425	1,599
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Non-Financial Assets		(1,986)	(2,046)
Proceeds from sale of Non-Financial Assets		167	162
Purchase of Investments		(2,844)	(1,342)
Proceeds from Sale of Investments		2,704	1,289
GST Received from/(paid to) ATO		180	189
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(1,779)	(1,748)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributed Capital from Government		-	224
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		-	224
NET INCREASE/(DECREASE) IN CASH HELD		1,646	75
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		269	194
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5	1,915	269

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

Notes to the Financial Statements 30 June 2009

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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. AASs includes Australian equivalents to International Financial Reporting Standards.

The entity is a not-for profit entity and therefore applies the additional Aus 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-current 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 AASs management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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

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 financial report includes all the controlled activities of the Djerriwarrh Health Services.

(d) Rounding Of Amounts

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

(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 are included as current borrowings in the balance sheet.

(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 for 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.

(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.

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

Djerriwarrh Health Services assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Loans and receivables

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

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

(i) Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance such as patents, trademarks, computer software and development costs (where applicable).

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the entity.

Amortisation is allocated to intangible assets with finite useful lives on a systematic (straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, the entity tests all intangible assets with indefinite useful lives for impairment by comparing its recoverable amount with its carrying amount annually, and whenever there is an indication that the intangible asset may be impaired.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

Intangible assets with finite useful lives are amortised over a 3 year period (2008: 3 years).

(j) Property, Plant and Equipment

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.

(k) Revaluations of Non-current Physical Assets

Non-current physical assets measured at fair value are revalued in accordance with FRD 103D. 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 at an expense in net result, the increment is recognised as income in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation 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.

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

In accordance with FRD 103D Djerriwarrh Health Services non-current physical assets were subjected to a detailed valuation in the current financial year.

(l) Depreciation and Amortisation

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	Up to 50 Years	Up to 20 Years
Plant & Equipment	Up to 10 Years	Up to 10 Years
Medical Equipment	Up to 20 Years	Up to 20 Years
Computers & Communications	Up to 3 years	Up to 3 years
Motor Vehicles	Up to 5 years	Up to 5 years
Intangible Assets	Up to 3 years	Up to 3 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 control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

Impairment of Non Financial Assets

Impairment 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 values 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 (delete items if not applicable to the entity):

- inventories;
- financial assets;
- assets arising from construction contracts.

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

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

(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.

Impairment of Financial Assets

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off are classified as an expense.

Financial Assets have been assessed for impairment in accordance with Australian Accounting Standards. Where a financial asset's fair value at balance date has reduced by 20 per cent or more than its cost price; or where its fair value has been less than its cost price for a period of 12 or more months, the financial instrument is treated as impaired.

(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 Net 30 days.

(p) Provisions

Provisions are recognised when the entity 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 cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

(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) Functional and Presentation Currency

The presentation currency of the Djerriwarrh Health Services is the Australian dollar, which has also been identified as the functional currency of the entity.

(s) 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.

(t) 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 entity are not expected to be settled 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 Djerriwarrh Health Services does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at present value – component that Djerriwarrh Health Services does not expect to settle within 12 months; and nominal value – component that Djerriwarrh Health Services 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 expenses when incurred.

Defined benefit plans

The amount charged to the Operating Statement in respect of defined benefit superannuation plans represents the contributions made by the entity to the superannuation plan in respect of the services of current entity staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

Employees of Djerriwarrh Health Services are entitled to receive superannuation benefits and Djerriwarrh Health Services 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 Djerriwarrh Health Services are as follows:

Fund	Contributions Paid or Payable for the year	
	2009	2008
	\$'000	\$'000
Defined benefit plans:		
Health Super	175	200
Defined contribution plans:		
Health Super	1,441	1,330
Hesta	152	105
Other	118	99
Total	1,886	1,734

Djerriwarrh Health Services does not recognise any defined benefit liability in respect of the superannuation plans because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance 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.

(u) Residential Aged Care Service

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

The Grant Lodge Residential Aged Care Service is managed by the Health Service's Board of Management and is substantially funded from Commonwealth bed-day subsidies.

(v) Joint Ventures

Interests in jointly controlled assets are accounted for by recognising in Djerriwarrh Health Services financial statements, its share of assets, liabilities and any revenue and expenses of such joint ventures. Details of the joint venture are set out in note 21.

(w) Intersegment Transactions

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

(x) Leases

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. As at balance date no finance leases existed. All other leases are classified as operating leases.

Operating Leases

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

Leasehold Improvements

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

(y) 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 the entity gains control of the underlying assets in accordance with AASB 1004 *Contributions*. For reciprocal grants, Djerriwarrh Health Services is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, Djerriwarrh Health Services 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 Acute Health Division Hospital Circular 13/2008.

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.

(z) Fund Accounting

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

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

(ab)Change in Accounting Policies

In accordance with Victorian Government Financial Reporting Direction 103D 'Non-Current Physical Assets', Djerriwarrh Health Services measures plant and equipment, medical equipment, computer and motor vehicle assets at fair value from 1 July 2008. Previously these assets were measured at cost. This change in accounting policy is required to ensure that Victoria's Whole of Government financial report, to which Djerriwarrh Health Services 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.

(ac)Property, Plant & Equipment Revaluation Reserve

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

(ad)Specific Restricted Purpose Reserve

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

(ae)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.

(af) 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 Djerriwarrh Health Services. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, and items of 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 Djerriwarrh Health Services, the Department of Human Services and the Victorian Government to measure the ongoing result of Health Services in operating hospital services.

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

- Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer note 1(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:
 - Non-current asset revaluation increments/decrements
 - Diminution in investments
- Impairment of non current assets, includes all impairment losses (and reversal of previous impairment losses), relating 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(j) 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) and (j)), 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.

(ag)Category Groups

Djerriwarrh Health Services has used the following category groups for reporting purposes for the current and previous financial years.

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

Outpatient Services (Outpatients) comprises all recurrent health revenue/expenditure on public hospital type outpatient services, where services are delivered in public hospital outpatient clinics, or free standing day hospital facilities, or rehabilitation facilities, or alcohol and drug treatment units, or outpatient clinics specialising in ophthalmic aids or palliative care.

Emergency Department Services (EDS) comprises all recurrent health revenue/expenditure on emergency department services that are available free of charge to public patients.

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

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

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

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

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

(ah)Going Concern

The financial report has been prepared on the basis of going concern. The Department of Human Services has provided confirmation that it will continue to provide Djerriwarrh Health Services adequate cash flow support to meet its current and future obligations as and when they fall due up to September 2010 (refer Note 24).

(ai)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. Djerriwarrh Health Services has not and does not intend to adopt these standards early.

Standard / Interpretation	Summary	Applicable for reporting periods beginning on or ending on	Impact on Entities Annual Statements
AASB 8 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 not significant.
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]	An accompanying amending standard, also introduced consequential amendments into other Standards.	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 & 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 & 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 2008-7 Amendments to AAS 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 2008-9 Amendments to AASB 1049 for 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 2009-2 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 measurements 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

Note 2: Revenue

	HSA	HSA	Non HSA	Non HSA	Total	Total
	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from Operating Activities						
Government Grants						
- Department of Human Services	29,754	27,373	-	-	29,754	27,373
- Dental Health Services Victoria	90	54	-	-	90	54
- State Government - Other						
- Equipment and Infrastructure Maintenance	73	83	-	-	73	83
- Other	139	182	-	-	139	182
- Commonwealth Government						
- Residential Aged Care Subsidy	1,203	1,307	-	-	1,203	1,307
Total Government Grants	31,259	28,999	-	-	31,259	28,999
Indirect Contributions by Department of Human Services						
- Insurance	186	187	-	-	186	187
- Long Service Leave	273	454	-	-	273	454
Total Indirect Contributions by Department of Human Services	459	641	-	-	459	641
Patient and Resident Fees						
- Patient and Resident Fees (refer note 2(b))	547	658	-	-	547	658
- Residential Aged Care (refer note 2(b))	372	359	-	-	372	359
Total Patient & Resident Fees	919	1,017	-	-	919	1,017
Recoupment from Private Practice for Use of Hospital Facilities						
	281	355	-	-	281	355
Other Revenue from Operating Activities						
	966	555	91	97	1,057	652
Sub-Total Revenue from Operating Activities	33,884	31,567	91	97	33,975	31,664
Revenue from Non-Operating Activities						
Interest & Dividends						
	140	125	-	-	140	125
Other Revenue from Non-Operating Activities						
	-	-	129	149	129	149
Sub-Total Revenue from Non-Operating Activities	140	125	129	149	269	274
Revenue from Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	171	38	-	-	171	38
- Other	1,248	186	-	-	1,248	186
Assets Received Free of Charge (refer note 2(d))						
	-	-	35	-	35	-
Resources Received Free of Charge (refer note 2(e))						
	-	-	215	-	215	-
Residential Accommodation Payments (refer note 2(b))						
	109	86	-	-	109	86
Net Gain/(Loss) on Disposal of Non-Current Assets (refer note 2(c))						
	-	(6)	16	-	16	(6)
Donations & Bequests						
	-	-	176	841	176	841
Sub-Total Revenue from Capital Purpose Income	1,528	304	442	841	1,970	1,145
Total Revenue (refer to note 2(a))	35,552	31,996	662	1,087	36,214	33,083

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

(based on the consolidated view of note 2)

	Admitted Patients	Outpatients	EDS	Aged Care	Primary Health	Ambulatory	RAC incl. Mental Health	Other	Total
	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000	2009 \$'000
Revenue from Services Supported by Health Services Agreement									
Government Grants	15,683	7,149	1,878	1,594	2,390	156	1,934	475	31,259
Indirect contributions by Department of Human Services	233	74	35	22	33	3	35	24	459
Patient & Resident Fees (refer note 2(b))	275	-	-	183	89	-	372	-	919
Recoupment from Private Practice for Use of Hospital Facilities	281	-	-	-	-	-	-	-	281
Other Revenue from Operating Activities	624	57	27	17	33	40	26	142	966
Interest & Dividends	140	-	-	-	-	-	-	-	140
Capital Purpose Income (refer note 2)	1,419	-	-	-	-	-	109	-	1,528
Sub-Total Revenue from Services Supported by Health Services Agreement	18,655	7,280	1,940	1,816	2,545	199	2,476	641	35,552
Revenue from Services Supported by Hospital and Community Initiatives									
Other	-	-	-	-	-	-	-	220	220
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	-	442	442
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	662	662
Total Revenue	18,655	7,280	1,940	1,816	2,545	199	2,476	1,303	36,214

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.1: Analysis of Revenue by Source

(based on the consolidated view of note 2)

	Admitted Patients	Outpatients	EDS	Aged Care	Primary Health	Ambulatory	RAC incl. Mental Health	Other	Total
	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000
Revenue from Services Supported by Health Services Agreement									
Government Grants	15,191	5,243	2,474	1,315	2,159	141	1,988	488	28,999
Indirect contributions by Department of Human Services	325	104	49	31	46	4	48	34	641
Patient & Resident Fees (refer note 2(b))	374	-	-	203	81	-	359	-	1,017
Recoupment from Private Practice for Use of Hospital Facilities	355	-	-	-	-	-	-	-	355
Other Revenue from Operating Activities	369	-	-	-	11	56	-	119	555
Interest & Dividends	125	-	-	-	-	-	-	-	125
Capital Purpose Income (refer note 2)	218	-	-	-	-	-	86	-	304
Sub-Total Revenue from Services Supported by Health Services Agreement	16,957	5,347	2,523	1,549	2,297	201	2,481	641	31,996
Revenue from Services Supported by Hospital and Community Initiatives									
Other	-	-	-	-	-	-	-	246	246
Capital Purpose Income (refer note 2)	-	-	-	-	-	-	-	841	841
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	-	-	-	-	-	-	1,087	1,087
Total Revenue	16,957	5,347	2,523	1,549	2,297	201	2,481	1,728	33,083

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 2b: Patient and Resident Fees

	2009	2008
	\$'000	\$'000
Patient and Resident Fees Raised		
Recurrent:		
Acute		
– Inpatients	258	365
– Primary Care	289	293
Residential Aged Care		
– Generic	372	359
Total Recurrent	919	1,017
Capital Purpose:		
Residential Accommodation Payments(*)	109	86
Total Capital	109	86

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

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

	2009	2008
	\$'000	\$'000
Proceeds from Disposals of Non-Current Assets		
Motor Vehicles	167	162
Total Proceeds from Disposal of Non-Current Assets	167	162
Less: Written Down Value of Non-Current Assets Sold		
Motor Vehicles	151	168
Total Written Down Value of Non-Current Assets Sold	151	168
Net gains/(losses) on Disposal of Non-Current Assets	16	(6)

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

	2009	2008
	\$'000	\$'000
During the reporting period, the fair value of assets received free of charge, was as follows:		
Computers and Communications	35	-
Total	35	-

Assets were gifted to Djerriwarrh Health Service as a result of the voluntary winding up of a company known as GRHANet Ltd.

Note 2e: Resources Received Free of Charge or For Nominal Consideration

	2009	2008
	\$'000	\$'000
During the reporting period, resources received free of charge, was as follows:		
Joint Venture – Grampians Rural Health Alliance	215	-
Total	215	-

When the Joint Venture – Grampians Rural Health Alliance was formed resources from external entities were gifted to the Joint Venture.

Note 3: Expenses

	HSA 2009 \$'000	HSA 2008 \$'000	Non HSA 2009 \$'000	Non HSA 2008 \$'000	Total 2009 \$'000	Total 2008 \$'000
Employee Benefits						
Salaries & Wages	20,428	19,000	101	49	20,529	19,049
WorkCover Premium	234	274	1	1	235	275
Departure Packages	-	22	-	-	-	22
Long Service Leave	636	783	3	-	639	783
Superannuation	1,876	1,724	10	10	1,886	1,734
Total Employee Benefits	23,174	21,803	115	60	23,289	21,863
Non Salary Labour Costs						
Fees for Visiting Medical Officers	2,447	2,398	-	-	2,447	2,398
Agency Costs – Nursing	59	58	-	-	59	58
Agency Costs – Other	290	394	-	1	290	395
Total Non Salary Labour Costs	2,796	2,850	-	1	2,796	2,851
Supplies & Consumables						
Drug Supplies	916	835	-	-	916	835
Medical, Surgical Supplies and Prosthesis	1,998	1,594	1	-	1,999	1,594
Pathology Supplies	244	203	-	-	244	203
Food Supplies	243	244	26	27	269	271
Total Supplies & Consumables	3,401	2,876	27	27	3,428	2,903
Other Expenses from Continuing Operations						
Domestic Services & Supplies	413	419	3	5	416	424
Fuel, Light, Power and Water	299	253	1	1	300	254
Insurance costs funded by DHS	186	186	1	1	187	187
Motor Vehicle Expenses	122	112	1	1	123	113
Repairs & Maintenance	412	379	2	1	414	380
Maintenance Contracts	22	27	-	-	22	27
Patient Transport	39	56	-	-	39	56
Bad & Doubtful Debts	15	9	-	-	15	9
Lease Expenses	11	19	-	-	11	19
Information Technology	779	760	1	1	780	761
Rent	440	450	1	1	441	451
Other Administrative Expenses	1,512	1,622	4	4	1,516	1,626
Other	9	15	-	-	9	15
Audit Fees						
- VAGO - Audit of Financial Statements	11	10	-	-	11	10
- Other	2	5	-	-	2	5
Total Other Expenses from Continuing Operations	4,272	4,322	14	15	4,286	4,337
Depreciation & Amortisation	-	-	2,733	2,551	2,733	2,551
Total Expenses	33,643	31,851	2,889	2,654	36,532	34,505

No ex-gratia payments have been incurred or written off during the reporting periods.

Note 3a: Analysis of Expenses by Source

(based on the consolidated view)

	Admitted Patients	Outpatients	EDS	Aged Care	Primary Health	Ambulatory	RAC Inc. Mental Health 2009	Other 2009	Total 2009
	2009	2009	2009	2009	2009	2009	2009	2009	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Services Supported by Health Services Agreement									
Employee Benefits	10,288	4,863	1,552	1,749	1,835	50	2,390	447	23,174
Non Salary Labour Costs	2,021	309	393	5	10	1	57	-	2,796
Supplies & Consumables	2,751	345	120	10	14	-	161	-	3,401
Other Expenses from Continuing Operations	1,661	1,178	125	248	412	18	275	355	4,272
Sub-Total Expenses from Services Supported by Health Services Agreement	16,721	6,695	2,190	2,012	2,271	69	2,883	802	33,643
Services Supported by Hospital and Community Initiatives									
Employee Benefits	-	-	-	-	-	-	-	115	115
Non Salary Labour Costs	-	-	-	-	-	-	-	-	-
Supplies & Consumables	-	-	-	-	-	-	-	27	27
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	14	14
Depreciation & Amortisation (refer note 4)	910	1,062	217	128	147	5	171	93	2,733
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	910	1,062	217	128	147	5	171	249	2,889
Total Expenses	17,631	7,757	2,407	2,140	2,418	74	3,054	1,051	36,532

Note 3b: Analysis of Expenses by Source

(based on the consolidated view)

	Admitted Patients	Outpatients	EDS	Aged Care	Primary Health	Ambulatory	RAC Inc. Mental Health	Other	Total
	2008	2008	2008	2008	2008	2008	2008	2008	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Services Supported by Health Services Agreement									
Employee Benefits	10,037	3,624	2,264	1,535	1,710	84	2,181	368	21,803
Non Salary Labour Costs	2,296	174	238	20	25	1	82	14	2,850
Supplies & Consumables	2,119	461	91	20	21	-	164	-	2,876
Other Expenses from Continuing Operations	1,723	834	265	224	440	7	387	442	4,322
Sub-Total Expenses from Services Supported by Health Services Agreement	16,175	5,093	2,858	1,799	2,196	92	2,814	824	31,851
Services Supported by Hospital and Community Initiatives									
Employee Benefits	-	-	-	-	-	-	-	60	60
Non Salary Labour Costs	-	-	-	-	-	-	-	1	1
Supplies & Consumables	-	-	-	-	-	-	-	27	27
Other Expenses from Continuing Operations	-	-	-	-	-	-	-	15	15
Depreciation & Amortisation (refer note 4)	1,067	766	180	110	127	4	223	74	2,551
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	1,067	766	180	110	127	4	223	177	2,654
Total Expenses	17,242	5,859	3,038	1,909	2,323	96	3,037	1,001	34,505

Note 4: Depreciation and Amortisation

	2009	2008
	\$'000	\$'000
Depreciation		
Buildings	826	818
Plant & Equipment	378	326
Medical Equipment	132	157
Computers & Communications	723	687
Motor Vehicles	150	141
Total Depreciation	2,209	2,129
Amortisation		
Intangible Assets	524	422
Total Amortisation	524	422
Total Depreciation & Amortisation	2,733	2,551

Note 5: Cash and Cash Equivalents

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

	2009	2008
	\$'000	\$'000
Cash on Hand	3	3
Cash at Bank	1,912	266
TOTAL	1,915	269
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	1,915	269
TOTAL	1,915	269

Note 6: Receivables

	2009	2008
	\$'000	\$'000
CURRENT		
Contractual		
Trade Debtors	237	182
Patient Fees	33	44
Accrued Investment Income	14	22
Accrued Revenue - Other (Sundry)	39	137
Third Party Bonds	10	11
LESS Allowance for Doubtful Debts		
Trade Debtors	(22)	-
	311	396
Statutory		
GST Receivable	407	266
Accrued Revenue - DHS	-	125
	407	391
TOTAL CURRENT RECEIVABLES	718	787
NON CURRENT		
Statutory		
DHS – Long Service Leave	542	550
TOTAL NON-CURRENT RECEIVABLES	542	550
TOTAL RECEIVABLES	1,260	1,337

(a) Movement in the Allowance for doubtful debts

	2009	2008
	\$'000	\$'000
Balance at beginning of year	-	4
Increase/(decrease) in allowance recognised in profit or loss	22	(4)
Balance at end of year	22	-

(b) Ageing analysis of receivables

Please refer to note 17(c) for the ageing analysis of receivables

(c) Nature and extent of risk arising from receivables

Please refer to note 17(c) for the nature and extent of credit risk arising from receivables

Note 7: Other Financial Assets

	Operating Fund		Specific Purpose Fund		Capital Fund		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
CURRENT								
<i>Loans and Receivables</i>								
Aust. Dollar Term Deposits (at call)	165	162	1,743	1,606	-	-	1,908	1,768
Total Current	165	162	1,743	1,606	-	-	1,908	1,768
TOTAL	165	162	1,743	1,606	-	-	1,908	1,768
Represented by:								
Health Service Investments	165	162	1,352	1,258	-	-	1,517	1,420
Accommodation Bonds (Refundable Entrance Fee)	-	-	391	348	-	-	391	348
TOTAL	165	162	1,743	1,606	-	-	1,908	1,768

(b) Ageing analysis of other financial assets

Please refer to note 17(b) for the ageing analysis of other financial assets

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

Please refer to note 17(b) for the nature and extent of credit risk arising from other financial assets

Note 8: Inventories

	2009 \$'000	2008 \$'000
Pharmaceuticals		
At cost	114	84
Catering Supplies		
At cost	17	10
Housekeeping Supplies		
At Cost	15	9
Medical and Surgical Lines		
At cost	204	160
TOTAL INVENTORIES	350	263

Note 9: Other Assets

	2009 \$'000	2008 \$'000
Prepayments	204	211
CURRENT	204	211
NON CURRENT	-	-
TOTAL	204	211

Note 10: Property, Plant & Equipment

	2009	2008
	\$'000	\$'000
Land		
- Land at Fair Value	6,324	2,860
Total Land	6,324	2,860
Buildings		
- Buildings under Construction at cost	526	-
-Buildings at cost	64	11,226
Less Acc'd Depreciation	1	679
- Buildings at Fair value	18,994	4,673
Less Acc'd Depreciation	-	1,058
- Leasehold Improvements at cost	106	106
Less Acc'd Depreciation	34	21
Total Buildings	19,655	14,247
Plant and Equipment		
- Plant and Equipment at fair value	4,252	3,942
Less Acc'd Depreciation	1,786	1,408
Total Plant and Equipment	2,466	2,534
Medical Equipment		
- Medical Equipment at fair value	2,224	1,756
Less Acc'd Depreciation	1,241	1,110
Total Medical Equipment	983	646
Computers and Communications		
- Computers and Communications at fair value	3,016	2,948
Less Acc'd Depreciation	2,299	1,577
Total Computers and Communications	717	1,371
Motor Vehicles		
- Motor Vehicles at fair value	865	789
Less Acc'd Depreciation	231	230
Total Motor Vehicles	634	559
TOTAL	30,779	22,217

Note 10: Property, Plant & Equipment (continued)

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

	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Comm's	Motor Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2007	2,860	15,133	2,236	660	1,652	536	23,077
Additions	-	144	574	123	326	334	1,501
Disposals	-	-	-	-	-	(168)	(168)
Net Transfers between Classes	-	(212)	50	20	80	(2)	(64)
Depreciation and Amortisation (note 4)	-	(818)	(326)	(157)	(687)	(141)	(2,129)
Balance at 1 July 2008	2,860	14,247	2,534	646	1,371	559	22,217
Additions	-	590	310	469	34	377	1,780
Disposals	-	-	-	-	-	(152)	(152)
Assets Received free of charge	-	-	-	-	35	-	35
Revaluation increment	3,464	5,644	-	-	-	-	9,108
Depreciation and Amortisation (note 4)	-	(826)	(378)	(132)	(723)	(150)	(2,209)
Balance at 30 June 2009	6,324	19,655	2,466	983	717	634	30,779

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by the Valuer General Victoria to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 30/6/2009.

Note 11: Intangible Assets

	2009	2008
	\$'000	\$'000
Other Software	1,761	1,736
Less Acc'd Amortisation	1,304	780
	457	956
Total Written Down Value	457	956

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

	Other Software	Total
	\$'000	\$'000
Balance at 1 July 2007	954	954
Additions	360	360
Net Transfers from Property, Plant and Equipment	64	64
Amortisation (note 4)	(422)	(422)
Balance at 1 July 2008	956	956
Additions	25	25
Amortisation (note 4)	(524)	(524)
Balance at 30 June 2009	457	457

Note 12: Payables

	2009	2008
	\$'000	\$'000
CURRENT		
Contractual		
Trade Creditors	980	802
Accrued Expenses	370	465
Income in Advance	2	7
Superannuation	53	197
Other	18	47
	1,423	1,518
Statutory		
Taxation Payable	221	182
GST Payable	4	11
DHS	413	-
	638	193
TOTAL CURRENT	2,061	1,711
NON CURRENT	-	-
TOTAL NON CURRENT	-	-
TOTAL	2,061	1,711

(a) Maturity analysis of payables

Please refer to Note 17c for the ageing analysis of payables

(b) Nature and extend of risk arising from payables

Please refer to note 17c for the nature and extent of risks arising from payables

Note 13: Employee Benefits and Related On-Costs

	2009	2008
	\$'000	\$'000
CURRENT PROVISIONS		
Employee Benefits Current Provisions		
- Unconditional and expected to be settled within 12 months	2,458	2,170
- Unconditional and expected to be settled after 12 months	2,047	1,795
	4,505	3,965
Provisions related to employee benefit on-costs		
-Unconditional and expected to be settled within 12 months (nominal value)	229	203
-Unconditional and expected to be settled after 12 months (present value)	256	224
	485	427
Total Current Provisions	4,990	4,392
Non-Current Provisions		
Employee Benefits	667	602
Provisions related to employee benefit on-costs	83	75
TOTAL	750	677
Current Employee Benefits		
Unconditional LSL entitlements	2,047	1,795
Annual leave entitlements	1,768	1,546
Accrued Wages and Salaries	624	549
Accrued Days Off	66	75
Non-Current Employee Benefits		
Conditional long service leave entitlements (present value)	667	602
TOTAL Employee Benefits	5,172	4,567
On Costs		
Current On-Costs	485	427
Non-Current On-Costs	83	75
Total On-Costs	568	502
Total Employee Benefits and Related On-Costs	5,740	5,069
Movement in Long Service Leave:		
Balance at start of year	2,696	2,093
Provision made during the year		
- Expense recognising employee service	639	783
Settlement made during the year	(283)	(180)
Balance at end of year	3,052	2,696

Note 14: Other Liabilities

	2009	2008
	\$'000	\$'000
CURRENT		
Monies Held in Trust*		
- Accommodation Bonds (Refundable Entrance Fees)*	391	348
Total Current	391	348
Total Non-Current	-	-
Total Other Liabilities	391	348
* Total Monies Held in Trust		
Represented by the following assets:		
Other Financial Assets (refer to Note 7)	391	348
TOTAL	391	348

Note 15: Equity

	2009	2008
	\$'000	\$'000
(a) Reserves		
Property, Plant & Equipment Revaluation Reserve		
Balance at the beginning of the reporting period	2,469	2,469
Revaluation Increment/(Decrements)		
- Land	3,464	-
- Buildings	5,642	-
Balance at the end of the reporting period*	11,575	2,469
* Represented by:		
- Land	3,614	150
- Buildings	7,961	2,319
	11,575	2,469
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	550	-
Transfer to and from Restricted Specific Purpose Reserve - Restricted Capital Donations	1	550
Balance at the end of the reporting period	551	550
Total Reserves	12,126	3,019
(b) Contributed Capital		
Balance at the beginning of the reporting period	7,193	6,969
Capital contribution received from Victorian Government	-	224
Balance at the end of the reporting period	7,193	7,193
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	9,681	11,653
Net Result for the Year	(318)	(1,422)
Transfer to and from Restricted Specific Purpose Reserve - Restricted Capital Donations	(1)	(550)
Balance at the end of the reporting period	9,362	9,681
(d) Total Equity at end of financial year	28,681	19,893

Note 16: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	2009	2008
	\$'000	\$'000
Net Result for the Period	(318)	(1,422)
Depreciation & Amortisation	2,733	2,551
Provision for Doubtful Debts	22	(4)
Assets Received Free of Charge	(35)	-
Net (Gain)/Loss from Sale of Plant and Equipment	(16)	6
Change in Operating Assets & Liabilities		
(Increase)/Decrease in Receivables	55	(102)
(Increase)/Decrease in Prepayments	7	(69)
(Increase)/Decrease in Inventories	(87)	(101)
Increase/(Decrease) in Payables	350	(303)
Increase/(Decrease) in Employee Benefits	671	1,292
Increase/(Decrease) in Other Liabilities	43	(249)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	3,425	1,599

Note 17: Financial Instruments

(a) Significant accounting policies

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 Djerriwarrh Health Services financial risks within the government policy parameters.

Categorisation of financial instruments

	Carrying Amount	Carrying Amount
	2009	2008
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	1,915	269
Loans and Receivables		
- Trade debtors	237	182
- Other receivables	96	214
Other Financial assets		
- Term Deposit	1,908	1,768
Total Financial Assets (i)	4,156	2,433

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

Note 17: Financial Instruments (continued)

Categorisation of financial instruments

	Carrying Amount 2009 \$'000	Carrying Amount 2008 \$'000
Financial Liabilities		
At amortised cost		
- Payables	1,423	1,518
Other Financial Liabilities		
- Accommodation Bonds	391	348
Total Financial Liabilities (ii)	1,814	1,866

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

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

	2009 \$'000	2008 \$'000
Financial Assets		
Cash and cash equivalents – Cash at Bank	52	27
Loans and Receivables – Term Deposits	88	98
Total Financial Assets (i)	140	125
Financial Liabilities		
At amortised cost	-	-
Total Financial Liabilities (ii)	-	-

(i) For cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss as 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.

(ii) For financial liabilities measure 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 liabilities measured at amortised cost.

Note 17: Financial Instruments (continued)

(b) Credit Risk

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

Financial instruments particular to Djerriwarrh Health Services which would be subject to credit risk include:

- Cash Equivalents;
- Other financial assets;
- Receivables;
- Monies held in trust and Aged Care Bonds; and
- Other liabilities.

With regards to credit risk for Cash Equivalents and Other Financial Assets, it is Djerriwarrh Health Services policy to only invest funds in reputable Australian Deposit taking institutions listed as recommended by the Victorian Department of Treasury. Credit risk should be minimised as such institutions have their capital adequacy monitored by the Australian Prudential Regulatory Authority.

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

Djerriwarrh Health Services does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, other than the Department of Human Services as the material funder of Djerriwarrh Health Services operations.

Ageing analysis of financial asset as at 30 June

	Carrying Amount	Not Past Due and Not Impaired	Past Due But Not Impaired				Impaired Financial Assets
			Less than 1 Month	1-3 Months	3 months – 1 Year	1-5 Years	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2009							
Financial Assets							
Cash and Cash Equivalents	1,915	1,915	-	-	-	-	-
Receivables							
- Trade debtors	237	196	28	1	-	12	22
- Other receivables	96	24	58	3	11	-	-
Other financial assets							
- Term Deposit	1,908	1,908	-	-	-	-	-
Total Financial Assets	4,156	4,043	86	4	11	12	22
2008							
Financial Assets							
Cash and Cash Equivalents	269	269	-	-	-	-	-
Receivables							
- Trade debtors	182	145	3	34	-	-	-
- Other receivables	214	163	29	5	17	-	-
Other financial assets							
- Term Deposit	1,768	1,768	-	-	-	-	-
Total Financial Assets	2,433	2,345	32	39	17	-	-

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

Note 17: Financial Instruments (continued)

(c) Liquidity Risk

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

Djerriwarrh Health Services is a statutory corporation that is primarily funded by the Department of Human Services Victoria (DHS). Whilst DHS has issued letters of support for this and past years which offer continued DHS financial support of Djerriwarrh Health Services, it's the Board's policy to manage the Health Service under the Financial Management Act to ensure it meets its financial obligations as and when they fall due.

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

Interest rate exposure and maturity analysis of financial liabilities as at 30 June

	Carrying Amount	Contractual Cash Flows	Maturity Dates			
			Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2009						
Financial Liabilities:						
Payables	1,423	1,423	1,423	-	-	-
Other Financial Liabilities						
- Accommodation Bonds	391	391	391	-	-	-
Total Financial Liabilities	1,814	1,814	1,814	-	-	-
2008						
Financial Liabilities						
Payables:	1,518	1,518	1,518	-	-	-
Other Financial Liabilities						
- Accommodation Bonds	348	348	348	-	-	-
Total Financial Liabilities	1,866	1,866	1,866	-	-	-

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

(d) Market Risk

In a Djerriwarrh Health Services context, market risk is defined as the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Generally, market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency Risk

Djerriwarrh 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

Djerriwarrh Health Services is only generally subject to interest rate risk on Investments. Djerriwarrh Health Services is not empowered to borrow funds subject to interest on the principal and is therefore not subject to market risk on financial liabilities.

Note 17: Financial Instruments (continued)

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

	Weighted Average Effective Interest Rate (%)	Carrying Amount \$'000	Interest Rate Exposure		
			Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- Interest Bearing \$'000
2009					
Financial Assets					
Cash and Cash Equivalents (i)	3.08	1,915	-	1,912	3
Receivables					
- Trade debtors	-	237	-	-	237
- Other Receivables	-	96	-	-	96
Other financial assets					
- Term Deposit	5.77	1,908	1,908	-	-
		4,156	1,908	1,912	336
Financial Liabilities					
Payables(i)	-	1,423	-	-	1,423
Other Financial Liabilities					
- Accommodation Bonds	-	391	-	-	391
		1,814	-	-	1,814
2008					
Financial Assets					
Cash and Cash Equivalents (i)	3.45	269	-	266	3
Receivables					
- Trade debtors	-	182	-	-	182
- Other Receivables	-	214	-	-	214
Other financial assets					
- Term Deposit	7.0	1,768	1,768	-	-
		2,433	1,768	266	399
Financial Liabilities					
Payables(i)	-	1,518	-	-	1,518
Other Financial Liabilities					
- Accommodation Bonds	-	348	-	-	348
		1,866	-	-	1,866

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

Note 17: Financial Instruments (continued)

Sensitivity Disclosure Analysis

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

- A parallel shift of 1% and -1% in market interest rates (AUD) from year-end rates of 3.8%;
- A parallel shift of 1% and -1% in inflation rate from year-end rates of 1.2%

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

	Carrying Amount \$'000	Interest Rate Risk			
		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2009					
Financial Assets					
Cash and Cash Equivalents	1,915	(19)	(19)	19	19
Receivables					
- Trade debtors	237	-	-	-	-
- Other receivables	96	-	-	-	-
Other financial assets					
- Term deposit	1,908	(19)	(19)	19	19
Financial Liabilities					
Payables	1,423	-	-	-	-
Other Financial Liabilities					
- Accommodation Bonds	391	-	-	-	-
		(38)	(38)	38	38
2008					
Financial Assets					
Cash and Cash Equivalents	269	(3)	(3)	3	3
Receivables					
- Trade debtors	182	-	-	-	-
- Other receivables	214	-	-	-	-
Other financial assets	1,768	(18)	(18)	18	18
Financial Liabilities					
Payables	1,518	-	-	-	-
Other Financial Liabilities					
- Accommodation Bonds	348	-	-	-	-
		(21)	(21)	21	21

(i) eg. Sensitivity of cash and cash equivalents to a +1% movement in interest rates:
[\$1,912k*0.038]-[\$1,912k*0.028] = \$19k. Similar for a -1% movement in interest rate, impact = \$19k)

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

Note 18: Commitments for Expenditure

	2009	2008
	\$'000	\$'000
Capital Expenditure Commitments		
Payable:		
Land and Buildings	981	-
Total Capital Commitments	981	-
Land and Buildings		
Not later than one year	981	-
Total	981	-
Lease Commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	16	30
Total Lease Commitments	16	30
Operating Leases		
Operating leases held by the Health Service include leasing of 1 Motor Vehicle and 3 pieces of equipment, payable as follows:		
<i>Non-cancellable</i>		
Not later than one year	14	14
Later than 1 year and not later than 5 years	2	16
TOTAL	16	30
Total Commitments for expenditure (inclusive of GST)	997	30
Less GST recoverable from the Australian Tax Office	(91)	(3)
Total commitments for expenditure (exclusive of GST)	906	27

All amounts shown in the commitments note are nominal amounts inclusive of GST.

Note 19: Contingent Assets and Contingent Liabilities

There were no contingent assets or liabilities at 30 June 2009.

Note 20: Segment Reporting

	RAC		Other		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
REVENUE						
External Segment Revenue	2,476	2,475	33,598	30,483	36,074	32,958
Total Revenue	2,476	2,475	33,598	30,483	36,074	32,958
EXPENSES						
External Segment Expenses	(3,054)	(3,037)	(33,478)	(31,468)	(36,532)	(34,505)
Total Expenses	(3,054)	(3,037)	(33,478)	(31,468)	(36,532)	(34,505)
Net Result from ordinary activity activities	(578)	(562)	120	(985)	(458)	(1,547)
Interest Income	-	-	140	125	140	125
Net Result for Year	(578)	(562)	260	(860)	(318)	(1,422)
OTHER INFORMATION						
Segment Assets	2,655	1,817	34,218	25,204	36,873	27,021
Total Assets	2,655	1,817	34,218	25,204	36,873	27,021
Segment Liabilities	391	348	7,801	6,780	8,192	7,128
Total Liabilities	391	348	7,801	6,780	8,192	7,128
Acquisition of property, plant and equipment and intangible assets	14	70	1,826	1,790	1,840	1,860
Depreciation & amortisation expense	171	105	2,562	2,446	2,733	2,551

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

Business Segments

Residential Aged Care Services (RACS)
Other

Services

30 bed Nursing Home
Provider of Acute & Community Health services

Geographical Segment

Djerriwarrh Health Services operates predominantly in Bacchus Marsh and Melton, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Bacchus Marsh and Melton, Victoria.

Note 21: Jointly Controlled Operations and Assets

Name of Entity	Principal Activity	Ownership Interest	
		2009 %	2008 %
<i>Grampians Rural Health Alliance</i>	Information Systems	7.67	-

Djerriwarrh 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 under their respective assets categories.

	2009 \$'000	2008 \$'000
Current Assets		
Cash & cash Equivalent	161	-
Receivables	77	-
Total Current Assets	238	-
Non Current Assets		
Property, Plant and Equipment	50	-
Total Non Current Assets	50	-
Total Assets	288	-
Current Liabilities		
Payables	43	-
Employee Benefits and Related On-Costs Provisions	1	-
Total Current Liabilities	44	-
Total Non Current Liabilities	-	-
Total Liabilities	44	-

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

	2009 \$'000	2008 \$'000
Revenues		
Revenue from Operating Activities	350	-
Resources received free of charge	215	-
Total Revenue	565	-
Expenses		
Employee Benefits	55	-
Non Salary Labour Costs	38	-
Supplies & Consumables	-	-
Administration Expenses	154	-
Other Expenses From Continuing Operations	51	-
Depreciation and Amortisation	24	-
Total Expenses	322	-
Profit	243	-

Note 22a: Responsible Persons Disclosures

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

	Period
Responsible Ministers:	
The Honourable Daniel Andrews, MLA, Minister for Health	01/07/2008 - 30/06/2009
Governing Boards	
I. Fehring	01/07/2008 - 30/06/2009
M. Tudball	01/07/2008 - 30/06/2009
H. Dobson	01/07/2008 - 30/06/2009
E. Sharkey	01/07/2008 - 30/06/2009
H. Legro	01/07/2008 - 30/06/2009
S. Ramsey	01/07/2008 - 30/06/2009
C. Sutherland	01/07/2008 - 30/06/2009
S. Tunnecliff	01/07/2008 - 30/06/2009
Accountable Officers	
Mr. R.B. Marshall OAM (Chief Executive)	01/07/2008 - 30/06/2009

Remuneration of Responsible Persons

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

Income Band	2009 No.	2008 No.
\$0 - \$9,999	8	9
\$280,000 - \$289,999	1	-
\$290,000 - \$299,999	-	1
Total Numbers	9	10
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	\$286,039	\$298,003

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

All Board Members act in a honorary capacity and receive no remuneration.

Other Transactions of Responsible Persons and their Related Parties.	2009 \$'000	2008 \$'000
	3	3

Mr Hayden Legro, a Board Member of Djerriwarrh Health Services, is a Director of the legal firm Hayden Legro Lawyers, which provides legal services to Djerriwarrh Health Services on a normal commercial basis and, as such, shares in any legal fees and disbursements which that firm receives from Djerriwarrh Health Services. Legal fees and disbursements paid to Hayden Legro Lawyers during the financial period were \$2,643 (2008: \$2,944).

Note 22b: Executive Officer Disclosures

Executive Officers' Remuneration

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

	Total Remuneration		Base Remuneration	
	2009	2008	2009	2008
\$110,000 - \$119,999	1	1	-	3
\$120,000 - \$129,999	1	2	1	1
\$130,000- \$139,999	1	-	1	-
\$140,000- \$149,999	1	-	2	-
\$160,000- \$169,999	1	-	-	-
\$170,000- \$179,999	-	-	1	-
Total	5	3	5	4
Total Remuneration	\$681,537	\$401,088	\$705,000	\$491,347

Note 23: Events Occurring after the Balance Sheet Date

No matter or circumstance has arisen since the end of the financial period to 30 June 2009 that has significantly affected or may significantly affect:

- The operations in financial year 30 June 2009 of the Health Service
- The results of those operations
- The state of affairs in financial years after 30 June 2009 of the Health Service

Note 24: Economic Dependency

Djerriwarrh Health Services has an economic dependency on the Department of Human Services. The Department of Human Services provided 89% of Revenue from Operating Activities in 2008/09.

DJERRIWARRH HEALTH SERVICES

ABN:83 271 740 698

Bacchus Marsh & Melton Regional Hospital:

Grant St, PO Box 330
Bacchus Marsh VIC 3340

Ph: +61 3 5367 2000
Fax: +61 3 5367 4537

Grant Lodge Residential Aged Care:

6 Clarinda St, PO Box 330
Bacchus Marsh VIC 3340

Ph: +61 3 5367 9627
Fax: +61 3 5367 8023

Melton Health:

195 - 209 Barries Road
Melton West VIC 3337

Ph: +61 3 9747 7600
Fax: +61 3 8746 2072

Bacchus Marsh Community Health Centre:

Turner St, PO Box 330
Bacchus Marsh VIC 3340

Ph: +61 3 5367 9674
Fax: +61 3 5367 4274

Melton East Community Health Centre:

Level 1, 13-15 Lake St,
Caroline Springs VIC 3023

Ph: +61 3 9361 9300
Fax: +61 3 9361 9399

Melton Community Health Centre:

Cnr. High & Yuille Sts,
PO Box 3
Melton VIC 3337

Ph: +61 3 8746 1100
Fax: +61 3 9743 8640

visit our website: www.djhs.org.au