



GOING FROM GOOD TO GREAT

# OUR CARE

## AT A GLANCE

>70,291

OCCASIONS OF SERVICE PROVIDED BY  
OUR SPECIALIST CLINICS

>47,724

PEOPLE CAME TO OUR EMERGENCY  
DEPARTMENT FOR TREATMENT

>42,318

PEOPLE WERE ADMITTED TO  
OUR HOSPITAL

>11,696

OPERATIONS PERFORMED

>10,963

AMBULANCE ARRIVALS HANDLED BY  
OUR EMERGENCY DEPARTMENT

>1,357

ADMISSIONS OF CHILDREN AGE 16  
AND UNDER TO OUR CHILD AND  
ADOLESCENT AGED UNIT

>1,379

BABIES DELIVERED

>3,493

STAFF EMPLOYED, INCLUDING  
VOLUNTEERS

### About us

With more than 3,100 staff and 300 volunteers and covering an area a quarter of the size of Victoria, Bendigo Health Care Group (commonly known as Bendigo Health), is an expanding regional health service offering the advantages of city life combined with the beauty and freedom that comes from living in a regional area.

Bendigo Health, a 653 bed service\*, treated more than 42,000 inpatients, triaged more than 47,500 emergency attendees and welcomed almost 1,400 new born babies in the reporting period July 1, 2013 to June 30, 2014.

These services are complemented by a 60-bed rehabilitation unit, eight bed intensive care unit and five operating theatres where more than 11,000 surgical procedures were performed.

The organisation provided services in emergency, maternity, women's health, medical imaging, pathology, rehabilitation, community services, residential aged care, psychiatric care, community dental, hospice/palliative care, cardiology, cancer services and renal dialysis to the people of the Loddon Mallee region.

The three main campuses of Bendigo Health are based in Bendigo, with many services extended to regional settings including areas such as Mildura, Echuca, Swan Hill, Kyneton and Castlemaine.

Demand on services is increasing rapidly with Bendigo being one of Victoria's fastest growing regional cities.

Bendigo Health and the Victorian Government are committed to delivering high quality health care to the community of Bendigo and the greater Loddon Mallee region with the investment of \$630 million to deliver a hospital in Bendigo, for the region.

In May 2013, Victorian Premier Dr Denis Napthine and Health Minister David Davis announced Exemplar Consortium were successful in winning the contract to build and maintain the new facility. Construction commenced in August 2013 and is well underway.

\* This figure includes the 60 bed rehabilitation unit, eight intensive care unit beds and all residential aged care beds.

# OUR VALUES



## CARING

WE CARE FOR OUR COMMUNITY

## PASSIONATE

WE ARE PASSIONATE ABOUT DOING OUR BEST

## TRUSTWORTHY

WE ARE OPEN, HONEST AND RESPECTFUL



# WELCOME

## Welcome to Bendigo Health's 2013-14 annual report.

**This critical reporting document demonstrates how the organisation will make the journey from good to great as outlined in the 2013-2018 Strategic Plan. It also provides a comprehensive and detailed account of Bendigo Health's financial performance and achievements throughout the 2013-2014 financial year.**

### Report specifications

Reporting period from July 1, 2013 to June 30, 2014. This report is prepared for the Minister of Health, the Parliament of Victoria and the general public in accordance with relevant government and legislative requirements.

### Our Values

#### CARING

We care for our community.

#### PASSIONATE

We are passionate about doing our best.

#### TRUSTWORTHY

We are open, honest and respectful.

### Our Vision

Healthy Communities and World Class Healthcare.

### Our Role

Empowering people and working together.

The people we empower form the community around Bendigo Health; including the staff and volunteers within the organisation, our partners, patients with their families and carers and the general public who interact with Bendigo Health. We acknowledge the valuable and different role each of them has in contributing to the health of our community and creating world class health care. We encourage, support and enable them to work together in pursuit of our vision.

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# CHAIRMAN AND CHIEF

## EXECUTIVE OFFICER REPORT

Bendigo Health has enjoyed a year of significant achievements, faced the challenges of ever increasing demand on our services, and savoured the excitement of the Bendigo Hospital Project that has become an impressive physical presence during the past twelve months with the building structure quickly filling the Bendigo skyline.

Operationally, our health service treated more patients than ever before, with demand across the majority of our services at an all-time high - highlighted by a record 1,379 babies born within our service, compared to 1,175 the year previous.

We also triaged 47,724 presentations to our Emergency Department, admitted 42,318 to our hospital, conducted 70,291 occasions of service through our specialist clinics and performed more than 11,696 surgical procedures. Again, record numbers across the organisation.

Given the additional demands placed on our team through the new hospital build, our staff have worked hard to ensure that this did not impact negatively on our operating result for the year. We are delighted to report that the audited accounts for 2013/14 include a record high operating surplus result for our health service, the seventh year running where a positive trading result has been recorded. This would not have been possible without an outstanding contribution from the executive team to the broader leadership team to all of our clinical and non-clinical support staff across the organisation.

The first year of our Strategic Plan 2013-2018, Healthy Communities and World Class Healthcare, has strengthened our business planning process and given the organisation a clear mandate to become an exemplar regional health service.

The journey we are on will take us from Good to Great and this is underpinned by our three organisational Values: Caring, Passionate and Trustworthy. These values were developed by a team of values champions selected from among our staff and are being embedded at every level across the health service through our Values in Action project.

This project empowers our people to define what these values look like in terms of day to day functions and behaviours within their teams. After only a short time period it has become evident that these values are now a key part of our culture; one to which we are all held to account.

Work on the Bendigo Hospital Project progressed rapidly and the area has gone from a barren, cleared site to a three-storey hive of construction and activity with almost 200 workers on site as at June 30.

Consultation has been a key feature of the design process in the past 12 months; Bendigo Health staff have attended more than 300 consultation sessions to date and reviewed more than 1820 drawings. We are confident that on completion, we will have achieved our vision of a truly world class facility.

The entire community got behind our Name the Cranes competition which gave local children the opportunity to name each of the four tower cranes on the site. We welcomed Health Minister David Davis on site for two of the crane naming ceremonies and again in May to celebrate 12 months since the contracts were signed between the State and Exemplar Health – the consortium building the new hospital.



Bendigo Health has enjoyed a year of significant achievements, faced the challenges of ever increasing demand on our services, and savoured the excitement of the Bendigo Hospital Project



A key highlight for the year was being accredited for the first time against the 10 new National Safety and Quality Health Service (NSQHS) standards that were introduced by the Australian Commission on Safety and Quality in Health Care (ACSQHC). The feedback from the accreditation surveyors highlighted the strength of our Vision for Healthy Communities and World Class Healthcare and they were of the view that it demonstrates our commitment to provide quality care across all of our programs and services. The surveyors also noted that our staff and systems embed patient centred care. It was encouraging to read the full report which contained numerous compliments and demonstrated that our health service is on a path of continuous improvement.

A program to empower patients to think about their future care needs, Advance Care Planning, was launched successfully this year. This project provides patients with the tools and information they need to plan for their future. It covers topics such as medical power of attorney, end of life planning and allows families and loved ones to discuss their wishes before these decisions need to be made. An Advance Care Plan documents these choices in advance and can be included in a patient's medical record. In the first year of the project more than 91 patients were introduced to this process and we are delighted to extend funding to allow the project to continue.

We were proud to be the first workplace in the greater Bendigo region to be awarded recognition level 1 of the Healthy Together Victoria program, recognising our health promotion activities for our staff. It is important for us to set a positive example for the whole community. As one of the largest employers in the region, we know that we can have significant influence and it is important for us to have programs and services available for our staff which enable them to live healthier lives.

The Board was pleased to welcome Aileen Berry in October as its newest board member. Ms Berry is a journalist and Corporate Communications Manager for The Herald and Weekly Times Pty Ltd in Melbourne. Since moving to Bendigo in 2010, she has become a partner in a local Bendigo business and is active in her school community. A Director of the Royal Women's Hospital for nine years until June 2013, Aileen is proving to be a great asset to Bendigo Health.

We would like to express our gratitude and thanks to our wonderful 300-plus hospital volunteers for their continued dedication and support. Their generosity in giving up their time makes a significant difference to the experience of our patients, their carers and visitors; we all agree their contribution is priceless.

Our sincere thanks also to the many clinical, support and executive staff and to the Board of Directors for their contributions throughout the year. Their enthusiasm for our Vision and embodiment of our values makes this organisation the success it is today. The passion for patient centred care and the innovation driven by our teams day after day is inspiring.

It is our pleasure to present the following 2013-14 Annual Report for Bendigo Health Care Group, in accordance with the *Financial Management Act 1994*.



A handwritten signature in black ink, appearing to read 'Michael Langdon'.

**Dr Michael Langdon**  
Chair, Board of Directors  
Bendigo Health



A handwritten signature in black ink, appearing to read 'John Mulder'.

**John Mulder**  
Chief Executive Officer  
Bendigo Health

**We are proud of what our staff and organisation have achieved at Bendigo Health in recent years. Our team has worked hard to build a good, solid performing organisation. Now is the time to look forward and complete our transformation to a sophisticated, patient centred, world-class regional health service.**

The current five year strategic plan is the roadmap for our journey, going from good to great, and is the culmination of months of consultation, research and planning by the team at Bendigo Health. We have a clear vision - Healthy Communities and World Class Healthcare. We know that we will achieve that by empowering people and working together. Along the way we will be guided by our values - Caring, Passionate and Trustworthy. Our staff own this plan and will use it to deliver our goals and objectives in a way that is meaningful to them, their working environment and their patients. The next five years will be an exciting time with the new Bendigo Hospital coming to life, and transforming the way healthcare is delivered to our patients and community.

We understand our community and their needs. We have clear goals, objectives and measurable outcomes that tell us how we are going to achieve our vision and stay on track. One of the great achievements of this strategic plan is the clarity with which we can now measure our success. We know that having clear, outcome based targets linked to our goals and objectives is critical to our ability to achieve our vision. It was a challenge, but we are proud to have developed a set of concise, meaningful targets to measure our performance. With all of this to support us, Bendigo Health will continue its evolution into one of Australia's best regional health services.



This five year strategic plan is the roadmap for our journey, going from good to great, and is the culmination of months of consultation, research and planning by the team at Bendigo Health



Bendigo Health believes the strategic plan is a living document and we invite all our partners, community members and stakeholders to get involved and work together across our region to create Healthy Communities and World Class Healthcare.

Our five year strategic plan is the culmination of months of consultation, research and planning by the team at Bendigo Health. It began when we set a new vision and role for Bendigo Health that moves us from providing good, reliable healthcare to becoming a great organisation that plays a critical role in the health and wellbeing of the entire community.

We know that Bendigo Health is strengthened by a team that works together towards its vision. So, by planning together, we worked to understand:

- the internal and external strategic challenges and opportunities;
- the needs of our community;
- the current service profile (and any gaps);
- the policy context, in particular the Australian Health Reform Agenda and the Victorian State Government priorities for the improvement of the health system; and
- the values that guide us on this journey.

The team used this information to identify our strategic priorities and ultimately to develop a clear set of goals, objectives and targets that will guide activity towards our vision during the next five years.



Bendigo Health will make sure that everyone in the organisation and our community knows where we are going, what it will take to get us there and the critical role that each of us will play in reaching our goals



The plan will be used throughout the organisation. It will cascade into annual Divisional and Department Business Plans which, in turn, inform individual work plans and performance indicators. It will also be the yardstick for measuring the success and achievements of our organisation. Bendigo Health will make sure that everyone in the organisation and our community knows where we are going, what it will take to get us there and the critical role that each of us will play in reaching our goals.

Yours sincerely,

**Dr Michael Langdon**

Chair, Board of Directors  
Bendigo Health

**John Mulder**

Chief Executive Officer  
Bendigo Health

**Bendigo Health has four key goals that will underpin our role as a major stakeholder in the health of our community and to deliver our strategic objectives for the next five years. These are our achievements for the first 12 months of our Strategic Plan.**

## › GOAL 1

### **SUPPORT OUR PATIENTS, RESIDENTS, FAMILIES AND COMMUNITIES TO TAKE CARE OF THEMSELVES AND EACH OTHER**

#### **Objective 1.1 Educate, inform and empower our community to take control of their health and their health care.**

1. Ensure a collaborative planning and governance process to guide the development of a 'plan of action' by January 2014.
  - Leadership provided by CEO to Healthy Communities initiative including stakeholder workshop planning. Collective impact and proposed governance model developed through collaboration with key stakeholders.
2. Ensure a high level of consumer engagement in all health promotion planning and governance.
  - Consumer position on the Health Promotion Steering Committee; and
  - Integrated Aboriginal Health Plan has been completed and presented to Aboriginal liaison committee.
3. By January 2015 all people presenting to Bendigo Health with lifestyle related chronic disease will receive relevant advice and education.
  - Integrated health promotion plan from the Bendigo Health promotion team was produced. Areas of focus are: reducing tobacco usage, physical activity, nutrition and improving oral health;
  - Bendigo Health has successfully implemented a 'Supporting patients to be Smokefree' pilot project in the Medical Unit;

- The Emergency Department information system has been updated so that triage staff can identify drug and alcohol patients on arrival to the emergency department;
- Thirty messages promoting health initiatives, tips and challenges appeared in both the weekly staff newsletter and the monthly business managers' newsletter during the last quarter of the financial year; and
- Bendigo Health's Hospital Admission Risk Program (HARP) has implemented the Flinders Chronic Condition Management Program to empower clients to develop individualised client centred care plans, better enabling them to manage their own care.

#### **Objective 1.2 Deliver best practice Person Centred Care.**

1. Bendigo Health's Person Centred Care is benchmarked annually.
  - The first annual Person Centred Care (PCC) survey was administered across Bendigo Health as the organisation celebrated PCC month in April. Two surveys, one for direct care staff and one for consumers, were administered via survey monkey and hard copy.
2. 75% clinicians trained in Person Centred Care (PCC) by June 2018.
  - More than 10% of clinicians trained in PCC (270/2500 clinicians);
  - Bendigo Health hosted the 'Hear Me' performance in September 2013 and June 2014; and
  - There was also specialised PCC training delivered by Collaborative Health Education Research Centre (CHERC).

## GOAL 2

### EMPOWER OUR STAFF AND VOLUNTEERS TO CARE FOR OUR COMMUNITY

#### Objective 2.1 Build a high performing workforce

##### 1. Development of a workforce engagement strategy by June 2014.

- Workforce engagement strategy is being implemented. Includes multifaceted approach with organisation wide and department specific initiatives including:
  - Use of staff engagement survey feedback. Pulse results received, analysed and communicated to the organisation;
  - 150 Values in Action workshops have been completed. More than 1,700 staff were involved with defining the behaviours that are important at Bendigo Health; and
  - Staff Development Program officially launched.
- The 'Bendigo Healthy' program addresses five key priority health areas; physical activity, smoking, healthy eating, alcohol and mental health. Activities in the 2013/14 financial year have included:
  - The annual Bendigo Bank Fun Run. More than 260 staff participated and were offered pre-run training sessions conducted by physiotherapists;
  - Active participation in Ride2Work, Walk2Work days, Walk the Block, World No Tobacco Day, Febfast, Dry July and R U OK? Day;
  - Active promotion of participation in physical activity for example exercise classes, stair and step challenges, Biggest Loser Challenge, use of staff gym and hydrotherapy pool;
  - Free lunch time information sessions and cooking classes conducted by dietitians, in-house chefs, exercise physiologists and mental health clinicians;
  - Free staff health checks;
  - Regular lifestyle blogs by CEO;
  - Staff development program modules regarding mental health and wellbeing for example building personal resilience;

- A review of internal catering practices for working lunches;
- Bendigo Health was awarded 'Recognition Point 1' in the Healthy Together Achievement program; and
- Bendigo Health is an active member of the Victorian Smokefree Healthcare Services Network.

##### 2. 95% of employees undergo performance review annually.

- Result as of 31 March = 58%.
- 3. Development of a workforce planning strategy by June 2014.
  - A workforce planning strategy has been formulated that will guide the development of a detailed workforce plan for Bendigo Health. The strategy forms the first step to developing a detailed framework for the plan.

#### Objective 2.2 Deliver a world class healthcare experience.

##### 1. Bendigo Hospital Project redevelopment projects (Stages 1 & 2) completed by June 2018

- Design phase 1 complete, design stage 2 well underway. Construction commenced.
- 2. Level 5 Electronic Medical Record (EMR) implemented by 2017.
  - EMR tender evaluation has commenced with vendor to be confirmed by the end of 2014.
- 3. Unified communications implemented by 2017.
  - During Stage 3 implementation of Bendigo Hospital Project, it is proposed that certain elements of unified communications are brought forward and implemented in 2015/16. This remains subject to State Government release of funds.
- 4. Information Communications Technology (ICT) infrastructure plan developed by 2015.
  - The plan is currently in draft format, to be discussed with ICT advisory group by September 2014.

5. Models of Care incorporate long term planning to ensure services can be effectively delivered throughout the Loddon Mallee region in the context of evolving community needs.
- Working groups have been established to develop operational models of care for surgical services including women's and children's, single day and multi day admission models;
  - Working groups have been established to develop operational models of care for community and continuing care including sub-acute inpatients, palliative care and hospice and sub-acute outpatients;
  - Models of care for both oncology and renal have been completed and awaiting implementation;
  - Two new models of care developed by Child and Adolescent Mental Health Team for the Eating Disorders Clinic and the Parent Infant Mental Health Assessment Team;
  - Model of care for Patient Services to be developed in line with current Nursing Model of Care and Studer principles; and
  - All models of care take into consideration and collaborate with partners in the Loddon Mallee region and beyond. In addition, Bendigo Health is involved in the Strengthening Health Services Initiative which will take a specific focus on maternity, surgical and urgent care.

## › GOAL 3

### WORK WITH OUR PARTNERS TO CONNECT OUR SERVICES

#### **Objective 3.1 Support the development of a highly integrated health system across the Loddon Mallee Region.**

1. Bendigo Health understands its partners' needs in relation to shared services and builds models to meet those needs.
  - Service model developed and implemented supporting the transition of BreastScreen Bendigo from St John Of God to Bendigo Health;
  - Talking Matters (Speech Pathology) collaborative partnership program report completed and submitted to Victorian Health Care Awards;
  - Since the development of the Remote Patient Monitoring trial, the number of patients involved has grown. Currently averaging around 10 patients per month;
  - Roll-out of palliative care videoconferencing progressing – devices installed in hospitals and aged care facilities around the region;
  - Regional obstetrics and gynaecology review to occur in conjunction with Maternity and Newborn Clinical Network; and
  - EMR readiness review conducted by Bendigo Health on behalf of region; EMR advice and consultancy provided to Echuca Health. Request for quote distributed to potential vendors to conduct review of Loddon Mallee Rural Health Alliance operations and ongoing sustainability. E-referral workflow and requirements demonstrations arranged for region. Tele-health strategy adopted and resources allocated to implement.
2. Bendigo Health launches one new shared service model annually.
  - Bendigo Health procurement, supply and fleet management services provided to other Loddon Mallee health services for example Heathcote, Boort, Inglewood, Swan Hill and Rochester.

3. An integrated regional health service plan is developed by 2018.
  - Not currently being progressed as an independent project, due to development of the 'Strengthening Health Services' initiatives.
4. Bendigo Health provides leadership to the Regional Sustainable Hospitals project by 2014.
  - The Strengthening Health Services Projects, Hume and Loddon Mallee regions commenced January 2014 and will run for 12 months.

## GOAL 4

### OPERATE SAFELY AND SUSTAINABLY

#### Objective 4.1 Continuously improve the quality and safety of our services

1. All divisional and departmental teams have safety and quality measures that are met or exceeded annually.
  - National Safety and Quality Health Service (NSQHS) Accreditation successfully achieved;
  - 100% compliance with Home and Community Care (HACC) accreditation;
  - Case Management Services and Carer Support Services have participated in Community Common Care Standards (CCCS) and Department of Human Services Standards (DHSS) audits. Full accreditation achieved;
  - Cardiac Catheter Laboratory achieved National Accreditation and Testing Agency (NATA) accreditation;
  - Full compliance with food safety audits across the organisation; and
  - Maintenance of ISO:9000 certification for Supply, Payroll and Salary Packaging.
2. 100% of tier 1-3 managers are enrolled in the Great Manager, Great Results (GMGR) program within 12 months of commencing employment.
  - 80% of managers (includes clinical directors) were enrolled in the GMGR program at the end of financial year 2014. Work is underway in obtaining data to demonstrate managers enrolling in the program within 12 months of commencement.

#### Objective 4.2 Operate sustainably and with financial efficiency

1. Develop and implement an effective decision making model to incorporate financial sustainability, patient experience and workforce considerations.
  - Work continues on the development of dashboard style reporting for patient experience, workforce and quality and safety indicators to support decision making model.
2. Benchmark the carbon, energy and water footprint of Bendigo Health operations annually.
  - An Environmental Management Plan has been developed to set out our baseline environmental footprint in terms of energy, carbon emissions, water and waste, explain Bendigo Health's resource efficiency target and detail an action plan of short term actions.
3. Develop and begin implementation of a sustainability plan to maximise resource efficiency.
  - A majority of the Working Smarter and Living Within Our Means project outcomes have either been implemented or are currently being implemented to maximise resource efficiency;
  - KRONOS time in attendance system successfully implemented across the organisation; and
  - Bendigo Health engaged the services of a Management Resident Project Coordinator from the Australasian College of Health Services Management to review current leave reporting and identify evidence based practices that reduce the uptake of personal leave in health services.

# BENDIGO HOSPITAL PROJECT

First sod turned on the site



Schaller Studio constructed



AUGUST 2013

DECEMBER 2013

JANUARY 2014

FEBRUARY 2014



First pour of foundations



First crane, BEN, erected



132,000 tonnes of soil removed

This past year has been one like no other at Bendigo Health. All our efforts to lobby for a new hospital, followed by those researching the designs of the best hospitals in world, planning what the Bendigo facility should include and evaluating the final bids have all paid off as we watch the new hospital for Bendigo and our region becoming a reality. It is amazing how all those years have resulted in what is now being rapidly constructed across the road from my office and I have a unique vantage point where I can watch the progress every day.

There has been an amazing transformation since August 2013, when the Exemplar Health team took over a cleared and barren site; they began excavation almost immediately and the movement of excavators and trucks quickly became a familiar sight.

The site transformation from cream coloured dust and rock into a physical presence of predominantly concrete and steel formwork, which is now really starting to tower over Bendigo's CBD, has been nothing short of mesmerising.

To start, almost 150,000 tonnes of soil was excavated from the site in preparation for Lend Lease to begin the construction phase, with the first of hundreds of concrete trucks entering the site in December to pour out the first of the foundations.

After a short break over the festive season we saw the first tower crane, named Ben, installed at the Arnold Street end of the site, which quickly captured the attention of onlookers. The site now boasts a further three tower cranes, Maximus, Cranium and Lucy, which loom large over Bendigo's skyline during both day and night.

But it is not just the construction site where progress is made. As the cranes handled the heavy lifting, the concrete flowed and the formwork went up, work on the external and internal design of the hospital continued behind the scenes.

My team have been working with the architects, interior designers and builders to finalise the designs for every space inside the buildings, including the car parks, lift wells, rooms and the locations of signs to show patients and visitors where to go.

These meetings, known as user groups, have been attended by staff and consumers and we have held many meetings to ensure the design meets the needs of our clinicians and our patients.

For the reporting period, a total of more than 520 hours have been invested into the design aspect of the project. This time was spread across Clinical User Group meetings and Reference Group meetings resulting in more than 3,135 items to be actioned by the project team.

The bulk of the excavation completed



170 workers onsite



300 hours of consultation on design completed, including review of 1,046 room designs



Crane, LUCY, erected



MARCH 2014

APRIL 2014

MAY 2014

JUNE 2014



Crane, MAXIMUS, erected



15,000 m2 of concrete poured



Crane, CRANIUM, erected



Schaller Studio opened



Heritage works begin

At the end of the financial year all 1,046 generic rooms have been reviewed and more than 1,800 architectural drawings have been issued.

The completion of the new Art Series Hotel located on the hospital campus occurred in May. This will provide an additional accommodation option for families and visitors. The development of the child care centre in Yarrington House is well underway and expected to open in late 2014.

Another highlight of the project is the work that the Bendigo Health construction team are doing to restore our historical buildings on the Anne Caudle campus. We have employed a specialist bricklayer and an apprentice who are all committed to returning these buildings to their former glory.

**Bendigo Hospital Project at a glance**

- Consultation – circa 520 hours;
- 143 Clinical User Group meetings;
- 581 departmental rooms;
- 465 unique rooms;
- All 1,046 departmental and unique rooms have been reviewed (These rooms inform the other 1,469 rooms);
- 119 Reference Group meetings;
- 3,135 minuted Clinical User Group action items;
- 1,822 drawings issued to date;
- Almost 150,000 tonnes of soil excavated;
- More than 15,000 square metres of concrete poured, 17 per cent of the total concrete for the project;
- All four cranes on site – named Ben, Maximus, Cranium and Lucy;
- Work started on radiation therapy bunkers for the integrated cancer centre; and
- To date, around 170 workers on site have worked more than 100,000 hours combined.



**David Walker**  
Executive Director  
Bendigo Hospital Project

# YEAR IN REVIEW

Bendigo Health received more than **500 medical intern applications for 34 roles** and undertook more than 120 interviews with applicants. Applicants reported being attracted to our program because of the personalised and hands on experiences we offer. Feedback from current participants is that our staff are friendly and the new hospital project is also a factor in the decision to apply to Bendigo Health for a placement. In addition, we received 44 hospital medical officer applications from our current junior doctor pool, plus another 200 external applicants. There were 40 positions on offer.

Bendigo Health **welcomed 35 new junior doctors** in January this year for their 12 month internship. Twenty of the interns were Monash University graduates, nine were graduates of the University of Melbourne and six graduated from other medical schools. Many of the interns had previously undertaken clinical rotations in Bendigo during their training. Of last year's interns, 11 continued working at Bendigo Health.

"Interns who are training with us are also choosing to continue to live and work here in Bendigo and throughout the Loddon Mallee region." - Chief Medical Officer Dr Andre Nel.

Bendigo Health **welcomed 40 newly registered nurses** who began their nursing careers with the health service in January. The 12 month graduate nurse program is designed to support nurses who have just completed their nursing studies to make the transition into the health services industry. Graduate nurses came to Bendigo Health from universities across Victoria, with the majority of applicants from La Trobe University, Bendigo.

"During the past five years, Bendigo Health has retained more than 80 per cent of its graduate nurses." - Chief Nursing Officer Peter Faulkner.

Maternal services for Aboriginal and Torres Strait Islander families were strengthened following the signing of a collaboration agreement between Bendigo Health and Bendigo District Aboriginal Co-operative as part of **NAIDOC Week celebrations** at Bendigo Health in July last year. The agreement, signed by Bendigo Health CEO, John Mulder, and Bendigo District Aboriginal Co-operative CEO, Joanne Badke, supports Aboriginal and Torres Strait Islander parents throughout the pregnancy, birth, and post natal period. This agreement also ensures that a holistic approach is taken in all

aspects of care, including family circumstances, social and emotional issues, financial and accommodation arrangements. Engagement will be based on the recognition of understanding cultural and historical beliefs and perspectives.

Bendigo Health will send two of its midwives to India in September as a result of fundraising efforts from the **HealthBank Cricket Challenge** held in March this year. Teams from Bendigo Health and Bendigo Bank combined to participate in a Twenty20 cricket match at the Tom Flood Sports Centre with all funds raised going towards the Asha Foundation.

The Asha Foundation, founded in 1988, provides provisions in healthcare, education, environment and empowerment for people living in slums.

Bendigo Health's Howard Hinson and Sonia Newnham will travel to Delhi and work with other members of the Asha Foundation to assist and support those living in slum areas throughout the city.

**A baby boom** hit Bendigo Health in the last financial year with a record 1378 babies born, compared to 1,175 the prior year. This resulted in 18 sets of twins, 704 boys and 674 girls.



**The Bendigo Health Library** relocated into a dedicated building at 111 Arnold Street in May. The Library was in transition from its position within the Monash University building to two temporary positions within the University building during the past two years. The Bendigo Health Library now has a dedicated building within the learning precinct. It has a physical presence and is visible to Bendigo Health staff, Monash University and La Trobe University students. The Library offers a comfortable study environment which includes a reception space containing a comfortable couch area to read, a sink, fridge, microwave and boiling water to optimise the study environment, a reference room and dedicated computer room.

Bendigo Health's Psychiatric Services staff played a prominent role during **Mental Health Week** celebrations across the region. Among the events organised was a local football match, with players representing Vic Country against Vic Metro at the Tom Flood Sports Centre. The two teams consisted of regional and city representatives involved in ReLink Australia, a charitable organisation whose mission is to provide sporting, social and arts activities to enhance the lives of people experiencing disadvantage.

Preparations for the implementation of the **New Mental Health Act** were a focus for Psychiatric Services in 2014, with the new Act beginning on July 1. Bendigo Health targeted certain staff within Psychiatric Services and conducted intensive training with them. The aim is to have a bed of knowledge that other staff can call on when the Act commences. Training sessions will continue after the Act commences on 1 July, until all staff in Psychiatric Services have completed the training.



During the past five years, Bendigo Health has retained more than 80 per cent of its graduate nurses



All occupants of the new **\$25 million accommodation building in Atkins Street** were moved in throughout the reporting period. This was completed in several stages with the first 38 units of the 120-unit complex initially occupied. The purpose built facility is home to health professionals who were previously housed in rental properties throughout Bendigo.

More than 70 Bendigo Health staff members attended and participated in an **Emergo-Train session** in June. The purpose of Emergo-Train is to test our Code Brown External Emergency plan. The Emergo-Train exercise gave the organisation the opportunity to practise, evaluate and reduce risks with the management of a mass casualty event.

The **Pastoral Care team** continued to provide pastoral care and spiritual support to patients, residents and their families of all faith traditions at Bendigo Health. Rev. Rex Fisher came out of retirement and returned to the role of Pastoral Care Co-ordinator, while Karen Lunney was on maternity leave. There are currently 11 accredited denominational and six honorary chaplains including two clinical Pastoral Education students plus a Mental Health chaplain.

Three **Thanksgiving and Remembrance services**, inclusive of all departments, were held during the year at the Salvation Army Community Centre; plus services are held at each residential facility. These services honour those people who died at Bendigo Health. Families and staff gathered to reflect, share mementos and light candles in honour of those who died.

The annual Pastoral Care Forum invited the author Arnold Zable as speaker.

Pastoral Care staff provided input into the design of the **Sacred Spaces** to be built within the new Bendigo Hospital and sought community input as part of this process. The team transformed existing sacred spaces to ensure that they are acceptable and inclusive of all faith traditions.

Bendigo Health again held **ANZAC Day** services throughout the organisation. The main observance was organised by Pastoral Care services at Joan Pinder Nursing Home on April 24.

**Carer Support Services** hosted a number of regional events to celebrate Carers Week in October. 140 carers from the southern part of our region enjoyed lunch and tours of the Convent Gallery and gardens in Daylesford. Carers in the north of the region also enjoyed celebratory lunches, as well as a riverboat cruise on the Murray in Mildura.

Following a successful submission, funding was provided by the Federal Government to construct two additional **dental chairs** at Bendigo Health. The dental chairs were built in the John Lindell Rehabilitation Unit and compliment a range of services already provided in this area. The integration of the new facility within other health services provides the opportunity to learn from other health professionals, provides a more holistic approach and increases the awareness of both the medical and social factors which influence oral health. Most importantly, this means an increased amount of oral health services can be provided to the Bendigo community.

The first **Aboriginal Oral Health** working group met in April with an aim to improve access and engagement for Aboriginal and Torres Strait Islander (ATSI) people into public dental health services. Working group meetings are held monthly. There has been a significant increase already in the number of ATSI people attending our dental service:

- 2011-12: 88
- 2012-13: 135
- 2013-14: 216

A project to upgrade of all computer workstations at Bendigo Health from Windows XP to Windows 7 was rolled out in early 2014 by **Information Communications and Technology (ICT)**. This was undertaken to ensure the organisation remained supported by Microsoft, who are ceasing to support Windows XP from April 8. If the upgrade did not occur, the organisation faced a higher security and privacy risk. This would have resulted in limited access to Internet and would have affected a range of Bendigo Health applications.

The **Electronic Medical Record (EMR) Project** team has been working hard throughout 2013 and 2014 to deliver the best EMR System for Bendigo Health. Much of the team's effort in the late half of 2013 was spent developing plans and tender documentation; defining the EMR System benefits, Change Management effort and communications required; and in gaining the necessary approvals to go out to open tender for the EMR System.

The Minister for Health gave the EMR Project approval to release its tender in November 2013, and the team has been engaged in procurement activities since this time. The procurement activities completed to date include assessing 27 Expressions of Interest from the market and shortlisting these down to seven, and then conducting a series of Interactive Tendering workshops and clarifications with the seven shortlisted respondents to help them prepare their tenders. Seven tenders were received on 20 June and are now undergoing evaluation. A preferred EMR tenderer is expected to be chosen later this year.

The EMR Project team has also grown to accommodate the growing workload associated with the project with a number of new team members commencing this year, including a Project Administrator (Luke Garton), a Change Manager (Carolyn Ball), a Chief Nursing Information Officer (Janette Gogler), a Chief Medical Information Officer (Dr Diana Badcock), an Administration Assistant (Leira Woodman) and four Project Officers (Kylie MacDonald, Michael Hosking, Patricia Kelly and Wendy Newman). These new positions have also increased the team's ability to engage more closely with Bendigo Health clinical staff, to ensure that the EMR System selected meets the clinical needs of the organisation.

The team relocated to a new project office at Level 3, Barnard House in May 2014.

The EMR Project team looks forward to another busy, productive and successful year to follow.

Bendigo Health **Communications and Marketing** increased its social media activities for the reporting period, increasing traffic through Facebook and creating Twitter and LinkedIn accounts. Social media accounts are used to promote the goals of the Strategic Plan including innovations, achievements and celebrations, to highlight the milestones of the Bendigo Hospital Project and to support the work of the Bendigo Health Foundation. A new website for Bendigo Health and the Bendigo Hospital Project were launched during the reporting period.

| THE RISE OF SOCIAL MEDIA |              |               |
|--------------------------|--------------|---------------|
|                          | JULY 1, 2013 | JUNE 30, 2014 |
| <b>Facebook</b>          |              |               |
| Likes                    | 201          | 1,562         |
| Weekly reach             | 704          | 4,693         |
| <b>Twitter</b>           |              |               |
| Followers                | 0            | 297           |
| <b>LinkedIn</b>          |              |               |
| Followers                | 0            | 209           |

**Food Services** has 90 permanent, part time and casual staff and of these staff members, six have been with the organisation for more than 30 years and a further 13 for more than 20 years.

The department is responsible for the delivery, preparation and service of some 700,000 meals to the hospital campus, Anne Caudle Centre campus and 11 other external venues. Another 100,000 people are also catered for through internal and external functions.

The department focuses on a positive and engaging approach to its workforce with an emphasis on exceptional customer service and the organisations values.

Food Services again received 100% pass mark in the Food Safety Audit in early 2014.

➤ **700,000**  
MEALS MADE BY FOOD SERVICES

➤ **100,000**  
ANOTHER  
PEOPLE CATERED FOR

➤ **100%**  
PASS MARK IN THE FOOD SAFETY AUDIT



# EMPOWERING

# OUR PEOPLE



## Recognition of Service

For the fifth consecutive year, Bendigo Health held its Recognition of Service dinner in November at Silks Restaurant. The formal event recognised long serving employees with more than 30 years of service at Bendigo Health. A total of 24 staff were invited to the event, all of whom have collectively completed more than 790 years of service.

In addition, 248 employees were recognised for service milestones spanning 10 years to 45 years at a series of afternoon teas during November. Bendigo Health is very proud to have such a wonderful long serving staffing group.

## Health and Wellbeing for Staff

In line with Bendigo Health's vision of Healthy Communities and World Class Healthcare, the organisation has taken an active role in promoting health and wellbeing initiatives to our staff.

From July, more than 539 staff attended personal health and wellbeing events, including the 239 staff who participated in the Bendigo Bank Fun Run, with many more volunteering their time on the day. Other events included nutrition, exercise, mental health and even cooking classes providing tips and techniques on how to cook healthy meals.

We are the first organisation in the greater Bendigo region to be formally recognised for our efforts with respect to workplace health and wellbeing as part of the Healthy Together Victoria Achievement Program. This program is a jointly funded initiative of the State Government of Victoria and the Australian Government.

## Work Experience – Career Horizons

In the reporting period, nearly 100 students from local and regional secondary colleges completed work experience in 20 departments across Bendigo Health through Career Horizons. This program provides students with an opportunity to understand the benefits of working at Bendigo Health and the career paths available. The workplace program also provides Bendigo Health with the opportunity to build strong links with leading education providers in the community.

## Building Positive Attendance

People & Culture is undertaking a project to review its policies, processes and reporting of the taking of planned and unplanned leave across the organisation. The primary aim of the project is to deliver a sustainable reporting framework to analyse and interpret trends and patterns. This information will assist Bendigo Health to make better decisions about workflows and patterns and to formulate and implement workforce management policies and strategies to obtain better outcomes.

## Bendigo Regional Human Resources Network

Bendigo Health is an active participant in the Bendigo Regional Human Resources Network which provides a professional platform for people involved in employing staff in local and regional areas to:

- discuss topical employment issues;
- share knowledge and experiences with peers in a supportive and confidential environment; and
- exchange views with an emphasis on practical outcomes and strategies to manage day-to-day employment related issues;

Bendigo Health has acted as a leader in this network, co-ordinating events and presenting sessions and sharing our expert knowledge on issues related to organisational development.

## Staff Recognition Cards

Managers have been encouraged to reward and recognise the great work and attitude of their staff by sending out 'thank you' cards. By focusing on the positive behaviours of their staff, managers are sending a powerful message that staff are valued and the contribution they make to Bendigo Health is appreciated. This has had a great impact on staff engagement, retention and patient satisfaction.



## Contracts of Employment

The Resourcing and Workforce Planning team have created 1,459 employment contracts. The contracts of employment are created for new staff and when current staff change their terms and conditions by moving to new roles or amending their employment arrangements. It is essential that Bendigo Health accurately records a staff member's terms and conditions of employment as associated with working arrangements.

## Corporate Orientation

The format of the monthly corporate orientation session was reviewed during this financial year. Particular attention was given to building the content around the organisational values and the benefits of working at Bendigo Health. Corporate orientation provides an important source to advise new employees of essential information and where to find details about employment related matters.

## Focus on the employment of Aboriginal people

In early 2014, Bendigo Health was successful in securing additional funding to support its implementation of the Aboriginal Employment Plan. This project is occurring in collaboration with Castlemaine Health and Echuca Regional Health. Activities associated with the plan to date have included delivery of cultural awareness and mentoring programs, changes to recruitment policies to include the Karreeta Yirrimboi Plan and examination of several traineeship models.

## Resourcing and Workforce Planning Team Remodelling

The Resourcing and Workforce Planning team was remodelled to improve service delivery to internal customers in relation to employment contracts, onboarding new staff and the day to day administration of the nursing and administration bank.

## Attendance at Careers Expos

Bendigo Health attended a range of careers expos this financial year to maintain our high profile as a major employer in the Loddon Mallee region and an employer of choice. The health service showcased regional lifestyle and career opportunities with the aim of encouraging people to relocate to regional Victoria. Various clinical and non-clinical staff represented Bendigo Health at the Victorian Regional Living Expo, Medical Careers Expo, Nursing Careers Expo and a range of secondary school, TAFE and tertiary expos.

## Locum senior medical staff process

The new senior medical staff locum protocol and associated processes were developed and implemented in October. The improved process supports the timely appointment of appropriate senior medical locum resources across Bendigo Health.

## eRecruit

A new version of eRecruit was built to Bendigo Health specifications during the past year. This is the first time that the health service will have a recruitment package that is customised to meet organisational requirements. The system is in the final stages of testing prior to implementation.

## eCredential

A new electronic credentialing system was trialled and is being implemented across Bendigo Health. This will support the processes associated with credentialing and defining a scope of practice for medical, nursing, allied health, scientists and technologists and dental services. The system enables health professionals to develop an online profile that can hold certified qualifications and continuing professional development records as well as other relevant material to support defining scope of practice and credentialing.

## iLearn @ Bendigo Health

iLearn is an online portal to all education and professional development opportunities at Bendigo Health. There are modules available to all staff including management and leadership, capability and wellbeing, environment and safety, systems and technology, as well as clinical face to face education sessions.

The number of modules has grown substantially from two to 76 modules. It offers all essential and mandatory modules for both clinical and non-clinical staff.

Staff uptake of online learning has exceeded expectations; more than 13,000 modules have been successfully completed in just over two years.



more than 13,000 modules  
have been successfully  
completed in just over two  
years ””

## Staff Development Program (SDP)

The launch of the SDP in February marked an important step in further consolidation of an organisation wide learning framework. One of the primary aims was to provide a virtual one stop shop for education and training opportunities across the organisation and to promote ease of access for staff.

Since its launch 1,081 members of staff have attended 69 workshop sessions, receiving 394 hours of development. This includes the highly regarded Crucial Conversations; so far 124 members of staff have enjoyed participating.

Course evaluations from participants have shown high levels of satisfaction and an increase in knowledge. Anecdotal stories have suggested that the training has resulted in positive benefits for many staff members' personal and professional lives and most importantly for patient care.

The SDP has enabled an increase in the level of ICT training offered to staff. This is particularly important as Bendigo Health heads towards becoming a world class hospital. Staff are offered a wide range of preparatory and skill building options.

In addition to providing greater co-ordination for core skill and competency training, the SDP has also provided a comprehensive array of staff wellbeing sessions and special presentations.

A standout was the extremely moving 'Hear Me' play performed by a group of talented Australian actors. Performed on seven separate occasions, the play focuses on the importance of patient and family involvement in healthcare. More than 250 people attended these performances during the reporting period.

## Great Manager, Great Results (GMGR)

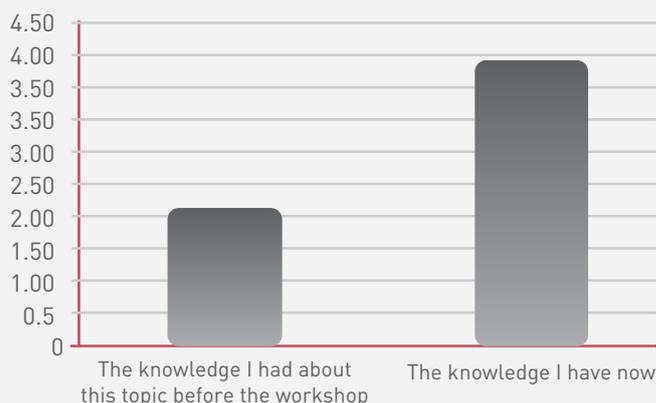
In its second year of operation, the GMGR Program continues to support managers with education and training. The program has been incorporated into the SDP and provides all staff with an awareness of the level of support offered to the organisation's leaders.

The GMGR program has assisted to provide developmental consistency throughout the organisation. It has delivered a common language and understanding of management expectations. While consistent use and application of systems and processes is important, the area often most noticed by staff and patients is the quality of communication by managers. Training in advanced communication skills, titled 'Crucial Conversations', continues to be one of the most sought after modules and provides a common framework and skill set.

A number of special presentations have allowed the opportunity for high quality experiences to be accessed without the need to travel to a capital city. Bendigo Health was fortunate to have VitalSmarts Master Trainer Gerard McNeill return and enhance the change management skills of our senior change leaders through 'Influencer' training.

Another presentation was held by Luke Hockley from Midnight Sky who facilitated two sessions on community building through networking. Luke's engaging facilitation style and sound organisational knowledge made these popular and worthwhile sessions.

**Evaluation summary of average participant knowledge level before and after Microsoft Office training 2013/14 (on a scale of 0-5), n=85**



This year the GMGR program launched two networking groups: InspiringWomen@BendigoHealth and Connected@BendigoHealth. These groups meet on alternate months and provide a range of guest speakers and discussion topics. It is also an opportunity for like minded people to connect across the organisation. A virtual community through LinkedIn was set up to help include participants unable to make these meetings. These groups have been beneficial for new and aspiring leaders and have garnered a high level of interest amongst staff.

Results from the organisation's staff engagement survey have indicated that since the introduction of the GMGR program there has been improvement in all 14 measured leadership indicators and a 16.2% increase in the level of trust in managers.



16.2% increase in the level of trust in managers



## Change Management

Change management support for organisational leadership has been significantly enhanced during the past year through the rollout of 'Influencer' change management training. Delivered as part of the management and leadership development program, this training provides a practical, relevant and powerful evidence based model for influencing change.

The training is a significant investment in further developing the change management capabilities across the organisation's key leaders. Three internal facilitators were trained in November and the training has been offered on a monthly basis since February. To date 103 change leaders have been provided with the training. The model has been used by managers of departments and projects across the organisation to support achievement of organisational aims and objectives at a number of levels.

## Models of Care

The Models of Care project seeks to proactively plan for the delivery of each service area that will form part of the Bendigo Hospital Project. Service areas that are reviewing and updating their models of care include: Surgical Services, Community and Continuing Care, Medical Services and Psychiatric Services.

## Collaborative Health Education and Research Centre (CHERC)

The mission of Bendigo Health's Collaborative Health Education and Research Centre (CHERC) is to provide health education, research and consultancy services to meet the needs of health and education providers and consumers. CHERC continues to attract funding to develop and implement a range of initiatives for Bendigo Health and the region.

Below are some of the activities managed through CHERC:

### → Nursing and Midwifery Education

This year marks 130 years of nurse education in Bendigo, including 79 years of midwifery education and 27 years of critical care education. There is a strong culture of nursing excellence underpinned by our organisational values and a passion for learning and development.

Some nursing and midwifery education highlights included:

### → Nursing and Midwifery Education Committee

This year the Nursing and Midwifery Education Committee was instrumental in the development of a suite of 14 key practical competencies for nurses and midwives, which gives clear and objective guidance on expectations related to each task. These are aimed for use with newly qualified staff, or staff who are newly practising one of the skills. This committee also maintains the policy of mandatory and additional training for nurses and midwives.

### → Support for Post Graduate Nursing Studies

Bendigo Health nurses and midwives enrolled in post graduate nursing studies and this resulted in approximately 150 nurses and midwives completing significant courses of study. Post graduate Nursing Regional Scholarships, funded by the Department of Health, assisted 16 Bendigo Health nurses and midwives this financial year.

### → Post Graduate Renal Nursing

A new alliance with University of Tasmania enabled Bendigo Health's Renal Unit nurses to become involved in this post graduate course of study. The opportunity was offered to graduate nurses participating in an expanding settings graduate nurse program between Inglewood District Health's Service and Renal Services at Bendigo Health. This initiative aims to increase the skills of nurses working with renal patients at a time when Bendigo Health is the primary renal hub in the region.

### → Post Graduate Diploma of Nursing in Critical Care

This course continued to attract a competitive field of applicants, with six being accepted in 2014. Our strong relationship with La Trobe University allows electronic course material, high fidelity simulation and assessment needs to be fulfilled. Strong clinical education support and face to face tutorials were provided by CHERC, enabling the theory practice gap to be minimised and students to be fully supported in their growth.

### → Post Graduate Diploma Midwifery

This course faced the challenges of increased accreditation requirements, but remained a competitive area to commence study in. Our graduate midwives enjoyed the experience a midwifery graduate year in 2014 at Bendigo Health entailed to consolidate their skills and experience.

### → Advanced Clinical Management

This course was conducted by Bendigo Health's acute nurse educators and had 16 participants in 2014. It received excellent evaluative reports and continued to act as a career conduit to the post graduate critical care studies.

### → Certificate in Gerontological Nursing

This course remained a key element in making aged care a career choice for high achieving nurses. There were 23 nurses from Bendigo Health and around the region enrolled this year and the course was reviewed to reduce the number of face to face study days, whilst utilising other methods of learning.

## Graduate Nurse Programs

Graduate Nurse Programs at Bendigo Health include: General Programs for Registered and Enrolled Nurses, the Expanded Settings Program and Midwifery and Psychiatric Graduate Programs. In 2014 these programs together assisted the development of Bendigo Health's 55 graduates.

## Continuing Nurse and Midwifery Education Program

The core topics provided at Bendigo Health and 15 regional sites across the Loddon Mallee were developed in consultation with senior nurses. They identified the top 10 areas of risk in acute nursing. These risks were aligned with the National Safety and Quality Health Service Standards (NSQHS) and the program consisted of a menu of seven topics, now including the management of the acutely unwell child.

The program was supplemented by Electrocardiogram (ECG) study days offered at Bendigo Health. This resulted in a program of 92 study days being coordinated.

More specialised annual conferences were also offered for topics such as neonatal and paediatric resuscitation, maternal emergencies, trauma management, dementia management and epidural management. In addition the Bendigo Health oncology course is funded through this program and offered to Bendigo Health and regional nurses.

## BENDIGO HEALTH FULL TIME EQUIVALENT FIGURES 2013-2014

| LABOUR CATEGORY            | JUN-13       | JUN-14       | YTD 2012-13  | YTD 2013-14  |
|----------------------------|--------------|--------------|--------------|--------------|
| Nursing Services           | 1,059        | 1,053        | 1,049        | 1,050        |
| Medical Support Services   | 188          | 185          | 184          | 187          |
| Medical Officers           | 48           | 47           | 47           | 47           |
| Hotel & Allied Services    | 241          | 246          | 235          | 244          |
| Hospital Medical Officers  | 133          | 143          | 125          | 137          |
| Ancillary Support Services | 225          | 231          | 212          | 225          |
| Administration & Clerical  | 399          | 416          | 393          | 409          |
| Sessional Medical Officers | 16           | 18           | 16           | 17           |
| <b>Grand Total</b>         | <b>2,308</b> | <b>2,340</b> | <b>2,260</b> | <b>2,315</b> |

## **Loddon Mallee Clinical Training Network (formerly known as the clinical placement network)**

CHERC continued to host the Loddon Mallee Clinical Training Network (LMCTN), providing office space, payroll and operational support to the Coordinator and Information Support Officer.

Throughout the period LMCTN staff members supported all public health services throughout the region to adopt the Best Practice Clinical Learning Environment (BPCLE) framework. This means 19 health services throughout the region are actively engaged in a continuous improvement and development cycle.

A great example of this was the completion of the Lucan Street Accommodation upgrade, which was funded through the Department of Health's Rural Accommodation and Infrastructure funding program. With the support of the LMCTN team, CHERC was able to secure more than \$490,000 to complete the upgrade in March. The upgrade represented an opportunity to future proof this accommodation asset, which is now used by Bendigo Health to accommodate students completing clinical placements in the greater Bendigo area.

The LMCTN team also supported 24 health services and 26 education providers to adopt and maintain their clinical training requests, offers and confirmations via viCPlace; Victoria's information management system for clinical placement activity.

LMCTN staff supported stakeholders with Local Innovations Fund submissions from which CHERC was one of only four agencies across the state to secure funding for the Student Led Feedback Model Project which will be developed and piloted throughout 2014.

The LMCTN hosting arrangements have become an asset to CHERC, broader Loddon Mallee health services and education providers in the community. The relationship has strengthened and inspired collaboration between CHERC, Bendigo Health and the rest of the region.

As well as service provision in the area of education, CHERC has also shown leadership in executing a number of projects through the 2013/14 year.

## **viCPlace**

Bendigo Health is proud to have shown leadership in the development of viCPlace. viCPlace is an online health sector student placement management system created in a collaboration between the Victorian Department of Health and Bendigo Health in 2011. The web based system manages placement requests from universities, vocational education providers and other training organisations, and the ensuing placement bookings, rosters and attendance records. viCPlace is an important part of a wider strategy of the Department of Health to increase the health sector workforce to meet growing patient demand.

The system is Victoria wide and is used in all public health services and many other services from the private sector and GP networks. Placement activity reports are extracted from the system directly by the Victorian Department of Health for purposes of allocating activity funding to all public health services in Victoria.

The system has been built in a modern web technology and has been constructed by extensive and ongoing consultation with the user base. As at 30 June 2014, the system had approximately 2,300 users, 30,000 students, 200 participating organisations and 28,000 placements since its inception, and is growing at an accelerated rate. The introduction of viCPlace has enhanced the efficiency, accuracy and rigour in the placement management sector in Victoria.

## Advance Care Plan

An Advance Care Plan (ACP) enables an individual to make decisions about their future health care in consultation with their health care providers and family members, and for those decisions to be documented. The ACP is then utilised when patients can no longer communicate their wishes and their family and clinical staff need guidance as to what treatment a patient would or would not consent to. An ACP enables people to nominate a medical enduring power of attorney and to complete refusal of treatment certificates and advance care directives.

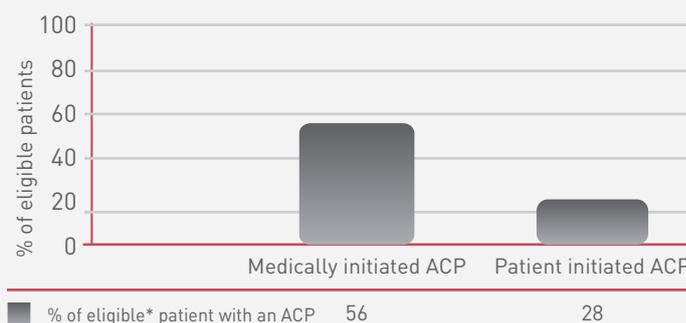
In June, Bendigo Health supported a 12 month project implementing the Respecting Patient Choices (RPC) Program in five pilot sites – Intensive Care Unit (ICU), Hospital Admission Risk Program (HARP), Transition Care Program (TCP), Geriatric Evaluation and Management (GEM)/palliative care and the Medical Unit. During the pilot, a robust organisational system was established that enables ACP to occur at Bendigo Health. This includes:

- A documentation system for ACP so that patients can document their wishes and values, and that clinicians have access to these documents at the appropriate time;
- Incorporation of ACP into the organisational iPM alert system, notifying clinicians of the presence of legal alerts for ACP documents (MEPOA, RTC and ACD);
- Establishment of an electronic referral system through Patient Flow Manager; and
- Organisational policy pertaining to ACP and when and how to incorporate limitations of treatment (such as “Not for CPR”, “Not for intubation” and “Not for ICU admission”) into medical treatment plans.

The ACP program was launched at the 2013 Bendigo Health Annual General Meeting and included the preview of a community education video which is now screening in the main entrance of the hospital campus. Bendigo Health is now a licensed RPC training organisation, allowing the organisation to independently conduct its own ACP workshops, at which we have already trained 140 staff as ACP facilitators. During the reporting period, more than 50 in-services have been delivered to 26 units and more than 500 staff.

The Bendigo Health Strategic Plan 2013-2018 highlights the importance of ACP, with a target that 10% of eligible patients\* have an Advance Care Plan. This target has been exceeded, with a medical history audit conducted on May 9, 2014 revealing that, of the 25 eligible patients\* in the participating units (ICU, GEM/hospice and medical) 28% had a patient initiated Advance Care Plan (in the form of an Advance Care Directive, End of Life wishes form, Refusal of Treatment certificate) and 56% had a medically initiated ACP (documented on the MR85, Alert sheet (MR0.0) - as shown in Figure 1 (Below).

**Figure 1.**  
**% of eligible\* patient with an ACP**



\* Eligible patients are those who are –

- Patients aged greater than 80 years of age
- HARP patients
- Residents of residential aged care facilities (RACF)

## Clinical Deanery

Bendigo Health continued its commitment to the provision of high quality clinical placements to students. The clinical deanery has embedded its role in overseeing the coordination and administration of student clinical placements. In 2013, Bendigo Health hosted 32,052 Allied Health, Nursing and Medical student clinical placement days and supported 16 educational partners.

## Managing Increasing Challenges in Motorcycle Safety (MICIMS): strengthening research evidence for effective policy and countermeasure development

This study uses a case-control design involving two participant groups: i) riders who have been recently injured in a crash (cases); and ii) riders who pass through recent crash sites without incident (controls). By comparing the 'cases' with the 'controls' groups, the research aims to investigate whether there are relationships between successfully avoiding a crash and characteristics such as travel speed, the rider's level of training and experience and the type of bike. Similarly, by comparing features of the crash site with another site the motorcyclist rides through, information can be gathered about the role of the physical environment. A detailed crash investigation will also be completed for each case, to assess the full range of possible contributing factors, including those involving other road users. Cases are recruited from one of 14 study hospitals in Victoria, including Bendigo Health. The original target recruitment numbers were 575 cases (all hospitals) and 575 controls, with an estimated 20 cases recruited from Bendigo Health. The study is currently in the recruitment phase. Of the five regional hospitals in this study, the most participants have been recruited from Bendigo Health.

## Nurse Practitioner support and model development

CHERC continued to support the opportunities that the development of Nurse Practitioner (NP) models of care provide to potentially improve the care of our patients. This model also provides a clear nursing professional pathway that may encourage staff to move to regional areas and help alleviate rural workforce shortages. CHERC is the convener for the Victorian Chronic Disease Nurse Practitioner Collaborative, which provides a forum to assist NPs to develop and grow their own models of practice as they gain knowledge, experience and confidence in their roles.

A Urology NP model was recently developed through CHERC, in close consultation and collaboration with the Urology team and the model has been submitted to the Department of Health. Development of a NP model for the Hospital in the Home (HITH) program is also under development following a successful funding submission.

## Annual Bendigo Health Nurses and Midwives Graduation

This was conducted in May at the All Seasons Hotel, Bendigo and was attended by about 170 guests, students and presenters. A feature this year was a book launch to celebrate the publication of 'Remember our nurses: the service and sacrifice of Bendigo nurses in World War I' by local historian and returned serviceman Murray Poustie. Both Mr Poustie and Jan McCarthy, President of the Returned Nurses branch of the RSL, gave speeches. This was followed by the graduation ceremony commencing with the Women of Note choir entertaining the audience. Following on was the presentation of 55 certificates to nurses and midwives who had completed 21 courses. The second part of the ceremony was the presentation of 11 awards to Bendigo Health nurses and midwives with a monetary value total of \$20,000.

## Pathways to health

### Review of the Loddon Mallee Region Diabetes Pathways

Diabetes is a chronic disease currently affecting an estimated 1.7 million Australians. Of the 10 local government areas within the Loddon Mallee region, all are now considered diabetes 'hotspots'. An area is designated a hotspot when more than 4% of its population has either type 1, type 2 or gestational diabetes mellitus. The Central Goldfields local government area is one of the top five regional hotspots, with 7.6% of the population living with diabetes.

In 2009, the Department of Health Loddon Mallee Region funded the development of pathways for pre-diabetes, type 1, type 2 and gestational diabetes mellitus (referred to as the 'Pathways'). CHERC undertook the development of the Pathways and following an extensive consultation process, the Pathways were endorsed by Diabetes Australia, Victoria. In 2013, CHERC was engaged by the Department of Health to undertake a review of the Pathways.

The review is now complete and the content of the Regional Diabetes Pathways for pre-diabetes, type 1, type 2 and gestational diabetes Pathways has been finalised and re-submitted to the design company for layout finalisation prior to publication.

### Development of Regional Dementia Services Pathways

Dementia is the greatest single contributor to burden of disease due to disability in Australia and is the third leading cause of death in Australia, after heart disease and stroke. The Department of Health and CHERC have a history of collaboration on a range of dementia initiatives that have produced positive outcomes for people with dementia, their families and carers across the Loddon Mallee region. The development of the Regional Dementia Management Strategy (RDMS) in 2002 and the subsequent update of the website and inclusion of the carer resources developed through the 'Improving the dementia care journey' in 2009, are two examples of this successful partnership. Most recently, the Department of Health provided funding to CHERC to develop regional dementia services pathways and to update the RDMS. Six regional dementia services pathways and a services user guide were developed. The pathways are currently undergoing graphic design prior to being uploaded onto the RDMS website. The RDMS was reviewed and updated service booklets, links, assessment tools, guidelines and other best practice resources are currently being updated by the web company onto the RDMS website.



### WINNER 2013

#### **Falls Clinic – Outpatient Rehabilitation Services**

##### **Balance Group: review of current program structure, criteria and discharge planning**

A need to improve the current Balance Group Program within the Falls Clinic in Outpatient Rehabilitation Services was identified. The existing program had no documented description or structure on how the group was being conducted. It was also identified that recommendations from the Falls Prevention Group were not being met in the group's current structure.

An audit was conducted over a four month period. From this, therapists within the group were provided feedback in relation to the program.

A literature review was completed as part of developing the new program. From this, new inclusion and exclusion criteria were developed and improved information for referring therapists was produced. Referring therapists are now provided with a document which outlines the aim of the group, criteria as well as the referral process. Also patients are given an updated brochure outlining the group information.

A re-audit of patient files was completed post the program review. Results showed marked improvement in documentation, assessment/reassessment and discharge planning.



Referring therapists are now provided with a document which outlines the aim of the group, criteria as well as the referral process



##### **A summary of implemented changes to the Balance Group Program:**

- Better management of the group's waiting list leading to early intervention to prevent further deconditioning and improved patient cardiovascular and strength outcomes.
- Improved documentation of attendance, assessment and reassessment.
- Improved discharge planning of patients.
- Updated balance groups and community exercise group information for Falls Clinic, Outpatient Rehabilitation Services.
- Increase in exercise duration frequency and type to meet current recommendations and guidelines including the seven key areas of balance programs for reducing a patients falls risk and harm from a fall.
- Addition of documented structured delivery of the exercise group, including structured rest and hydrations breaks.

## FINALISTS 2013-2014

Judging for the overall winner has commenced with the Quality Care Council who will present the award at this year's annual general meeting in November.

### July 2013

Rural and regional volunteer benchmarking survey  
*Volunteer Services*

### August 2013

Paediatric procedural sedation  
*Emergency Department*

### September 2013

Telehealth paediatric rehabilitation clinic  
*Outpatient Rehabilitation Services*

### October 2013

Talking Matters Bendigo – family friendly service  
*Speech Pathology*

### November 2013

No finalist was awarded due to organisational wide accreditation

### December 2013

Safe sleeping/bed sharing guidelines  
*Maternity Services*

### February 2014

Use of video conferencing and smart screen  
*Child and Adolescent Mental Health Service*

### March 2014

Undergraduate student online orientation to Bendigo Health  
*Collaborative Health Education and Research Centre (CHERC)*

### April 2014

Aged care assessments for Transition Care Program: telehealth project  
*Aged Care Assessment Services*

### May 2014

Development of a Masters of Mental Health with La Trobe University  
*Psychiatric Services Professional Development Unit*

### June 2014

Pre and Post-operative denture care  
*Dental Services*



# OUR VOLUNTEERS

**Bendigo Health thanks the many motivated and enthusiastic volunteers who demonstrate our values of caring, passionate and trustworthiness when helping others. Volunteers are integral to the health service and provide invaluable support to staff, patients and visitors.**

Bendigo Health currently employs 300 volunteers who help out by generously giving their time, energy and care to the patients, staff, residents and visitors. They assist in many areas across the organisation including palliative care, intensive care, emergency, inpatient rehabilitation, gift shop, transit lounge and our five residential aged care facilities.

## How our volunteers help

Our volunteers help in a variety of ways, with the majority providing companionship to our patients, residents and visitors. How they do this can vary, dependant on the area in which they are working in. For example, in our clinical spaces and aged care services, our volunteers provide companionship by being involved in an activity, program or one-on-one visiting. In our Day Procedure Unit, volunteers provide companionship by sitting with an anxious patient before and after a procedure and within our palliative care service, volunteers comfort a dying patient or a grieving family.

Volunteers help thousands of people every year to navigate their way through the health care setting simply by being a friendly face and offering their time to listen to people who need to use the services of Bendigo Health. Our volunteers help in the provision of service, are an integral part of the Bendigo Health team and bring a sense of community and warmth into what can often be a daunting experience.

Bendigo Health also has volunteers behind the traditional clinical face of the health service, helping with administrative tasks such as mail outs, construction of files and information packs for patients and carers as well as communication and marketing packs for Bendigo Health programs.

## Volunteer Fast Facts

Our volunteers contributed in excess of 26,000 hours to Bendigo Health. They have constructed thousands of files and admission packs and have assisted more than 40,000 people in 30 areas across Bendigo Health.

## Orientation of our volunteers

As part of Bendigo Health's process of engagement all prospective volunteers are required to attend orientation prior to their commencement. This is an opportunity for volunteers to determine whether Bendigo Health is the organisation that suits their volunteering needs, as well as giving clear guidelines to their roles and strategies for self care. It is also an occasion for the volunteers to meet with likeminded people. At Bendigo Health we ensure that our volunteers have been given the right tools and resources to ensure they are safe and confident when volunteering. Ninety nine per cent of participants have enjoyed the orientation so much they said they would recommend it to others.

## Other volunteers

In addition to the 300 volunteers at Bendigo Health, many other volunteers have also contributed to our services. The organisation is very fortunate to have several auxiliaries which raise much needed funds (see page 58). Bendigo Health is also grateful to other community groups and volunteers such as Heartbeat, Central Victorian Stroke Support Group, Amputee Support Group and our parish visitors.

## Aboriginal Volunteer Program

Bendigo Health encourages Aboriginal and Torres Strait Islander volunteers into its services.

This financial year the Bendigo Health Volunteer Services was invited to speak at the Koori information day held at Bendigo TAFE to promote its volunteering opportunities to the Indigenous community. This has become a great way to encourage the community to familiarise themselves with the services that Bendigo Health provides.

Overall, there was good interest and in April of this year, Bendigo Health welcomed its first Aboriginal volunteer. This volunteer will assist the Manager of Volunteer Services to promote volunteering and encourage the Indigenous community to volunteer across Bendigo Health's many services.

## La Trobe University partnership

Bendigo Health continued its partnership with La Trobe University's Speech Pathology ASSIST Program. At the beginning of 2014, this program was extended to include students from other health disciplines including, occupational therapy, physiotherapy, social work, paramedic and nursing.

The aim of the program is to provide students with an environmental experience within a healthcare setting, assisting them in their studies, whilst increasing the number of volunteers supporting our patients. Twelve students participated in the training this year and have been placed in various areas across the health spectrum.

## Hospitals Volunteer Benchmarking Exercise

In March, Bendigo Health instigated a second Hospital Volunteer Services benchmarking exercise, via the Leaders of Health Volunteer Engagement (LOHVE) network - also a Bendigo Health initiative.

More than 50 hospitals from across Australia and New Zealand provided information about their volunteer programs including, number of volunteers, number of staff working with volunteers and the types of programs.

> **300**  
VOLUNTEERS

VOLUNTEERED  
> **26,000**  
HOURS

AND ASSISTED MORE THAN  
> **40,000**  
PEOPLE AT BENDIGO HEALTH

SINCE 2005 EMERGENCY  
DEPARTMENT VOLUNTEERS  
CONTRIBUTED OVER

> **15,000**  
HOURS

AND ASSISTED  
> **100,000**  
PEOPLE



A full report will be provided to help us better understand where our volunteer programs sit in comparison to similar size health organisations. This will be an annual benchmarking exercise, with other hospitals already reaching out to the network and encouraging more hospitals to get involved next year.

### **Minister for Health volunteer awards 2013**

Bendigo Health's Volunteer Reference Group had two teams nominated for the Minister for Health Volunteer Awards in May. The Bendigo hospital's meet and greet team was nominated for the service they provide to patients and visitors of Bendigo Health. The role of this team is to make visitors feel safe and welcome and to help people navigate their way around the hospital campus. During the past four and a half years our meet and greet volunteers have given more than 5,500 hours and have assisted some 40,000 people. This team of volunteers was nominated due to their commitment towards helping where they can and their 'can do' attitude has a positive impact on all those they come into contact with.

Our Emergency Department (ED) volunteer team was nominated for assisting with practical and emotional support to patients, families and staff. Utilising volunteers in the Bendigo Health ED commenced in 2005, initially as part of a Red Cross program. Bendigo Health took over the running of this program in November 2010 and it has grown to be a real celebration of how volunteering can impact the community. The Bendigo Health ED volunteers provide support to all areas of the department, including triage and short stay. In consultation with our nursing staff, our volunteers assist to set up meal trays for patients and, where necessary, will help to ready patients during discharge and arrange for transport home. Since 2005, our ED volunteers have given more than 15,000 hours and have assisted almost 100,000 people - a phenomenal achievement. This team too was nominated due to their overwhelming empathy with our patients, families and staff and for the dedication and pride in providing the best possible care to all people at what can be a very difficult and highly anxious time in their lives.

Two representative volunteers from each team attended the awards ceremony which was held during National Volunteer Week at the MCG. Whilst neither team was successful in bringing home a Minister for Health Volunteer Award - they were certainly winners in the eyes of Bendigo Health.

### **Volunteer Recognition Ceremony**

Twenty seven volunteers were this year honoured for 5, 10, 15, and 20 years of service - totalling 245 collaborative years of service to Bendigo Health. An intimate ceremony was held to recognise these volunteers who were joined by family and friends and members of the Bendigo Health staff, executive and board. Bendigo Health Board Chair Dr Michael Langdon and CEO John Mulder thanked and congratulated each volunteer and presented them with a certificate and a pin.

### **Education Calendar and Passport**

Bendigo Health developed a calendar of events for volunteers. This calendar included a series of workshops, information sessions and celebrations. The workshops cover topics such as self-care, understanding dementia and cultural diversity. The information sessions were designed to update volunteers on relevant information about the volunteer program, the new Bendigo hospital and other items of interest. Coinciding with the calendar, Volunteer Services also implemented an education passport to encourage volunteers to attend workshops. The passport is stamped at the completion of a workshop and may be used when applying for study opportunities, paid work or other volunteer roles.

### **Assist With Meals Program**

Volunteer Services implemented a new Assist with Meals Program, in partnership with Bendigo Health Residential Services, Dietetics and Speech Pathology. This program has our volunteers assisting aged residents during meal times, more specifically helping nursing staff feed appropriate residents and providing positive social interaction during meal times. Volunteers participating in this program completed a workshop showing them the importance of independence, diet, nourishment and eating difficulties.



# INFECTION PREVENTION

# AND CONTROL

**The Infection Prevention and Control (IPC) Unit provides advice for many health services throughout the Loddon Mallee region. The unit's role is to educate and assist with the prevention and monitoring of infections, method of control and the rapid identification and investigation of outbreaks of potential infection hazards.**

## Hand hygiene

A member of the World Health Organisation, Bendigo Health collects hand hygiene compliance data in five acute hospital wards, with 350 observations required in each ward. This data is reported quarterly to the Victorian Department of Health as part of the '5 Moments for Hand Hygiene' initiative. Our staff were consistent in their efforts to maintain the high standards of hand hygiene with compliance results recorded between 70-80 percent.

This year, IPC introduced a hand hygiene station at the main hospital campus entrance and automatic dispensers in key public sites. Bendigo Health has also moved to alcohol based scrub for pre-operative and high risk pre-procedural hand cleansing - reducing the time and increasing the efficiency of pre-operative hand decontamination.



2,300 influenza vaccinations were given to the staffing population



## Staff Influenza Vaccinations

Infection Prevention and Control provides immunisation to all staff, volunteers, students on placement and contractors. This season more than 2,300 influenza vaccinations were given, equating to 65% of the staffing population. Although an excellent result, IPC continues to recommend and promote immunisation within Bendigo Health and the wider community. The vaccination not only protects individuals but also others in the community and prevents outbreaks throughout the health service and patient population.

## Antimicrobial Stewardship (AMS)

The IPC Committee oversees the antibiotic sub-committee which is responsible for the Antimicrobial Stewardship Program at Bendigo Health. The purpose of the sub-committee is to effectively and measurably optimise antimicrobial use across the organisation. Antimicrobial Stewardship maintains safe, appropriate and economical antibiotic usage. There are a number of policies in place to ensure antibiotic usage is in line with the Australian Therapeutic Guidelines for antibiotics. Audits are conducted regularly to ensure policies are followed, in particular, monitoring the use of restricted antibiotics.



### **Victorian Antibiotic Prescribing Survey**

Bendigo Health participated in the Victorian Antibiotic Prescribing Survey; the survey provides an opportunity to compare antibiotic stewardship programs, enables gap analysis and guides the development of state and national Antimicrobial Stewardship (AMS) strategies. This survey is supported by the Australian Commission on Safety and Quality in Health Care. The accreditation survey described the Antibiotic Stewardship Program as a mature and effective program.

Clients and patients of Bendigo Health can be assured that antibiotics are prescribed responsibly and safely. The AMS program is overseen by Professor Lindsay Grayson, Director of Infectious Diseases, Austin Health.

### **Victorian launch of Antibiotic Awareness Week**

In November, the Department of Health invited Bendigo Health to host the Victorian launch of Antibiotic Awareness Week. The launch was held at the La Trobe University Rural Health School with speakers discussing the link between the use of antibiotics in animal husbandry and human health. This event was well received and attended by health care professionals from across the region and beyond.

### **Surveillance of Infection in the Intensive Care Unit**

Public hospitals are required to monitor infection in patients undergoing mechanical ventilation and with large invasive vascular catheters. This data is submitted to the Department of Health via the Victorian Infection Control Healthcare Associated Surveillance Unit (VICNISS). Rates of Ventilator Associated Pneumonia (VAP) and Central Line Associated Blood Stream Infection (CLABSI) are continuously monitored.

On 11 June 2014, there had not been a single VAP infection for 597 days or a CLABSI infection for 1,056 days. Strict compliance with policy and best practice has resulted in these excellent outcomes for our intensive care patients. ICU staff were acknowledged for these results during the accreditation survey in 2013.

# ENVIRONMENTAL

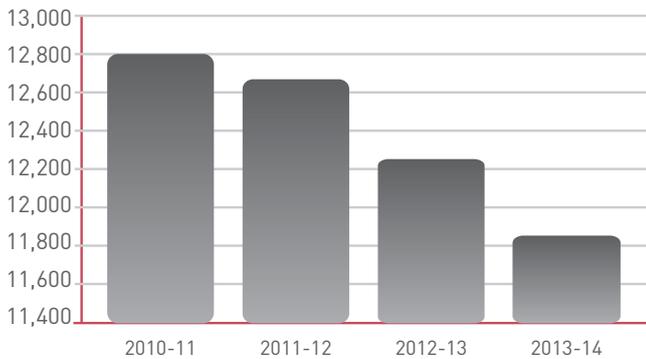
# PERFORMANCE

**Bendigo Health is committed and striving to minimise the environmental impacts associated with its operations to the greatest extent possible. It is Bendigo Health’s intention to pursue a vision of sustainability to achieve a fairer, safer and healthier world and to integrate this into its business operations.**

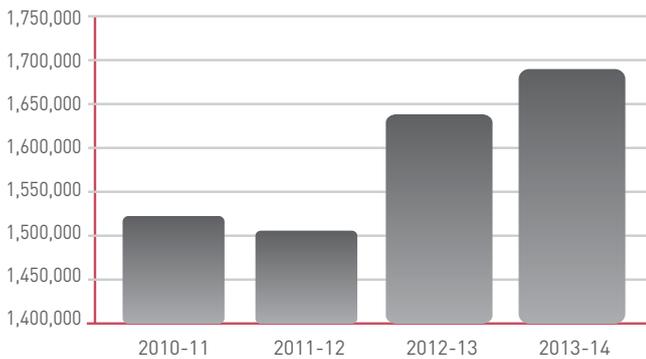
The charts below show Bendigo Health’s environmental performance in terms of energy and water for the two largest campuses, the Bendigo hospital and Anne Caudle Centre.

Electricity usage decreased 2.7% in the last year, which is due to a combination of milder weather, improvements to the operation of the hospital chillers, demolishing of the Pethard Wing and improved energy efficiency after renovations to some buildings. However, costs increased by 3.4%, due to higher electricity prices and an increase in demand during peak times.

### Electricity consumption in MWh



### Electricity cost in \$

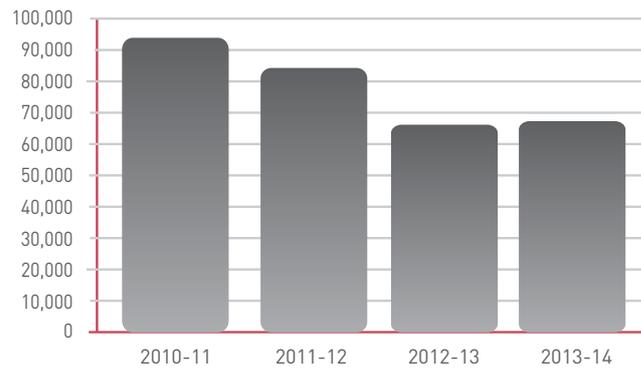


**FOOTNOTES:**

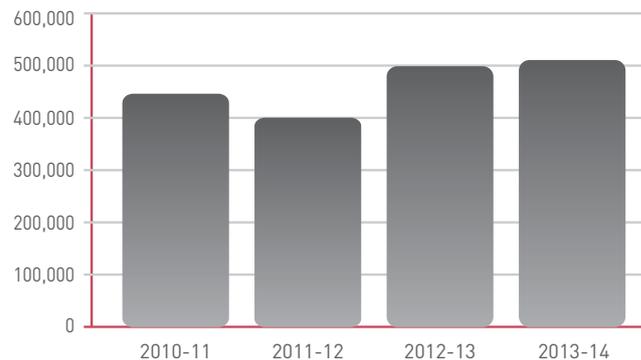
- Slightly higher costs at Anne Caudle Centre campus because of increased demand from December 2013 onwards
- Historical data has been corrected to exclude losses and GST
- Data quality average as some bills were not received and validation checks not completed.

Natural gas usage rose by 3.4% due to increased service delivery (i.e. more patients treated). Similar to electricity, costs increased 2.7% due to higher gas prices.

### Natural gas consumption in GJ



### Natural gas cost in \$

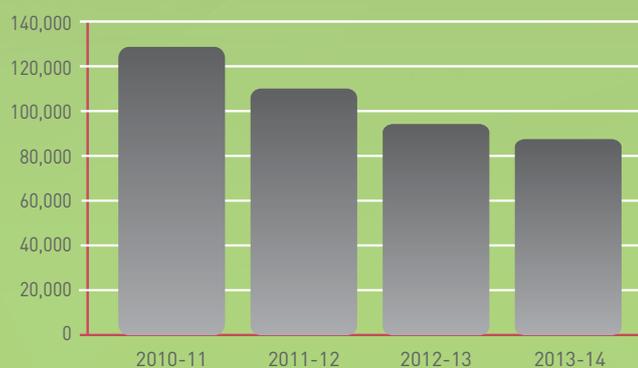


**FOOTNOTES:**

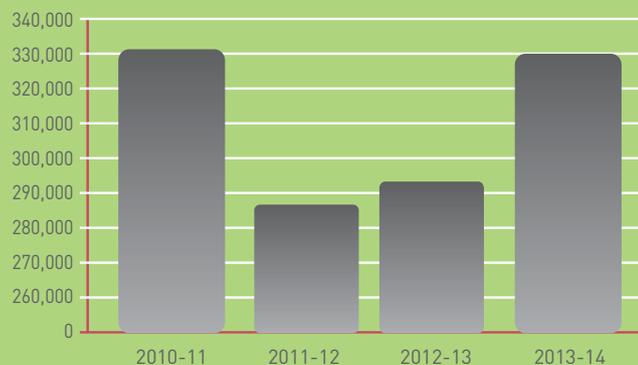
- Drop in consumption since July 2010 is the result of cessation of the cogeneration plant and closure of the Loddon Linen Service
- Prior to July 2010 steam was supplied to both campuses from the cogeneration plant (operated by a third party). New boilers were then installed at the Anne Caudle Centre campus, and in November 2011 new boilers were installed at the Bendigo hospital campus. The new boilers and a dedicated steam supply for each campus have proven to be more energy efficient
- Data quality average as some bills were not received and validation checks not completed.

Water use decreased by 7.7% in the last year due to milder weather and reduced garden areas requiring irrigation because of the construction activities taking place across both campuses. Price increases for water and trade waste drove up costs by 12.6%.

### Water consumption in ML



### Water cost in \$



#### FOOTNOTES:

- Significant drop since July 2010 is due to a reduction in Loddon Linen Services' volume, with closure in March 2012
- Recycled water has been supplied since November 2010, which has reduced our potable water consumption
- Costs include water, recycled water, sewerage and trade waste charges
- Data quality good, but validation checks not completed.

A highlight for the reporting period includes the publication of Bendigo Health's inaugural Environmental Report for 2012-13, which provides additional data and commentary about the environmental performance. This report can be found at the Bendigo Health website. During the year, Bendigo Health also developed an Environmental Management Plan, which will guide its activities and ensure the organisation is working towards Strategic Plan objectives of a 12% reduction in resource consumption between 2013 and 2018.

Bendigo Health is excited about participating in an environmental data management system project with the Department of Health, which will automate much of the data collection associated with electricity, gas and water consumption and waste generation. This will allow the organisation to focus its attention on data analysis and thus identify and implement improvements in its resource use.

More detailed information about Bendigo Health's environmental performance will be provided in the Environmental Report 2013-2014. This report is broader in scope to include all sites operated by Bendigo Health, reporting of carbon emissions and waste generation and comparison of the organisations performance against its targets. This report will be available in October 2014.



**In 2013-2014 the Occupational Health and Safety (OHS) department continued to be proactive in the delivery of risk management strategies. The team undertook 93 audits and inspections and conducted 101 training sessions regarding risk and safety in the workplace.**

### Workstation modifications

OHS conducted 76 office ergonomics assessments for the reporting period. This resulted in many workstation modifications allowing staff to safely return to work after an injury and enabling them to be more active in sedentary roles.

Physiotherapist, Chris O'Brien, is a great example of the benefits of workstation modification. Initially, Chris was provided with a temporary standing workstation. This temporary standing workstation (pictured below) was designed to fit onto any standard rectangular desk and allows the user to easily go from a sitting to a standing position. Following a trial period, a more permanent arrangement was put in place.



New office set up

### Ergo Kneeler

The Occupational Health & Safety (OHS) department not only encourages staff to stand while working but also looks after staff that require to work at ground level.

Bendigo Health is trialling the 'Ergo Kneeler' seat that is designed to allow staff to work at very low tables and still maintain good posture. The next trial is within the paediatric speech pathology department who are required to work with children at the lower tables while undertaking quite long assessments.

The 'Ergo Kneeler' is another example of technology changing to meet the demands of complex and challenging occupations within the health industry and the pursuit of the Bendigo Health vision of Healthy Communities and World Class Healthcare.



The Ergo Kneeler in action

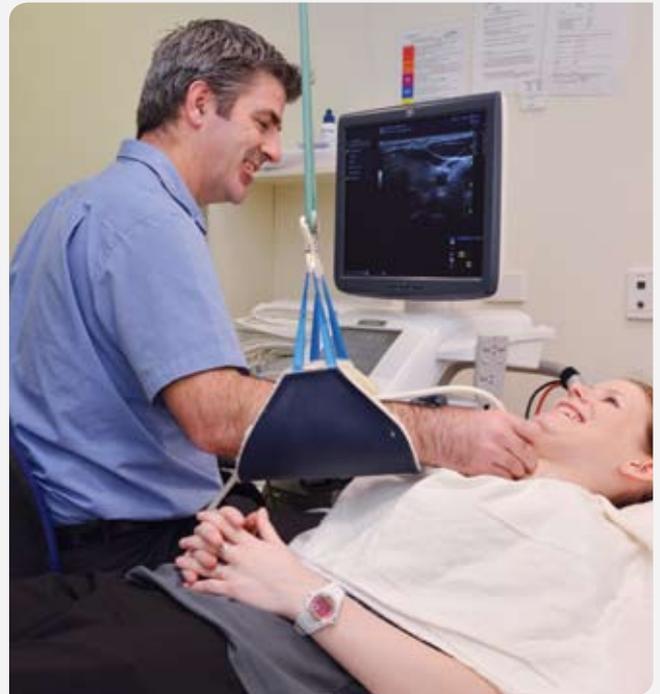
## Sonographers injuries

During the reporting period it was identified that there was an increased risk of injury to staff providing ultrasound scanning. Bendigo Health conducted research into ways to control the risks.

It has led to trialling of sonographers slings. The sling suspends the operator's arm that holds the transducer and takes the weight of the arms and shoulders. Following the success of the trial, a further four slings have been installed in the Medical Imaging and Cardiology departments.

## WorkCover records - goes paperless

The OHS Department implemented an electronic WorkCover claims management system. The 'Quick Claims' system has resulted in paperless record keeping and document management. This new system has streamlined communication and contributes towards minimising printing and paper usage.



Sonographer sling in use

## WorkCover Performance 2013/2014

Bendigo Health is achieving positive results with respect to WorkCover claims management. WorkCover claims have reduced by 26% and actual claims costs have reduced by 40%.

|   | 2009/10        | 2010/11        | 2011/12        | 2012/13        | 2013/14        |
|---|----------------|----------------|----------------|----------------|----------------|
| Number of standard claims   | 32             | 55             | 50             | 46             | 34             |
| Number of WorkCover days paid   | 3112           | 4554           | 2271           | 1925           | 1012           |
| <b>Total workers compensation payments paid. (Including lost time and medical expenses)</b> | <b>335,000</b> | <b>563,000</b> | <b>267,000</b> | <b>205,000</b> | <b>123,000</b> |

A comparison of health care services managed by 'Xchanging', Bendigo Health's workers compensation agent, identifies Bendigo Health's cost of claims is considerably less than the average for the industry. This achievement is a result of collaborative efforts between the injured staff member, managers and Bendigo Health's OHS Department.

### Design and development activities

The OHS team have been actively involved in the design and development of the new hospital. Collectively the team have participated in excess of 70 user and reference group meetings. All Occupational Health and Safety committees have been regularly provided with information regarding work related to the Bendigo Hospital Project.

### Safe Manual Handling (SMH)

It has been a busy and productive year for the Safe Manual Handling Unit with approximately 1,000 staff participating in SMH training.

A new SMH protocol was introduced and distributed to all senior managers for comment prior to being fully introduced across Bendigo Health. The new protocol provides direction on the 21 most common transfers and methods used by clinical staff.

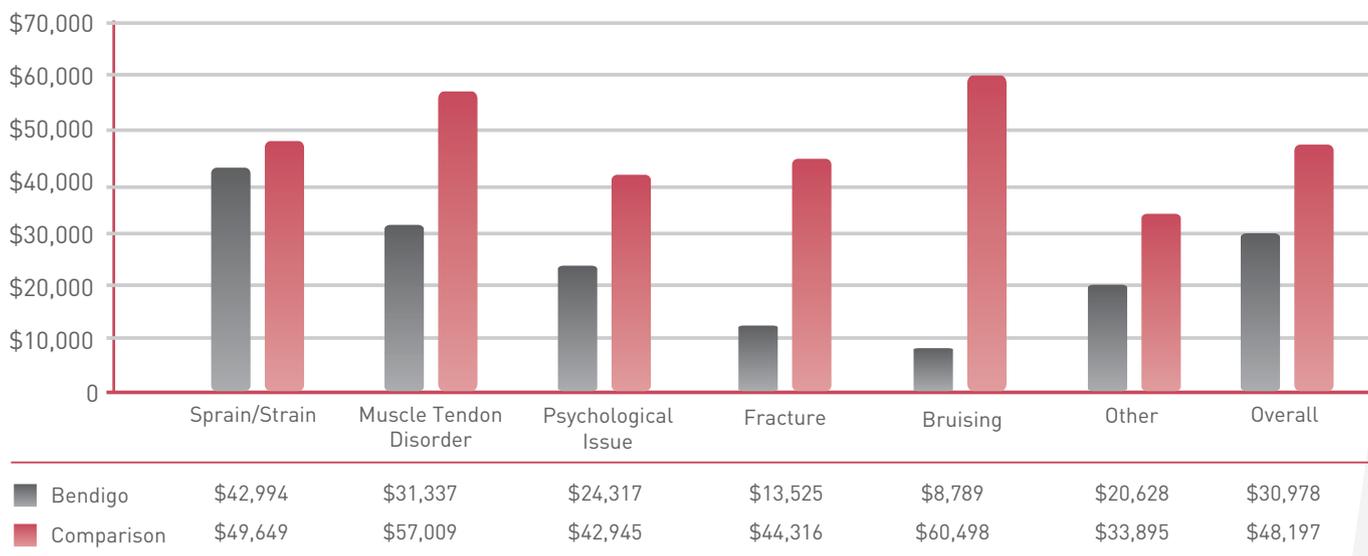
The SMH Unit provided education to staff and were invited to present Bendigo Health's SMH method and techniques to outside agencies. This included private nursing homes and La Trobe University, Bendigo.

In the past 12 months Bendigo Health has increased sessions in SMH for theatre and graduate nurses. Monthly training sessions were also conducted in allied health resulting in full competency offered for all allied health staff.

The SMH Unit worked with multiple departments in addressing the specialist care requirements for our most challenging patients in relation to manual handling. These included bariatric patients, children with complex health issues and community patients. The SMH Unit has been a resource for these departments in trailing appropriate equipment and the purchase and replacement of slings.

SMH Coordinator, Stephen Morley, was appointed as the president of the newly formed Australian Nurses and Midwifery Federation (ANMF) Safe Patient Handling Special Interest Group. Mr Morley will present at the annual ANMF Conference in September 2014.

### Average Claim Cost by injury Type





# BOARD OF DIRECTORS



## **Dr Michael Langdon**

**PhD BEd DipBus  
DipT G/CertEdStudies  
G/DipEdAdmin  
Dip Company Directors**

Dr Michael Langdon is CEO of Bendigo Access Employment (BAE), which provides specialised employment and training for people with a disability, injury or illness. He has an extensive background working in leadership positions in education and training. Michael has served on numerous boards and is currently a Director on Workspace Australia Board. He previously served on the Bendigo Health Board from 1994 - 2004. Dr Langdon was reappointed Chairman of Bendigo Health Board of Directors from 1 July 2011.

### **Bendigo Health committee membership:**

Chair - Medical Advisory  
Chair - Governance and Remuneration  
Member – Audit  
Member – Finance  
Member – New Bendigo Hospital  
Member – Visiting

Term of appointment expires 30/6/2014



## **Ms Sue Clarke**

**G/Dip Soc Sciences (CD) G/Dip Bus  
Fellow ANZSOG GAICD**

Ms Sue Clarke is a consultant in the health sector, a Civil Celebrant and is partner in a local retail business.

She is a Director of Haven; Home, Safe, Loddon Mallee Murray Medicare Local, Central Victorian GP Network, Heathcote Health, Zonta Bendigo and Chair of the Community Foundation for Bendigo and central Victoria. She joined the Bendigo Health Board in 2010.

### **Bendigo Health committee membership:**

Chair – Quality Care Council  
Member – Finance  
Member – Governance and Remuneration  
Member – Strategic Planning and Population Health  
Member – Visiting

Term of appointment expires 30/6/2016



## **Mr Adam Woods**

**CA BApSci**

Mr Adam Woods is head of Business Systems Development at Bendigo and Adelaide Bank Ltd with responsibility for implementation and management of critical finance, treasury and human resource systems and Program Director for the Banks redy® social payments platform.

### **Bendigo Health committee membership:**

Member – Audit  
Member – Finance  
Member - Medical Advisory  
Member – Quality Care Council  
Member – Visiting

Term of appointment expires 30/06/2014



## **Ms Aileen Berry**

Ms Aileen Berry is a journalist and Corporate Communications Manager for The Herald and Weekly Times Pty Ltd in Melbourne. Since moving to Bendigo in 2010, she has become a

partner in a local Bendigo business and is active in her school community. A Director of the Royal Women's Hospital for nine years till June 2013, Aileen was appointed to the Board of Bendigo Health in October 2013.

### **Bendigo Health committee membership:**

Member – Community Advisory  
Member – Quality Care Council  
Member – Medical Advisory  
Member – Visiting

Term of appointment expires 30/6/2016



**Mr Bill O'Neil**  
**BA (Urban & Regional Studies) VEPLA**

Mr Bill O'Neil is a town planner and regional economic development practitioner. He operates his own consulting business, serving a range of public and private sector clients throughout Victoria and interstate. He resides in Harcourt with his family and participates in a range of community activities.

**Bendigo Health committee membership:**  
 Chair – Strategic Planning and Population Health  
 Member – Quality Care Council  
 Convenor – Visiting

Term of appointment expires 30/6/2015



**Mr Graeme Stewart**  
**ACA Bachelor of Business**

Mr Graeme Stewart is a partner in AFS & Associates, a Bendigo based public accounting group. He is a Director and member of the Finance Committee of Girton Grammar School Ltd and a Director of the Bendigo Primary Care Clinic Ltd.

**Bendigo Health committee membership:**  
 Chair – Audit  
 Member – Finance  
 Member – Visiting

Term of appointment expires 30/6/2015



**Mr Geoff Michell**  
**Dip CE MBA MAICD**

Mr Geoff Michell is a consultant and Director of a number of boards including Bendigo Community Telco and Aspire Cultural and Charitable Foundation.

**Bendigo Health committee membership:**  
 Chair – Finance  
 Member – Audit  
 Member – Governance and Remuneration  
 Member – Strategic Planning and Population Health  
 Member – Visiting

Term of appointment expires 30/06/2016



**Ms Margaret O'Rourke**  
**FAICD**

Ms Margaret O'Rourke is a consultant with a background in telecommunications having 35 years experience in the industry working extensively throughout Australia. She is Chair of Bendigo TAFE and Director of Aspire Cultural and Charitable Foundation and Tasmanian Ports Corporation.

**Bendigo Health committee membership:**  
 Chair – Community Advisory Council  
 Member – Audit  
 Member – Governance and Remuneration  
 Member – Visiting

Term of appointment expires 30/6/2015

| ATTENDANCE AT BOARD MEETINGS 2013-2014 |      |     |                    |     |     |     |                            |     |     |     |     |      |
|--|------|-----|--------------------|-----|-----|-----|----------------------------|-----|-----|-----|-----|------|
|  | 2013 |     |                    |     |     |     | 2014                       |     |     |     |     |      |
|  | July | Aug | Sep                | Oct | Nov | Dec | Jan                        | Feb | Mar | Apr | May | June |
| Michael Langdon                        | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   | No meeting held in January | ➤   | ➤   | ➤   | ➤   | ➤    |
| Bill O'Neil                            | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Graeme Stewart                         | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Geoff Michell                          | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Margaret O'Rourke                      | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Sue Clarke                             | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Adam Woods                             | ➤    | ➤   | ➤                  | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |
| Aileen Berry                           |      |     | Appointed<br>15/10 | ➤   | ➤   | ➤   |                            | ➤   | ➤   | ➤   | ➤   | ➤    |

➤ Leave of absence ➤ Apology ➤ In attendance

# COMMITTEES

## Quality Care Council

The Quality Care Council is a sub-committee of the Board of Directors responsible for overseeing and monitoring the quality processes throughout Bendigo Health, for the purpose of achieving continuous quality improvement in all operational aspects of care and service delivery.

The council monitors the standard of care and services delivered to patients and clients, including the clinical practice and clinical competence of staff. It is the council's role to oversee and monitor the clinical risk management program, review reports on health and safety of staff where relevant to quality of care, receive reports ensuring accreditation is achieved and to regularly report to the Board of Directors on the overall quality, effectiveness, appropriateness and use of services rendered to patients and clients of the hospital.

The Council meets bi-monthly and comprises of:

Ms Sue Clarke (Board Director) (Committee Chair)  
Mr Bill O'Neil (Board Director)  
Ms Margaret O'Rourke (Board Director) (until October 2013)  
Mr Adam Woods (Board Director)  
Ms Aileen Berry (Board Director) (from October 2013)  
Mr John Mulder (Chief Executive Officer)  
Dr Andre Nel (Executive Director Medical Services and Chief Medical Officer)  
Mr Peter Faulkner (Executive Director of Nursing)  
Ms Liz Hamilton (Executive Director of Community and Continuing Care)  
Ms Robyn Lindsay (Executive Director Organisational Development and Improvement)  
Ms Andrea Noonan (Executive Director People and Culture)  
Dr Philip Tune (Executive Director Psychiatric Services)  
Dr Jason Fletcher (Medical Staff Representative)  
Ms Yvonne Wrigglesworth (Director Governance Strategy and Risk)  
Mr Tony Poskus (Risk Manager) (until April 2014)  
Ms Frances Sheean (Independent Community Member)  
Ms Ruth Harris (Community Advisory Committee Member)

## Audit Committee

The Audit Committee is a sub-committee of the Board of Directors. Responsible for the preparation and management of the Strategic Audit Program, internal and external audits and exercises due diligence by the organisation in the specific areas of financial and risk management functions. Preparation of the annual financial statements of Bendigo Health is overseen by the Audit Committee.

The committee meets quarterly and comprises of:

Mr Graeme Stewart (Board Director) (Committee Chair)  
Mr Geoff Michell (Finance Committee Chair)  
Ms Margaret O'Rourke (Board Director)  
Mr Adam Woods (Board Director)  
Dr Michael Langdon (Board Chair)

### In Attendance:

Mr John Mulder (Chief Executive Officer/Executive Sponsor Risk Management)  
Mr Andrew Collins (Chief Financial Officer)  
Ms Yvonne Wrigglesworth (Director Governance Strategy and Risk)  
Mr Phil Delahunty (Auditor General's Representative)  
Mr Paul Fraser (Internal Auditors, RSM Bird Cameron)  
Mr Adam Wilson (Internal Auditors, RSM Bird Cameron)  
Mr Jayesh Kapitan (Internal Auditors, RSM Bird Cameron)

## Finance sub-committee

The role of the committee is to advise the Board of Directors on matters relating to the use of financial resources by Bendigo Health.

The committee examines the monthly financial statements in order to satisfy itself that they are prepared in accordance with Department of Health accounting requirements and sound accounting principles and standards. The committee examines the budgets to ensure they are a true representation of Bendigo Health's forecast financial position. It advises the board on financial and other performance indicators designed to monitor the ongoing and prospective financial health of the organisation. The committee monitors funds and investments to ensure they are held in accordance with the board's investment policy.

The committee meets monthly and comprises of:

Mr Geoff Michell (Board Director) (Committee Chair)

Mr Graeme Stewart (Board Director)

Dr Michael Langdon (Board Chair)

Mr Adam Woods (Board Director)

Ms Sue Clarke (Board Director)

Mr John Mulder (Chief Executive Officer)

### **In Attendance:**

Mr Andrew Collins (Chief Financial Officer)

Mr Seppe Marsili (Finance Manager)

Mr Scott Cornelius (Performance Reporting Manager)

## Governance and Remuneration Committee

The Governance and Remuneration Committee is a sub-committee of the Board of Directors responsible who make recommendations on specific matters relating to its corporate governance responsibilities and assisting the board in determining policy and good practice for senior executive remuneration, ensuring this follows guidelines issued by the Government Sector Executive Remuneration Panel (GSERP).

The committee ensures the remuneration levels for the Chief Executive Officer and senior executives are positioned relative to other comparable health organisations and that remuneration packages are sufficient to attract and retain senior executives. The committee may also, where appropriate, canvass other human resources related issues which may impact on the ability of Bendigo Health to attract and retain high quality senior executives.

The committee may make recommendations on the Board's annual performance reviews and oversees the process for determining the training needs of the Board. It oversees the process of induction for new directors and makes recommendations on all matters relating to the remuneration or payment of expenses of directors. The committee reviews the Board's governance policies and sub-committee terms of reference on a regular basis.

The committee meets at least twice a year and on an as-needs basis and comprises of:

Dr Michael Langdon (Board Chair) (Committee Chair)

Ms Margaret O'Rourke (Board Director)

Mr Geoff Michell (Board Director)

Ms Sue Clarke (Board Director)

Mr John Mulder (Chief Executive Officer)

## Medical Advisory Committee

The role of the Medical Advisory Committee is to advise the Board of Directors on the overall quality, effectiveness and appropriateness of clinical services rendered to patients of Bendigo Health.

In relation to the further development of clinical services, the committee provides expert advice on areas such as service planning, workforce issues and development of best practice care models within Bendigo Health. It provides advice regarding strategic direction of Bendigo Health consistent with the Strategic Plan. Where appropriate, the Medical Advisory Committee also has a two-way communication role where information from this committee may be taken back to clinicians for information and feedback.

The committee meets bi-monthly and comprises of:

Dr Michael Langdon (Board Chair) (Chair)  
Mr Adam Woods (Director)  
Ms Aileen Berry (Director) (from October 2013)  
Mr Bill O'Neil (Director) (until October 2013)  
Mr John Mulder (Chief Executive Officer)  
Dr Andre Nel (Executive Director Medical Services and Chief Medical Officer)  
Dr Philip Tune (Executive Director Psychiatric Services)  
Mr Peter Faulkner (Executive Director Surgical Services and Executive Director of Nursing)  
Ms Liz Hamilton (Executive Director Community and Continuing Care)  
Dr Grant Rogers (Deputy Chief Medical Officer) (from August 2013)  
Dr Mark Savage (Director of Medicine)  
Mr Graeme Campbell (Chief Surgical Officer)  
Dr John Edington (Staff Specialist)  
Dr Rob Blum (Staff Specialist)  
Dr Jason Fletcher (Senior Medical Staff Group)  
Dr Janelle Brennan (Visiting Medical Officer)  
Dr Patrick Cooney (Visiting Medical Officer)

## Strategic Planning and Population Health Committee

The role of this committee is to oversee the preparation of the organisation's 2013-18 Strategic Plan and to monitor the progress of its implementation. In doing so, the committee works with the board, staff and stakeholders to articulate Bendigo Health's strategic vision, goals and objectives in response to community needs and issues, population and health trends as well as external policy and legislative requirements.

The committee meets as required and comprises of:

Mr Bill O'Neil (Board Director) (Committee Chair)  
Mr Geoff Michell (Board Director)  
Ms Sue Clarke (Board Director)  
Mr John Mulder (Chief Executive Officer)  
Ms Robyn Lindsay (Executive Director Organisational Development & Improvement)  
Ms Yvonne Wrigglesworth (Director Governance Strategy and Risk)  
Mr Josh Gladstone (Manager Strategic and Business Performance)  
Ms Jody Duivenvoorden (Community Advisor Committee Member)  
Ms Kathleen Pleasants (Community Advisor Committee Member)

## Visiting Committee

The role of the Visiting Committee is to connect board members with Bendigo Health staff. Committee members visit various departments/units of the health service to have a better understanding of the day-to-day operations, challenges and initiatives.

The committee meets monthly and comprises of:

Mr Bill O'Neil (Convenor)

Dr Michael Langdon (Board Chair)

Ms Sue Clarke (Board Director)

Mr Graeme Stewart (Board Director)

Ms Aileen Berry (Board Director) (from October 2013)

Mr Geoff Michell (Board Director)

Ms Margaret O'Rourke (Board Director)

Mr Adam Woods (Board Director)

Mr John Mulder (Chief Executive Officer)

All Executive Directors

Dr John Edington (Medical Staff Representative)

Dr Jason Fletcher (Clinical Lead, Bendigo Hospital Project)

## Community Advisory Committee

The Community Advisory Committee (CAC) provides advice to the Board of Directors on achieving effective community input for Bendigo Health's strategic plan, annual report, quality of care report and assists in monitoring the quality of services and publications provided by Bendigo Health.

Functions of the committee include developing a Community Participation Plan and an annual work plan for community engagement. The committee also acts as a conduit to the board for the various consumer committees across Bendigo Health.

The committee meets bi-monthly and comprises of:

Margaret O'Rourke (Director) (Chair)

Ms Sue Clarke (Director) (until October 2013)

Ms Aileen Berry (Director) (from October 2013)

Chief Executive Officer ex officio

Ms Liz Hamilton (Executive Director Community and Continuing Care)

Ms Yvonne Wrigglesworth (Director Governance Strategy and Risk)

Ruth Harris (Community Member) (until December 2013)

Daniel O'Brien (Community Member)

Kathleen Pleasants (Community Member)

Jody Duivenvoorden (Community Member) (until August 2013)

Robyn Tickner (Community Member)

Jodie Rasmussen (Community Member) (from June 2014)

Rex Fisher (Community Member) (from June 2014)

Kellie Gilbert (Community Member) (from June 2014)

Heather McNeil (Community Member) (from June 2014)

## Human Research Ethics Committee

Bendigo Health's Human Research Ethics Committee (HREC) is appointed by and reports to the Board of Directors and consists of representation sufficient to satisfy the requirements of the National Health and Medical Research Council for constitution of institutional ethics committees. The functions of the HREC are both advisory and executive. They include consideration of the ethical implications of all proposed research projects and monitoring of approved projects until completion to ensure they continue to conform to approved ethical standards. The HREC ensures statutes relevant to ethical considerations are complied within the formulation and conduct of research practices and policies within Bendigo Health. It also establishes procedures to assist the examination and review of research proposals and protocols for new forms of treatment and therapy.

The committee meets at least 10 times annually and comprises of:

Dr Bev Ferres (Chair)

Ms Helen Hickson (Care and counselling member)

Mr Brian Loughran (Lay member)

Ms Robyn Lindsay (Executive Director member)

Ms Angela Allan (Pastoral Care representative)

Rev Rex Fisher (Pastoral Care representative)  
(from January 2014)

Mr David Conley (Lay member)

Mr Greg Westbrook (Legal experience member)

Ms June Wilde (Legal experience member)

Ms Naomi Fountain (Lay member)

Ms Frances Pascoe (Lay member)

Dr Robert Champion (Research experience member)

Ms Nicole Johnson (Research experience member)

Mr Tim Adam (Care and counselling member)

Ms Joanne Grainger (Care and counselling member)

Dr Grant Rogers (Care and counselling member)  
(from October 2013)

Ms Sally McCarthy (HREC Secretary)

Mr Kevin Masman (Assistant HREC Secretary)



# EXECUTIVE DIRECTORS



**John Mulder**

**CHIEF EXECUTIVE OFFICER  
MBA (Monash) BHA ASA ACHSM  
CHE FAICD**

John Mulder was born in Colac and quickly advanced his career in health to become the manager of the Apollo Bay, Lorne, Winchelsea and Beeac hospitals at the young age of 26. He has held executive positions at a number of health services, including Mercy and Wangaratta Base and was Chief Executive Officer (CEO) at Grace McKellar Centre and Werribee. Most recently, he spent time at Barwon Health as deputy CEO. John has held the position of CEO at Bendigo Health since June 2007 and has found his time here to be both challenging and rewarding. The commitment by the Victorian Government to build a new hospital for Bendigo is a career highlight for John. He has worked tirelessly to achieve this and looks forward to the day when this new world class hospital opens its doors.

John has a Bachelor of Health Administration, a Master's of Business Administration and is a member of the Australian Society of Certified Practising Accountants. John is a Fellow of the Australian Institute of Company Directors and the Australian College of Health Service Management. With more than 35 years in the health industry, he is certainly well qualified to lead Bendigo Health into the new and exciting future that awaits.



**Andrew Collins**

**CHIEF FINANCIAL OFFICER  
BAC CPA MAICD**

Andrew Collins was appointed Chief Financial Officer in October 2005. He has more than 20 years of experience in executive management within the health industry, spanning both the public and private sectors. Private sector health experience included both profit and not for profit organisations. His working history prior to health was in manufacturing, retail, international trade and various other businesses.

Andrew believes that even after his experience in international trade where transactions were mainly in foreign currencies involving vessel chartering and extremely complex transactions in the tens of millions of dollars, health is by far the most complex and diverse industry there is.

At Bendigo Health, Andrew manages corporate support services, environmental services, finance, food services, payroll, salary packaging, performance reporting, procurement and supply. He also manages the annual budget, which is in excess of \$300 million.



**Dr Andre Nel**

**CHIEF MEDICAL OFFICER,  
EXECUTIVE DIRECTOR MEDICAL  
SERVICES  
MBBCh MBA FRACMA**

Andre Nel is a medical doctor with a Master's Degree in Business Administration and Fellowship in Medical Administration from the Royal Australasian College of Medical Administrators (RACMA). He remains active in RACMA as Preceptor and Censor. Andre brings a wealth of experience to Bendigo Health, including 10 years as a medical director/advisor, his last appointment being with Nelson Marlborough District Health board in New Zealand, where he held the role of Chief Medical Advisor for seven years. His previous experience in South Africa was as a clinician as well as hospital management.

Andre chairs several committees including the Health Professionals Credentialing Committee which was instrumental in the development of the e-credentialing web based program, in addition to assisting the Electronic Medical Record (EMR) Project team from a clinical perspective.

At Bendigo Health, Andre plays an integral role in the development of our education and training programs for junior medical staff and introduced the Crucial Conversations training program as implemented by Organisational Development and Improvement



**Andrea Noonan**

**EXECUTIVE DIRECTOR PEOPLE  
AND CULTURE  
BBus (HRM)**

Andrea Noonan brings more than 20 years' experience gained in a range of industries from manufacturing through to professional services, aligning well with the range of employment groups at Bendigo Health. Andrea has extensive experience in relation to improving processes within the human resources environment and sound occupational health and safety knowledge. During her career, Andrea has worked on a number of significant change management programs in large corporations, incorporating all aspects of human resources management, including industrial relations. Andrea obtained a Bachelor of Business in Human Resources Management at La Trobe University Bendigo



### **Bruce Winzar**

**EXECUTIVE DIRECTOR  
INFORMATION SERVICES, CHIEF  
INFORMATION OFFICER**

**EXECUTIVE OFFICER / CHIEF  
INFORMATION OFFICER –**

**LODDON MALLEE RURAL HEALTH ALLIANCE (LMRHA)  
Dip of Bus (Information Processing) BAS (Computing)  
Grad Dip Mgt**

Bruce Winzar has been in the information and communication technology (ICT) industry since 1976 and has held several senior ICT roles within both the private and public sector, including operating his own consulting business. Bruce has pursued a lead role in specifying and supervising the delivery of new models for services in health and local government and provided project management for a range of large projects funded by both State and Federal Governments. He took a lead in role in the development of Australia’s first regional telecommunications company in 1998 and was a board member for the first three years of its inception.

Bruce chairs several project control groups and is the executive sponsor for the implementation of the Electronic Medical Record (EMR) project for Bendigo Health.

He has project managed the development of Central Victoria’s Innovation Park and was inaugural chair of the Central Victorian ICT Cluster – a State Government initiative to promote and develop the ICT industry in central Victoria.

Bruce’s expertise covers business and management systems and he has worked across three tiers of government and facilitated a number of significant regional economic development initiatives for central Victoria. Bruce has a passionate interest for delivery of fair and equitable telecommunications services to the rural and remote sector of Australia and is a member of the iBendigo and iLoddonMallee working groups to advance smart city strategies for the Loddon Mallee region.



### **David Walker**

**EXECUTIVE DIRECTOR BUILDINGS  
AND INFRASTRUCTURE,**

**EXECUTIVE DIRECTOR BENDIGO  
HOSPITAL PROJECT**

**BTEC HND Elec & Electronic Eng**

David Walker has spent 12 years at Bendigo Health in a variety of roles. He has held the position of Executive Director Bendigo Hospital Project for the past four years and the position of Executive Director Buildings and Infrastructure for the past seven years. Prior to that, he worked as a hospital engineer and was appointed Chief Engineer in 2003. David has a strong history as a project manager and control systems engineer, working in the food, drink, pharmaceutical and fine chemical industries across the United Kingdom and Australia.

David has made some significant contributions to Bendigo Health, including a number of projects aimed at reducing energy consumption, as well as improving the efficiency of the existing infrastructure. His proactive approach has resulted in large savings in energy output and the development of future planning for hospital infrastructure. His environmentally sustainable projects has placed him in good stead amongst his peers and in 2005, David was presented with the Engineer of the Year award from the Institute of Hospital Engineers.

David has been involved in a number of new projects within Bendigo Health such as the refurbishment of the Emergency Department and the new Stella Anderson Nursing Home. He chairs a number of project control group meetings and is a driving force in the executive steering group for the major redevelopment of the hospital. Apart from six months in Kyabram, David has lived in Bendigo since 1991.

David leads the Bendigo Hospital Project team tasked with delivering the new Bendigo hospital. The team is responsible for writing the brief and specifications, co-ordinating the Bendigo Health response to prepare, design and engage with wider staff, consumer and community for feedback on the project. The team also interacts with the consortium and State Government in relation to all project matters.



### **Liz Hamilton**

**EXECUTIVE DIRECTOR COMMUNITY AND CONTINUING CARE**

**EXECUTIVE DIRECTOR RESIDENTIAL SERVICES**

**BAppSci (OT) Cert Workplace Ldship  
ACHSM GAICD**

Liz Hamilton graduated as an occupational therapist approximately 30 years ago, working initially as a clinician in acute care, rehabilitation, community health and aged care assessment prior to moving into management positions. Management roles have included chief occupational therapist, home therapy co-ordinator, community programs manager, then director of aged and residential care services at Austin Health before coming to Bendigo Health in 2007.

Liz really enjoys starting new programs to assist clients to remain in the community, having started the first dementia extended aged care at home, intermittent care and transition care programs in Victoria. Liz is also highly committed to seeing staff develop and take on new roles and responsibilities.



### **Peter Faulkner**

**EXECUTIVE DIRECTOR OF NURSING AND CHIEF NURSING OFFICER**

**EXECUTIVE DIRECTOR SURGICAL SERVICES**

**RN Master Hlth Admin Grad Dip Hlth  
Svc Mgt Cert Contract Mgt FCHSM  
CHE GAICD**

Peter Faulkner started his career in the health industry as a psychiatric nurse and worked for 10 years as a psychiatric nurse clinician and clinical manager in child and adolescent, adult and aged care psychiatry. He spent four years as an advisor to the Victorian Minister for Health on psychiatric services and a further five years leading modernisation projects in psychiatric services. Peter moved into the management of acute hospitals in 1994, and has managed a number of hospitals and aged care services in both rural and metropolitan settings in Australia. He was responsible for the commissioning and operations of Casey Hospital - a new 230 bed public hospital in Melbourne, the first to be built under the public private partnership model. More recently, Peter has undertaken an expatriate assignment in the United Arab Emirates, where he worked as chief operating officer for the University Hospital Sharjah, in addition to other consulting projects in Dubai and North Africa.

As well as his undergraduate nursing qualification, Peter holds a Graduate Diploma in Health Services Management and a Master of Health Administration from the Royal Melbourne Institute of Technology. He holds a contract management in public, private partnerships certificate from Melbourne University and is a Graduate of the Australian Institute of Company Directors and a Fellow of the Australasian College of Health Service Management.



**Associate Professor  
Philip Tune**

**EXECUTIVE DIRECTOR  
PSYCHIATRIC SERVICES AND CHIEF  
PSYCHIATRIST  
MBBS FRANZCP**

Philip Tune started at Bendigo Health in late 2006 as the Clinical Director of Psychiatry, returning to the part of Victoria where he spent the first 10 years of his life, having worked as a consultant psychiatrist for 10 years in Melbourne (in hospital-based and private practice). He then took on additional responsibilities as the Executive Director of Psychiatric Services. Phil has found the Psychiatric Services division staff to be dedicated to good patient outcomes and the managers' committed, hardworking and highly skilled. Phil's subsequent development of a Bendigo-based training program for psychiatrists, involvement in teaching psychiatry to Monash University medical students, rejuvenation of the local research program in psychiatry and participation in the design of the Bendigo Hospital Project have all provided additional dimensions to a complex and stimulating role.



**Robyn Lindsay**

**EXECUTIVE DIRECTOR  
ORGANISATIONAL DEVELOPMENT  
AND IMPROVEMENT**

**BPhysio MHLthSci Hlth Svc Mgt Cert  
GAICD ACHSM**

Robyn Lindsay has more than 15 years' experience working in health care as a physiotherapist and more recently in health management roles. She came to Bendigo Health in 1997 to take up a clinical physiotherapy role and has had the pleasure of working in such diverse programs as outpatient rehabilitation services, acute and sub-acute inpatient wards, aged psychiatric services and the emergency department. Along with a period of time working in the United Kingdom in clinical roles, previous managerial positions at Bendigo Health have included the chief physiotherapist, manager of sub-acute community services and director of Allied Health. After completing a Bachelor of Physiotherapy and Master's of Health Sciences, Robyn has completed the Australian Institute of Company Directors course and attained a professional certificate of Health Systems Management (University of Melbourne). Robyn's current organisational development role allows her the opportunity to contribute directly to strategic planning, quality improvement, risk management, service redesign, education and research. She is delighted to be leading developments that will provide better health care outcomes for the people of the Loddon Mallee region including the change management for the Bendigo Hospital Project.

# ORGANISATIONAL CHART



# BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER  
John Mulder

## Information Services

Executive Director  
Bruce Winzar

- › Applications Portfolio Group
- › Electronic Medical Record (EMR) Project
- › Health Information Services
- › Information & Communication Technology
- › Loddon Mallee Rural Health Alliance (LMRHA)

## Medical Services

Executive Director  
Dr Andre Nel

- › Cardiology Services
- › Emergency Department
- › Infection Prevention and Control Unit
- › Intensive Care and Coronary Care Unit
- › Internal Medicine
- › Loddon Mallee Integrated Cancer Service (LMICS)
- › Medical Imaging
- › Medical Oncology
- › Medical Unit
- › Medico-legal
- › Mortuary
- › Organ and Tissue Donor Support
- › Pathology (Healthscope)
- › Pharmacy
- › Radiation Oncology (Peter MacCallum Cancer Centre)
- › Renal Services
- › Stroke Services

## Surgical Services

Executive Director  
Peter Faulkner

- › Acute Outpatients
- › After Hours Managers
- › Anaesthetics
- › Breast Care Nurse (McGrath Foundation)
- › Day Surgery Unit
- › Discharge Lounge
- › Hospital in the Home
- › Medihotel
- › Nurse Pool & Bank
- › Nursing & Midwifery Education
- › Orthopaedic Unit
- › Patient Flow
- › Patient Services
- › Patient Transport
- › Perioperative Services
- › Prostate Cancer Specialist Nurse (Prostate Foundation of Australia)
- › Stomal Therapy
- › Surgical Unit
- › Transit Lounge
- › Volunteer Express Patient Transport
- › Women's and Children's Services
- › Wound Management Services - acute

## Organisational Development and Improvement

Executive Director  
Robyn Lindsay

- Quality @ BH**
- › Strategic and Business Performance
- › Redesign
- › Risk Management and Compliance
- › Consumer Participation
- › Quality Improvement

### Collaborative Health Education & Research Centre (CHERC)

- › Education
- › Research and Projects
- › Library

### Organisational Development

- › Change Management
- › Corporate Education
- › Cultural Capacity Building

## Office of the Chief Executive

Chief Executive Officer  
John Mulder

- › Bendigo Health Foundation
- › Communications and Marketing
- › Group Secretary

In 2013, the Bendigo Health Foundation added another successful event to its annual calendar - **Dry July**. The event, a national fundraiser that aims to support adults living with cancer, exceeded all of our expectations. Throughout the Loddon Mallee region people took up the challenge to go booze free for a month and directed their fundraising dollars to Bendigo Health. A grand total of **\$93,000** was raised by the end of the month, including Australia's highest Dry July fundraiser - Boort farmer and cancer survivor Neil Beattie. These funds enabled Bendigo Health to brighten up its Oncology Unit and replace all of the floor coverings in the Hospice area. This was an amazing first effort by the community.

**Give Me 5 For Kids** is a registered charity administered by Southern Cross Austereo; the team from radio station 3BO FM produced an outstanding effort, doubling their fundraising efforts from 2012 to raise an astonishing **\$122,240**. This was donated to Bendigo Health for the benefit of our children's services. Funds were used to purchase equipment across several areas and to fund a paediatric scholarship for a nurse or allied health staff member.

Supporters of the Bendigo Health Foundation were invited to the **Journey of a Generation** dinner, celebrating the commencement of the Bendigo Hospital Project. Bendigo Hospital Project Executive Director David Walker and Lend Lease Project Director David O'Shaughnessy presented to a large crowd.

The **Bendigo Bank Fun Run** continued to gain momentum with entries for the November 2013 event increasing to almost 3,000 participants, up from 2,400 in 2012. The new course weaved through Bendigo's CBD and for the first time included a 15 kilometre event, which created new interest amongst serious runners. The popular five kilometre event was enjoyed by the majority of entrants and the end result saw more than \$121,000 raised for the operating theatres; this money has been spent on a range of equipment that is being used every day to care for our patients.

A strong field of people contested the annual **Poyser Motors Golf Day** in sunny conditions at the Bendigo Golf Club. The hole-in-one prize, a new Holden vehicle, was not claimed for the fifth year in a row.

Our Emergency Department patients were the beneficiary of the **2013 Christmas Appeal**. The annual appeal was once again well supported by regular and new donors who enabled us to purchase a vein illuminator and a plaster saw. These pieces of equipment are particularly vital for our youngest patients in the Emergency Department.

A group of enthusiastic cyclists 'Team Halfwheel' approached the Bendigo Health Foundation and offered to ride in the **Audax Alpine Classic**, raising funds for a piece of equipment required by Allied Health. The Audax Alpine Classic is a popular annual cycling event held over the Australia Day long weekend in January, where cyclists challenge themselves against the mountainous terrain in Victoria's alpine areas. Funds raised purchased equipment to be used to assist patients in the physiotherapy, speech pathology and podiatry clinics.

More than 200 people of all ages, shapes and sizes seized the moment to participate in **Bendigo's Biggest Workout** in March of this year. This event was the idea of Sue Walton from Contours Bendigo and Mic Andrew from Refind Fitness. Together, they combined to organise the day, with a team of trainers and support staff putting participants through an adaptable and enjoyable workout.

The inaugural **Kangaroo Flat Rotary Club** motor bike ride was held in April. The daylong event across central Victoria raised funds for the Paediatric Rehabilitation Service and was enjoyed by all who participated.

The **Collier Trust** was once again very generous to the Bendigo Health Foundation with a \$30,000 donation enabling us to purchase a new ventilator for our Emergency Department.

The people who have used the services of Bendigo Health continue to be our greatest supporters.

Whether individuals, groups or businesses, the Bendigo Health Foundation continues to receive generous support from so many in our community.

Yours sincerely,



*J. Anderson*  
Jane Anderson  
Director, Bendigo Health Foundation

## Bendigo Health Foundation Supporters

Adroit

All Seasons Hotel

...And the Red Geranium

Bendigo Advertiser

Bendigo Bank

Bendigo Lioness club

Bendigo Toyota

Big Hill Cranes

Blue Ribbon Foundation Bendigo Branch

Danny Clapp the Good Guys foundation

Exemplar Health

Fusion Physiotherapy

Heartbeat

Hopley Demolition and Recycling

Kiwanis

Latrobe University Student Association

Lions Club Bendigo

Lockington Lions Club

Loddon Mallee Kids

McKern Steel

Moulamein Racing Club

Poyser Motors

PT Tomkinson

REIV - Bendigo Branch Southern Cross Austereo

Subway - Kangaroo Flat

Telstra Countrywide

Telstra Stores Bendigo

Windermere Hotel

## Bendigo Health Foundation Board Members

Scott Elkington (Chair)

Matt Bowles

Danny Clapp

Sue DeAraugo

Lois Kentish

David Walker

Peter Wiseman

Michele Morrison

Peter Leerson

Nick Papaz

## Bendigo Health Foundation Charitable Trust, Trustees

Robin Monro

Garry Quinn

Hamish Hope

DRY JULY RAISED A GRAND TOTAL OF

➤ **\$93,000**

BENDIGO BANK FUN RUN  
RAISED MORE THAN

➤ **\$121,000**

GIVE ME 5 FOR KIDS RAISED

➤ **\$122,240**

THE COLLIER TRUST DONATED

➤ **\$30,000**

CHRISTMAS APPEAL RAISED MORE THAN

➤ **\$14,500**

GENERAL DONATIONS RAISED MORE THAN

➤ **\$67,000**

MORE THAN

➤ **\$140,000**

WAS RAISED FROM BEQUESTS



# AUXILIARIES AND

# SUPPORT GROUPS

**The auxiliaries and support groups across Bendigo Health all continued their hard work to raise much needed funds this financial year. A total of \$45,105.20 was raised enabling them to purchase new equipment, fund scholarships and provide a more comfortable caring environment for our patients.**

## Child & Adolescent Auxiliary

It was another successful year with funds raised through a champagne luncheon with young local photographer Kate Monotti-Gross, a dinner held at the Bendigo Stadium, tin collections from McDonald's Nursery and the Foundry Arms Hotel and a quilt raffle. This gave the auxiliary the ability to purchase two high chairs, a urinalysis machine, two neonatal respirator monitors, one child booster seat and a television for the Child and Adolescent Unit. The Auxiliary also instigated small boxes filled with age applicable games and colouring books for children waiting or recovering from day surgery. This has proven to be successful for our younger patients and items are replaced as needed.

The passing of auxiliary member Helen Philips this year has saddened us and she will be greatly missed.

## Intensive Care Auxiliary

With a small core group of people, the Intensive Care Auxiliary continued with their proven fundraising methods, raising more than \$14,000 for the reporting period. From this, two critical care nursing scholarships were sponsored, equipment was purchased and they assisted with patient diaries - a new initiative at Bendigo Health.

The committee remains the same with Mrs Iris Benbow, President for the 35th consecutive year, Mrs Val Coghill, our highly valued Treasurer and Beth Benbow as Secretary.

## Bendigo Palliative Care Auxiliary

The Bendigo Palliative Care Auxiliary added three new members this financial year. The auxiliary was successful in obtaining a volunteer grant through the Department of Families, Housing, Community Services and Indigenous Affairs. These funds were used to provide volunteers with palliative care training. The auxiliary raised funds through regular annual activities and events including the Doll and Teddy Show, Mother's Day and Christmas stalls, morning tea parties and a charity golf day at Belvoir Park Golf Club.

These funds enabled the auxiliary to purchase equipment and support Bendigo Health staff and patients in the hospice and Chum House respite and community palliative care. Some of the big ticket items included an electric arm chair, maxi-taxi wheelchair, quilt covers and three pulse oximeter machines.

## Carshalton House Auxiliary

The Carshalton House Auxiliary had an influx of new members and a complete reshuffle of the executive team. We would like to thank all outgoing executive committee members for their hard work, especially to Jany Clutton who is retiring from the Carshalton House Auxiliary after 20 years of service. Bendigo Health staff members from Carshalton House have joined the auxiliary and have taken on the executive roles.

The auxiliary have raised a grand total of more than \$4000 through raffles, parties and craft and chocolate sales. With these funds they were able to install a sail to provide shading, add flowers and pot plants to courtyards, give Christmas presents to the residents and purchase additional items for the complex.

## Friends of Simpkin House

The Friends of Simpkin House were fortunate to add more pets as part of the pet therapy program run by lifestyle staff. It was also another popular year for the doll therapy program. The opportunity to cuddle a dog, cat or even a rabbit has had a very positive effect on our residents. The ornamental farm setting, used by residents who prefer the outdoors, has been further developed with a raised garden bed and citrus plants.

It was with great regret that we farewelled a founding member of Friends of Simpkin House – Mrs Cavell Jones. A driving force in our fundraising efforts, Mrs Jones retired at the tender age of 97, after giving 15 years of service to the auxiliary.

We take this opportunity from the staff and residents to thank all committee members for their hard work and dedication in supporting Simpkin House.

## Joan Pinder Nursing Home

The Joan Pinder Nursing Home Auxiliary continued to work hard and raise funds with their monthly cake stalls and four raffles. These funds have been used to purchase four portable DVD and CD players, a camera, art and craft supplies, Christmas presents for the residents and to provide visits from Farmer Darryl's Mobile Animal Farm.

“

A total of \$45,105.20  
was raised ”

”

## Orthopaedic Auxiliary

The Orthopaedic Auxiliary has worked tirelessly, raising funds for much needed equipment pieces through activities such as craft stalls, small raffles, a major holiday raffle, a Bunnings barbecue and a 50s and 60s dance. From their efforts the auxiliary have been able to purchase a bladder scanner, a hand held oximeter and a vital signs monitor (with stand) for the Orthopaedic Unit.

## Friends of Oncology (FOO)

The aim of FOO is to assist the Oncology Unit to provide a comfortable environment for patients undergoing treatment at Bendigo Health. Monies raised are used to purchase equipment that maintains the wellbeing and comfort of patients whilst they undergo chemotherapy and other treatments.

Donations continue to flood in to the Oncology Unit from in-memorial donations, patients and families and funeral donations. Regular 'Girls Night In' events and Inner Wheel Club fundraisers continue to provide substantial and regular donations to the unit. This financial year funds raised have been used to purchase new chairs, a vein illuminator and iPads.



# KEY STAFF

## Group Executive

### Chief Executive Officer

John Mulder MBA (Monash) BHA ASA FACHSM CHE FAICD

### Chief Medical Officer, Executive Director Medical Services

Dr Andre Nel MBBCh MBA FRACMA

### Executive Director Psychiatric Services

Dr Philip Tune MBBS FRANZCP Adjunct Clinical Assoc  
Prof Monash University

### Executive Director of Nursing and Executive Director Surgical Services

Peter Faulkner RPN Master Hlth Admin Grad Dip Hlth  
Svc Mgt Cert Contract Mgt FACHSM CHE GAICD

### Executive Director Buildings and Infrastructure and Executive Director New Bendigo Hospital Project

David Walker BTEC HND Elec & Electronic Eng

### Executive Director Information Services & Chief Information Officer

Bruce Winzar Dip of Bus (Information Processing)  
BAppSci (Computing) Grad Dip Mgt

### Executive Director Community and Continuing Care and Executive Director Residential Services

Liz Hamilton BAppSci (OT) Cert Workplace Ldship  
ACHSM GAICD

### Chief Financial Officer

Andrew Collins BAc CPA MAICD

### Executive Director People and Culture

Andrea Noonan BBus (HRM)

### Executive Director Organisational Development and Improvement

Robyn Lindsay BPhysio MHLthSci Hlth Svc Mgt Cert  
GAICD ACHSM

## Chief Executive's Office

### Chief Executive Officer

John Mulder MBA (Monash) BHA ASA FACHSM CHE  
FAICD

### Assistant to Chief Executive Officer

Jenny Woodman

### Group Secretary

Jack Squire LLB  
Tom Korecki LLB LLM AGIA Grad Dip Notarial Practice  
(from August 2013)

### Communications & Marketing Director

Allison Sloan (Acting until January 2014)  
Sarah McAdie BA (from January 2014)

### Bendigo Health Foundation Director

Jane Anderson Adv Dip Management

## Senior Medical Staff

### Chief Medical Officer, Executive Director Medical Services

Dr Andre Nel MBBCh MBA FRACMA

### Director of Medicine and Nephrology

Dr Mark Savage MBChB MD (Manchester) FRCP (London)  
Adjunct Assoc Prof Monash University (Clinical Director)

### Director of Psychiatric Services

Dr Philip Tune MBBS FRANZCP Adjunct Clinical  
Associate Professor Monash University

### Chief Surgical Officer

Mr Graeme Campbell MBBS FRACS FRCS

### Deputy Chief Medical Officer

Dr Grant Rogers MBChB, MBA, FRNZCP, FRACGP

### Anaesthetists

Dr Bruce Ryley MBBS FANZCA (Clinical Director)  
Dr Alan Bradshaw MBBS FANZCA CVAS  
Dr Paul Bunclie MBBS FANZCA CVAS  
Dr Siobhan Dobell MBBS FANZCA Independent  
Dr Leon Hamond MBBS FANZCA CVAS  
Dr Jackson Harding MBBS FANZCA Independent  
Dr Peter Mazur MBBS FANZCA CVAS  
Dr Mohan Nerlekar MBBS DA MD FANZCA CVAS  
Dr Andrea Noar MBBS FANZCA  
Dr Andrew Purcell MBBS DA Dip Obs RACOG FANZCA CVAS

Dr Mervyn Shapiro MBChH DAFANZCA CVAS  
Dr David Noble MBBS FANZCA – until 24th April 2014  
Dr Brad Hindson MBBS FANZCA Independent  
Dr Steve Hams MBBS FANZCA CVAS  
Dr Uate Babitu MBBS FANZCA  
Dr Peter Ching MBBS FANZCA  
Dr Rodney Wilson MBBS FANZCA  
Dr Yen Lim MB Bch BAQ FANZCA  
Dr Anne-Maree Aders MBBS FANZCA  
Dr Bikash Agarwal MBBS FANZCA  
Dr Eric Knauf MBBS (GER) PhD (MD GER)  
Specialist Anaesthetist FANZCA Subspecialty  
Emergency Medicine (GER)  
Dr Keith Davenport M.B., ChB., FANZCA CVAS  
Dr Ju Pin Ang MBBS FANZCA Associate Anaesthetist CVAS

### **Cardiologists**

Dr Voltaire Nadurata MBBS FRACP (Clinical Director)  
Dr Balashankar Saravanasubramanian MBBS MD DNB  
DM (cardio) FRSCP  
Dr Dimuth De Silva MBBS (Hons) FRACP  
Dr Joris Mekel MBCh FCP (SA)  
Dr Tony Jackson BSc (Hons) MBBS FRACP  
Dr John Gault MBBS FRACP

### **Ear Nose and Throat**

Mr Ngalu Havea MBBS FRACS  
Mr Jason Rockey MBCh BAO MRCS(Eng. FRCS (ORL- HNS)  
(from August 2013)

### **Emergency Department**

Dr Simon Smith MBBS FACEM (Acting Clinical Director)  
Dr Diana Badcock MBBS FACEM DA (Lon) Adjunct Assoc  
Prof Monash University  
Dr Albert Rudock MD FAAFP FRACGP Cert geriatrics  
Dr Nathan Bushby MBBS FACEM  
Dr Gary Bourke MBBS DRANZCOG FRACRRM  
Dr Peter Cosgriff MBBS  
Dr Charles Kerr MBBS FRACGP  
Dr Maria Szamos MBBS  
Dr Kent Hoi MBBS FACEM  
Dr Mark Putland MBBS FACEM (joint Director of  
emergency medicine training)  
Dr Wolfgang Merl MBBS FACEM  
Dr Shaun Greene MBChB FACEM MSc (medical toxicology)  
Dr Ben McKenzie MBBS FACEM (joint Director of  
emergency medicine training)  
Dr Khiem Ngo MBBS FACEM  
Dr Philip Visser MBChB FACEM  
Dr Ye Min Swe MBBS FACEM  
Dr Richard Smith MBChB FACEM PGCertRH&TM

### **Endocrinologist**

Dr W. A. Dishan I. Lowe MBBS MD FRACP

### **Faciomaxillary Surgeon**

Mr Ian Poker MSc FRACDS FFD RCS FRACDS (OMS)

### **General Surgeons**

Mr Matthew Oliver MBChB FRCS FRACS (Clinical Director)  
Assoc Professor  
Mr Andrew Barclay MBBS FRACS  
Mr Andrew Barling MBBS FRACS  
Mr Graeme Campbell MBBS FRACS FRCS  
Mr Anthony Gray MBBS FRACS  
Mr Rod Mitchell MBBS FRACS  
Ms Beth Penington MD MBBS BSci (med) FRACS  
Mr Dan Fletcher MB ChB MRCS FRCS  
Ms Janine Arnold BSc(Med) MBBS FRACS  
Mr Man Minh Cao B.Med.Sci MBBS FRACS  
(from February 2014)

### **General Surgery Fellows**

Mr Man Minh Cao B.Med.Sci MBBS FRACS  
(until February 2014)

### **Geriatricians**

Dr Michael Brignell MBBS, FRACP FRCP GradDipBus  
(Hlth Serv Mgt) (Medical Director C&CC) (until October 2013)  
Dr Bev Ferres MBBS DGM M Hlth & Med Law FACLM  
(Acting Medical Director C&CC from October 2013)  
Dr Jacob Eapen MBBS DGM  
Dr Jennifer Wood MBBS DGM Dip MSM GCHPE  
Professor Peter Disler PhD MBCh FRACP FRCP  
(London) FAFRM DPH  
Dr James Wei MBBS FRACP (from October 2013)  
Dr Julia Degtiareva MBBS FRACP  
Dr Michelle Lai MPH MBBS FRACP

### **Gynaecological Oncologist**

Associate Professor Peter Grant MBBS, FRCS (Ed),  
FRANZCOG, CGO  
Associate Professor David Allen MB ChB MMed PhD.  
FCOG (SA) FRANZCOG CGO

### **Intensivists**

Dr John Edington MB ChB FFA(SA) FANZCA (Clinical  
Director)  
Dr Jason Fletcher MBBS FRACP FCICM  
Dr Emma Broadfield MBChB MRCP (UK) DM FRACP FCICM  
Dr Sanjay Porwal MBBS DNB(med) MNAMS (IND) JCICM  
GCCritCareEcho

## **Nephrologists**

Assoc Prof Chris Holmes MBBS FRACP GradCertProf HlthEd  
Dr Greg Harris MBBS FRACP  
Dr Patrick Cooney MBBS FRACP  
Dr Mani K Thomas MBBS FRACP

## **Obstetricians and Gynaecologists**

Dr John Cullen MBBS FRANZCOG (Clinical Director)  
Dr Robin Monro MBBS FRCOG FRANZCOG  
Dr Mark Jalland MBBS FRANZCOG  
Dr Peter Roessler MBBS (Hons) FRANZCOG  
Dr Suhas Nerleker MBBS MS FRANZCOG  
Dr Angelika Borozdina MBBS PhD RANZCOG  
Dr Saman Moeed MBBS FRANZCOG  
Dr Parampathan Shobanan FRANZCOG, MD(Obs & Gyn)  
SL, MBBS (SL)  
Dr Anju Agarwal MBBS, MD, DRANZCOG , Provisional Fellow

## **Oncologists**

Dr Robert Blum MBBS FRACP GradCertHlthProfEd  
(Clinical Director)  
Dr Sabine Roithmaier MD (Munich) FRACP  
Dr Mark Warren MBBS FRACP  
Dr Say Ng FRACP MBChB

## **Ophthalmologist**

Dr Peter Burt MBBS FRANZCO FRACS  
Dr Benjamin Burt MBBS FRANZCO FACS

## **Orthopaedic Surgeons**

Mr Dugal James MBBS FRACS (Orth) (Clinical Director)  
Mr Huw Williams MBBS FRACS FAOrthA  
Mr Travis Perera MBBS FRCS MChOrth FRACS FAOrthA  
Mr Keith McCullough MBBS FRACS FAOrthA  
Mr Neelika Dayananda MBBS MS FRCS Ed FRACS (Ortho)  
Mr Brendan Soo MBBS OBSE FRACS  
Mr Arash Riazi MBBS (BSC) FRACS

## **Orthopaedic Fellow**

Dr Vera Sallen MD Dr. Med  
Mr Neil Ferguson FRCS (Trauma & Ortho), MRCS, MB ChB, BSc

## **Paediatricians**

Dr Andrew Lovett MBBS BMedSc FRACP (Clinical Director)  
Dr John McLennan MBBS FRACP (until February 2014)  
Dr Peter Wearne MBBS MPH DMJ M for Med FRACP  
Professor Geoff Solarsh MBBCh B H (SA) Fellow College  
of Physicians FcP (Paed) (SA) FRACP  
Dr Janaka Tennakoon MBBS DCH MD (Paediatrics) FRACP  
Dr Anne Dawson MBBS MPH&TM FRACP (from February 2014)

## **Palliative Medicine and Regional Palliative Care Service**

Dr Rebecca Chapman MA MBBCh DTM&H FRACP  
FACHPM Grad Dip Pall Med  
Dr Tiffany Shaw MBChB, FRACGP, FACHPM

## **Physicians**

Dr John Gorey MBBS FRACP  
Dr Rob Campagnaro MBBS FRACP  
Dr John Gault MBBS FRACP  
Dr Leslie Fisher MBBS FRACP MHLth & MedLaw FACLM  
Hon Clinical Assoc Prof Rural Clinical School University  
of Melbourne  
Dr Greg Harris MBBS FRACP  
Assoc Prof Chris Holmes MBBS FRACP  
GradCertProf HlthEd  
Dr Kate Carroll MBBS FRACP  
Dr Bidhu Mohapatra FRACP

## **Specialist Plastic and Craniomaxillofacial Surgeon**

Mr Broughton Snell MBBS(Hons) BSc(Hons)  
FRACS(Plast.)

## **Psychiatrists**

Assoc Prof Philip Tune MBBS FRANZCP (Executive &  
Clinical Director)  
Dr Holly Anderson MBBS, M.Psych, FRANZCP  
Dr Dominika Baetens MBChB FRANZCP, MMedSci  
(Hons), MPM  
Dr Laura Barbosa MBBCh, DMH, FCPsych(South Africa),  
FRANZCP  
Dr Nicholas Carrigan BA(Hons) MB, BCh, BAO LRCP&SI  
MRCPsych (UK) HDip (University College Dublin) MFFLM  
(London) MSc(Psychol) Dublin  
Dr John Cooper MBBS MPM FRANZCP  
Dr Arunava Das MBBS DPM MD FRANZCP Cert Psych Old Age  
Dr Subhash Das MBBS DPM MD RANZCP (affiliate  
member) (LWOP Jan – Dec 2014)  
Dr Indranil Chakrabarti MBBS DPM MD FRANZCP  
Dr Scott Eaton MB ChB MRC Psych FRANZCP  
Dr Ajit Emmanuel MBBS DPM MD FRANZCP  
Dr Prabhat Gamage MBBS MD Psychiatry FRANZCP  
Dr Richard Jasek MBBS Cert Child & Adolescent  
psych FRANZCP  
Dr Carolynne Marks MBBS MMed Psych FRANZCP  
Dr Dianne Kirby MBBS MSc (Addiction Studies) FRANZCP  
(Cert Addiction Psych) MBBS (Hons) MSc  
(Addiction Studies) FRANZCP  
Dr Teslin Mathew MBBS DPM MD (PSYCH) FRANZCP  
Dr Allison Newman MBBCh BAO MRCPsych Dip  
Healthcare Mgt MSc Psychotherapy  
Dr Christopher Russo MBBS FRANZCP Cert Child Psych  
Dr Patrick Johnson MB.BS M.P.M Cert. Child Psych  
FRANZCP (Clinical Director CAMHS)  
Dr Fiona Cairns MBBS FRANZCP  
Dr Kah-Seong Loke MBBS MP FRANZCP (until June 2014)

### **Radiation Oncologists (Peter MacCallum Cancer Centre)**

Dr Mark Shaw MBBS FRANZCR  
Dr Tracie Gleisner MBBS FRANZCR  
Dr Suki Gill MBBS FRANZCR (until March 2014)  
Dr Jonathan Tomaszewski MBBS FRANZCR (August 2013-March 2014)  
Dr Monique Youl MBBS FRANZCR (until August 2013)  
Dr Meredith Johnston MBBS FRANZCR  
Dr Solveig Grenfell MBBS FRANZCR (from April 2014)  
Dr Jacqui Veera MBBS FRANZCR (from April 2014)  
Dr Richard Khor MBBS FRANZCR (from October 2013)

### **Radiologists**

Dr Sarah Skinner MBBS FRANZCR (Director)  
Dr Damien Cleeve MBBS FRANZCR  
Dr Robert Jarvis MBBS FRANZCR  
Dr John Eng MBBS FRANZCR  
Dr Julius Tamangani MBChB(Hons), MSc, FRCR  
Dr Jill Wilkie BSc(Hons), MBBS, MRCP, FRCR  
Dr Dan Arhanghelschi MBBS,FRANZCR

### **Rehabilitation**

Dr Sue Inglis MBBS FAFRM  
Prof Peter Disler PhD MBCh FRCP (Lond) FRACP  
FAFRM DPH

### **Urologists**

Mr Michael McClatchey MBChB BAO FRCS (Eng) FRCS (Ed), FRACS (urol)  
Miss Janelle Brennan MBBS (Hons) FRACS (urol)  
Rohan Hall B.Med (Newcastle) Bsc (Hons) (Melb) FRACS (Urol)  
Mr Antonios Makris MBBS (Germany) MRCPs (Glasgow)  
FEBU, SUGMC (Germany)

## **Senior Nursing Managers and other senior nurses - acute**

### **Director of Nursing, Medical Services**

Judith Walloscheck RN BScNurs, GradDip ICU  
Nursing, OU MBA

### **Director of Nursing, Surgical, Women's & Children's Services**

David Rosaia Dip App Sc B Hlth Sc Grad Dip Hlth Mgmt  
MRCNA FACHSM

### **Patient Flow Co-ordinator**

Tricia Elliott RN Grad Dip Hlth Sc (Admin) MRCNA

### **Child and Adolescent Unit Nurse Manager**

Debbie Forbes RN Bach Hlth Sc (Nsg)

### **Cardiology and EEG Nurse Manager**

Clare Harris Div 1 RN B HSc Grad Dip Acute Care MBA

### **Critical Care Nurse Manager**

Sue Tomlinson RN CCRN MHS Dip of Bus (Frontline Mgt)

### **Day Procedure Unit Clinical Nurse Manager**

Di Chatterton RN Grad Dip Nursing Education, Grad Cert Gastroenterology, Grad Cert Anaesthetics and Recovery Room, Critical Care Cert, Management Cert. (until August 2013)

Catherine Pethybridge RN Grad Dip Public & Community Health, Grad Cert Gastroenterology, Grad Cert Management (Acting from August 2013)

### **Renal Services Nurse Manager**

Kathleen Fair RN BScNurs (Hons) MBA(HlthServMgt)  
CertNeph(C) MACN

### **Emergency Department Nurse Manager**

Carol-Anne Lever RN Cert Em Nsg Crit Care

### **Prostate Cancer Specialist Nurse**

David Heath CCRN BN Grad Cert ICU Grad Dip Para Med Grad Cert Prostate Cancer Nsg: Prostate Cancer specialist nurse/ Nurse cystoscopist (in training)

### **Hospital After Hours Managers**

Louise Cox RN RM B.Public Health Cert. Sterilization & Infection Control

Glenda Blake RN

Deidre McDougall RN RM Cert Em Nsg Bah Sci (Nsg) (until May 2014)

Shelley Hardingham RN RM

Patrick Turner RN BA Hlth Sc (Nursing) Grad Cert Emergency Nursing

James Fitzgerald RN

Sally Conroy CCRN

Michelle Barnes CCRN

### **Hospital In The Home and Medihotel Nurse Manager**

Daryl Dutton Bach Nsg, Cert Adv Ac Nsg

Donna Rovers Bach Nsg (acting – October 2013 to April 2014)

### **Infection Control Manager**

Jane Hellsten RN Ba AppSc Adv Nsg (Ed) M Ed Stud.  
Cert Infect Dis CICP MCNA

### **Manager, Women's & Children's Services**

Fiona Faulks (Dip Health Science – Nursing) RM (Grad Dip Health Science – Midwifery), MCHN (Maternal & Child Health Nurse, MMSc (Master of Midwifery Science)

### **McGrath Breast Care Nurse**

Sharon Salter RN Bach P Hlth.

### **Medical Unit Nurse Manager**

Tracy Harrip, B Hlth Sci, Nsg, Grad Dip Cancer Nsg, Dip Bus (frontline), M Nsg Nurse Practitioner, MACN, MACNP

### **Oncology Unit Nurse Manager**

Karen Wellington Bach of Hlth Sc (Nsg) MBA (HlthServMgt) Grad Cert Onc-Pall Care

### **Operating Theatres Clinical Manager**

Dianne Craig BN, Post Grad Dip Peri-op Nsg, Cert IC&S, Grad Dip PH (Enviro Hlth) (from October 2013 to April 2014)  
Jennifer Flett RN, Post Grad Dip Mgmt (until October 2013)  
Judith Ingwerson RN Post Grad Theatre Cert, Bach of Hlth, Grad Dip Health Admin, (from April 2014)

### **Orthopaedic Unit Nurse Manager**

Pat Catto RN Grad Dip Bus Mgmt

### **Patient Services Manager**

Suzanne O'Sullivan RN Grad Dip Mgmt

### **Specialist (Outpatients) Clinics Manager**

Paula Hennessy RN B App Sci  
Kerry-Anne Adair, Acting Manager, RN, Cert Adv Ac Nsg, Dip Bus Mgmt (February to June 2014)  
Margaret Lyon, Acting Liaison Nurse, RN (February to June 2014)

### **Perioperative Services Nurse Manager**

Sasha Vedelsby BN Post Grd Dip (Periop) Dip Business (HR) ACHSE (from October 2013 until April 2014)  
Dianne Craig BN, Post Grad Dip Peri-op Nsg, Cert IC&S, Grad Dip PH (Enviro Hlth) (until October 2013 and from April 2014)

### **Special Care Baby Unit Clinical Manager**

Rosemary Baker RN RM NICNC Grad Dip Hlth Mgmt

### **Sterilising Services Nurse Manager**

Ann Gallagher RN ORN Sterilization and Infection Control Cert

### **Stomal Therapy Clinical Nurse Consultant**

Vicki Thorne Grad Cert Stomal Therapy, Grad Cert Wound Care

### **Surgical Unit Nurse Manager**

Simon Bullock RN BN (Bachelor Nursing). Grad Cert Acute Care Nsg, Grad Cert Clinical Mgmt

### **Women's Health Clinical Manager**

Laraine Stubbings RN RM(to May 2014)  
Christine Keck RN RM, Lvl 2 Special Care Nursery Cert, Family Planning Cert, Post Grad Women's Health, Post Grad Hlth Admin, Masters Mgt(from May 2014)

## **Nurse Practitioners**

### **Nurse Practitioner Loddon Mallee Regional Palliative Care Consultancy Service**

Merrill Cole NP, Dip Nur (LaTrobe), M Nur – Palliative Care (UNE), MACN

### **Nurse Practitioner Peri Operative Services Acute Pain Management**

Jennifer Furness Masters Advanced Nursing Practice, Grad Dip Nursing (Perioperative), Grad Cert Health Sciences (Perioperative Nurse Surgeon's Assistant)

### **Nurse Practitioner Respiratory**

Toni Hall MNNP, B.HS, Dip HS, Cert Crit Care

### **Nurse Practitioner Oncology**

Justin Hargreaves BN, Post Grad Dip Cancer Nsg, MANP, NP

### **Nurse Practitioner Palliative Care**

Tracy Harrip, B Hlth Sci, Nsg, Grad Dip Cancer Nsg, Dip Bus (frontline), M Nsg Nurse Practitioner, MACN, MACNP

### **Nurse Practitioner Emergency**

Jennifer Oxley, BN, Grad Dip Crit Care Nursing, Grad Cert Forensic Nursing, Masters of Nursing (Nurse Practitioner), Grad Cert Health Professional Education

### **Nurse Practitioner Chronic Disease**

Elizabeth Stevenson CCRN, Cert. Nephrology, Dip. AppSc. Nur, B. HlthSc, MN, MACN, Chronic Disease Nurse Practitioner (HARP) / Renal Transplant Coordinator (Renal Services)

## Other Senior Staff acute and subacute services

### Business Director Medical Services

Brian Jenner BBS (Bachelor of Business)

### Business Director Surgical Services

Robert Porter MBA BN (Bachelor Nursing) RN

### Loddon Mallee Integrated Cancer Service Strategic Manager

Angela Cahill Acting Strategic Manager (May 2014)

### Medical Imaging Manager

Luke Adorni Assoc Dip Med Radiology Grad Dip Business Mgmt

### Pharmacy Director

Paul O'Brien B Sci (Hons) B Pharm Grad Dip Sci MBA

### Radiation Oncology Acting Site Director/Operations Manager

Judy Andrews Diploma of Applied Science in Therapy Radiography (RMIT) & Graduate Diploma of Business in eBusiness and Communication (Swinburne)

## Chief Financial Officer Division

### Chief Financial Officer

Andrew Collins BAc CPA MAICD

### Finance Manager

Seppe Marsili CPA

### Performance Reporting Manager

Scott Cornelius B Bus (Acc) CPA

### Group Financial Accountant

Wayne Smith B Bus (Acc)

### Manager, Activity Based Funding

Elizabeth May B App Sc MBA MPPM RN

### Corporate Support Services Manager

Geoff Cook Cert of Bus Grad Dip Mgmt M Bus MAICD

### Environmental Services Manager

Garry Coburn Cert in Supervision Cert in Accounting

### Food Services Manager

Damian Martin

### Supply Chain Manager

Karen Shepherd-Clark BSc (Hons)

### Procurement Manager

David Ray

### Payroll and Salary Packaging Manager

Dianne Shaw

## People and Culture

### Executive Director People and Culture

Andrea Noonan BBus HRM

### Business Director

Christopher White BBus BComp GradCertHlthSvcMgt GradDipBus(Hlth) AAMC FACHSM

### People and Culture Advisors

Michelle Forrester BBus (Mktg&Econ) MBA HRM

Elisa McKnight BBus (HRM & Mktg)

Melissa Phillips BBus (HRM), Grad Dip HRM

Shannon Birtles Dip (HRM) in progress

Belinda Mason BBus (HR&Mktg)

Lee McNally

### Industrial Relations Advisor

Rachael Mays BBus (HRM)

### Resourcing & Workforce Planning

Kate Hyett RN, BN, Grd Dip Hlth Sci, Master Hlth Sci, Dip. Company Directors, Prof Cert Hlth System Mment, AFACHCM, MRCNA, MAICD

### OHS Manager

Graham Olsen Dip OHS

## Organisational Development and Improvement

### Executive Director

Robyn Lindsay BPhysio MHLthSci Hlth Svc Mgt Cert GAICD ACHSM

### Governance, Strategy & Risk Director

Yvonne Wrigglesworth BSc(Hons), Grad Dip Fin Mgmt & Health policy, Dip Frontline Mgmt, Prof Cert Health Service Mgmt, GAICD, AMICDA

### **Business Director**

Christopher White BBus BComp GradCertHlthSvcMgt  
GradDipBus(Hlth) AAMC FACHSM

### **Collaborative Health Education and Research Centre (CHERC) Operations Manager**

Angela Crombie RPN RN Cert IV Workplace Assess & Training BN Grad Dip HLTH Sc (Admin) M HLTH Sc PhD Candidate

### **Organisational Development Manager**

Bev Sutherland BBus (HRM), GDIP. (Psych), PGDip. (Applied Psych), AssocMAPS

### **Organisational Development Project Manager**

Ian Watson BSc(Hons) MBA

### **Librarian**

Angela Gallagher BA Grad Dip App Sc (Lib. & Info Mgt) ALIAPD

### **Senior Psychiatric Nurse Consultant & Senior Adjunct Lecturer LaTrobe University**

Tim Lenten RN Dip Hlth Sc (Psych Nur) Grad Dip CPN Hlth Svc Mgt Cert MNSc MACMHN MRCNA

### **Manager of Nursing & Midwifery Education**

Dr Helen Aikman, RN, BN, High Dep Nur Cert, M.Hlth Sci, PhD

## **Information Services Division**

### **Executive Director Information Services & Chief Information Officer**

Bruce Winzar Dip of Bus (Information Processing) BAppSci (Computing) Grad Dip Mgt

### **Business Director**

Christopher White BBus BComp GradCertHlthSvcMgt  
GradDipBus(Hlth) AAMC FACHSM

### **IT Service Delivery Manager**

Stuart Lamshed (Acting)

### **IT Technical Services Manager**

Terry Mounsey

### **Manager Applications Portfolio Group**

Geoff Trevethan HSC (VSUEB 1976)

### **Applications Development Manager**

Dr Mike Podosky PhD BA

### **Health Information Services Manager**

Acting – Bruce Noble BAsC, Project Management, Dip Management

### **EMR Project Manager**

Robert McCathie BE, Masters Management Studies, CPPM

### **Chief Nursing Information Officer (CNIO)**

Janette Gogler Dip of Management, Grad Dip Health Informatics, Grad Cert Health Informatics, Grad Dip Education, Hospital Based Dip – Registered Nurse Div 1

### **Chief Medical Information Officer (CMIO)**

Dr Diana Badcock MBBS DA FACEM

## **Buildings & Infrastructure Division**

### **Executive Director Buildings and Infrastructure and Executive Director Bendigo Hospital Project**

David Walker BTEC HND Elec & Electronic Eng

### **Facilities Management Director Facilities Maintenance**

Damien Parker BEng (Electrical) MIHEA

### **Operations Director**

Brendan Chalmers Dip Business Management Cert IV in Training and Assessment

### **Sustainability & Energy Engineer**

Karin Harding BEng (environmental), Grad Dip of App Sci Grad cert Sustainable Practice and Master of Mgt (Strategic-Foresight)

### **Construction Manager New Bendigo Hospital**

Adam Hardinge Registered Building Practitioner DB-U (Domestic Builder Unlimited) CB-L-D (Commercial Builder Fit out Structural)

### **Project Officers**

Stuart Turk BN RN Grad Cert Crit Care  
Rachel Morris Bach Hlth Sci in Medical Radiation Therapy, Cert Dip. Health Industry Mgmt  
Catina Eyres RN BN Grad Dip Crit Care Grad Dip Nsg Sc- Infect Control Nsg CICP

### **Bendigo Hospital Project, Communications**

Sarah McAdie BA

## Psychiatric Services

### Executive Director & Clinical Director

Assoc Prof Philip Tune MBBS FRANZCP

### Business Director

Christopher White BBus BComp GradCertHlthSvcMgt  
GradDipBus(Hlth) AAMC FACHSM

### Executive Specialist Psychiatric Services

Assoc Prof Peter Doherty MBBS FRANZCP  
(resigned August 2013)

### Group Discipline Senior Psychologist

Susan Lloyd Dip.T., BBS (Hons), MPsy (Clinical  
Neuropsych), MAPS, CCN

### Manager Planning and Strategic Development

Peter Robertson RN DipAppSc BPsych Nsg PGDip HSM  
MHlth Admin FACHSM GAICD MACMHN

### Director of Nursing

Victor Tripp RN B Nursing Master Hlth Mgmt

### Senior Psychiatric Nurse Consultant

Tim Lenten Hlth Svc Mgt Cert RN Dip Hlth Sc (Psych  
Nur) Grad Dip CPN MNsc MACMHN MRCNA

### ECAT/Triage PARC (ETP) Team Manager

Lorraine Flynn RN Cert in Developmental  
Psychiatry Course

### Bendigo Adult Community Mental Health Team

Marty Andison RN Adv Diploma of Management  
Professional Cert in Health Systems Management

### Rural North Community Mental Health Team Manager

John Hermans RN MRN BNsg Grad Dip Psych Nsg  
Advanced Dip in Business Man MN Cert Gerontology

### Rural South Community Mental Health Team Southern Sector Community Mental Health Business Manager

Wayne Daly RN Grad Dip CPN

### Alexander Bayne Centre Nurse Unit Manager

Sarah Wright Adv Dip MH Nursing and Cert in  
Substance Misuse

### Vahland Complex Nurse Unit Manager

Robert West RN Div 1 Grad Dip Nursing Science  
(Mental Health) MACMHN

### Aged Persons Mental Health Service – Community Team Consultation Liaison Psychiatry Business Manager

Neil Brewer RN Grad Dip Nursing Science (Mental  
Health), Cert 4 Workplace Training & Assessment,  
MACMHN

### Marjorie Phillips Nurse Unit Manager

Fiona Hutchins (Acting) RN Div 1 Dip Management HR  
Jim Reid RN Div 1 & 3 RN Adv Dip Management Cert 4  
in workplace training and assessment MACMHN MIRFV  
(seconded to new MHA co-ordinator position to October 2014)

### Child and Adolescent Mental Health Service Manager

Lorraine Flynn RN Cert in Developmental  
Psychiatry Course

### Clinical Director Child and Adolescent Mental Health Service

Dr Patrick Johnson MBBS MPM Cert Child Psych  
FRACGP

### Youth Mental Health Service & Primary Mental Health and Early Intervention Team

Eugene Meegan RN, RPN, Grad Dip Psych Nsg,  
Adv Diploma of Business Management.

## Community & Continuing Care

### Executive Director

Liz Hamilton BAppSci (OT), Cert Workplace Ldship,  
ACHSM, GAICD

### Business Director

Brett Yates BBus (Accounting), CPA

### Director of Nursing Sub-Acute/Sub-Acute Programs Manager

Paul Rumpff RN, MN, Grad Cert CCN, Cert Mgmt

### Patient Access & Demand Manager

Janice Oстераas RN B Grad Cert Med Nsg M Med Nsg  
Cert Bus Process Analysis

### Sub Acute Ambulatory Care Services Manager

Wendy Millar BAppSc (Physio) Dip Bus Mgmt

### Manager Integrated Palliative Care Service incl. Hospice & Evaluation Unit, Bendigo Community Palliative Care, Day Support Program and Loddon Mallee Regional Palliative Care Consultancy Service

Melanie Shanahan RN BN Grad Dip Mntl Hlth Nsg  
MPCAC MPCNA

### **Inpatient Rehabilitation Unit Nurse Manager**

Susan Jennings RN Post Grad Dip Home & Community Care Dip Mgmt

### **Chief Dentist**

Dr Chee-Wah Khew BDS Grad Dip Hlth Sc (Admin) (until August 2013)

Marietta Taylor BDS G Dip PH (from September 2013)

### **Manager Dental Services**

Graeme Allan B App Sc (OT) Cert Hlth Admin Grad Dip Mgmt GAICD

Sue Spencer Ass Dip WelfAdv Dip Bus Man (acting from May 2014)

### **Allied Health Director/Chief Occupational Therapist**

Sally Harris BaOT MHLthSci Prof Cert Hlth Syst Man Adv Dip Bus Man

### **Manager Nutrition & Dietetics**

Lee Mason B SC Grad Dip. Dietetics MDAA APD (until January 2014 )

Virginia Fox B SC Grad Dip. Dietetics MDAA APD MBA (from April 2014)

### **Chief Speech Pathologist, Manager of Audiology**

Melinda Charlesworth B.AppSc (Sp Path) Prof Cert Hlth Syst

### **Chief Physiotherapist**

Donna Borkowski B Physio Dip MTPT

### **Chief Social Worker, Manager of Cultural Diversity and Aboriginal Hospital Liaison Officer**

Melissa Silk BASocSci BSocWork AASW Dip Mmt

### **Chief Podiatrist, Allied Health Education and Research Manager**

Marcus Gardner B App Sc (Pod)

### **Commonwealth Respite and Carelink Centre Manager and Bendigo Health Referral Centre**

Sue Spencer Ass Dip WelfAdv Dip Bus Man

### **Case Management Services Manager**

Helen Steele BN, RN (until January 2014)

Kate Brown BSc, MND (from January 2014)

### **HARP/Community Health Manager & Loddon Mallee Post Acute Care Manager**

Ellen Wilson RN Grad Cert in Emerg Nsg Grad Dip Crit Care Cert Haemodialysis Nsg Dip of Bus Mgmt

Clare Blee RN Critical Care Cert (Acting from March 2014)

### **Community Program Manager**

Jenny Harriott B Sc Grad Dip Diet Adv Dip Bus Man

### **Carer Support Services Manager**

Rose Miles BA Dip Ed

### **Coordinator Referral Centre**

Donna Dullard Adv Dip Bus Man

### **Home Nursing and Support Service Program Manager**

Mark McCarty RN Grad Cert OH&S, Dip in Community Sector Management

### **Pastoral Care Co-ordinator**

Karen Lunney. Cert IV TAA & Counselling (Breastfeeding), Dip. Teach., MA(TS), M.Div.

Gail Harrison BA, Grad Dip Ed, Grad Dip Theol, CPE (Clinical Pastoral Ed-3Units) (Acting from March 31, 2013)

### **Transition Care Program Manager**

Robin Cottrill RN Cert of Gerontology Nsg (until May 2014)

Ellen Wilson RN Grad Cert in Emerg Nsg Grad Dip Crit Care Cert Haemodialysis Nsg Dip of Bus Mgmt (Acting from April 2014)

### **Volunteer Services - Manager**

Sharon Walsh Grad Cert Bus. (HR), Certificate IV in Workplace Training, Dip. Training & Assessment Systems

## **Residential Services**

### **Executive Director**

Liz Hamilton BAppSci (OT), Cert Workplace Ldship, ACHSM, GAICD

### **Nursing Director Residential Services**

Marlene Connaughton RN Cert Residential Mgmt

### **Assistant Nursing Director Residential Services**

Dodie Bischoff RN BA Nursing/Health science. Post Grad Cert in Gerontology. Deakin/ Amity Management certificate, Aged Care Assessors Cert

### **Carshalton House Care Co-ordinator**

Kim Gordon BA Soc Sc Aged Care Assessors Cert

### **Golden Oaks Nursing Home Nurse Manager**

Sandi Lavin RN, BA Nursing

### **Gibson Street Complex Manager (Joan Pinder Nursing & Stella Anderson Nursing Homes)**

Wendy McLochlan RN, BA Health Science (Nursing)

### **Simpkin House - Nurse Manager**

Joanne Wood RN Dip of Nursing .Post Grad Cert in Gerontology



## Freedom of information

*Freedom of Information Act 1982* provides the public with a means of obtaining information held by the organisation. During the 2013/14 financial year 398 requests were received. Of these, 320 were granted full access, 10 partial access under s.35(1)(b), 0 partial access under s.33(1), 9 withdrawn, 1 did not proceed, 4 no documents held and 54 not finalised as at 30 June 2014.

People wishing to access information should make a written request to the Freedom of Information Officer, Bendigo Health, PO Box 126, Bendigo 3552.

## Building and Maintenance

Bendigo Health complies with the Building Act 1993 under the guidelines for publicly owned buildings issued by the Minister for Finance 1994 in all redevelopment and maintenance issues.

There are no maintenance orders. All renovations to existing buildings confirm to the Building Act 1993. All existing buildings comply with regulations in force at the time of construction. There are no orders to cease occupancy or to undertake urgent works. All sites are subject to a fire safety audit and risk assessment according to revised standards as directed by the Department of Health.

## Major Changes or Factors Effecting Performance

There were no changes or factors which affected performance or financial position for the year ending 30 June, 2014.

## Statement on National Competition Policy

Bendigo Health supports and complies with the Victorian Government's Competitive Neutrality Policy as outlined in the Guide to Implementing Competitive Neutral Pricing Principals.

## Victorian Industry Participation Policy

Bendigo Health complies with the Victorian Industry Participation Policy Act 2003. The aim of the act is to open and expand market opportunities to both country and metropolitan Victorian, as well as national businesses so as to promote employment and business growth in Victoria. The policy applies when the Victorian Government's funding or the provision of a grant exceeds \$1 million in regional Victoria, and Bendigo Health ensures that it evaluates all tenders equally and transparently.

## Ex-Gratia Payments

There were no ex-gratia payments made by Bendigo Health for the financial year ended 30 June, 2014.

## Availability of Other Information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Bendigo Health and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable);

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

## Statement on the Application of Employment and Conduct Principles

Bendigo Health is committed to upholding the principles of merit and equity in all aspects of the employment relationship. To this end, we have policies and practices in place to ensure all employment related decisions, including recruitment, promotion, training and retention are based on merit. Any complaints, allegations or incidents involving discrimination, vilification, bullying or harassment are taken seriously and addressed. All staff are provided with education and training on their rights and responsibilities and are provided with the necessary resources to ensure equal opportunity principles are upheld.

## Carers Recognition Act 2012

Bendigo Health Care Group -

- (a) takes all practicable measures to ensure that its employees and agents have an awareness and understanding of the care relationship principles; and
- (b) takes all practicable measures to ensure that persons who are in care relationships and who are receiving services in relation to the care relationship from the care support organisation have an awareness and understanding of the care relationship principles; and
- (c) takes all practicable measures to ensure that the care support organisation and its employees and agents reflect the care relationship principles in developing, providing or evaluating support and assistance for persons in care relationships.

# ATTESTATIONS/

# DECLARATIONS

## Attestation of Compliance with Australia/New Zealand Risk Management Standard

I, Michael Langdon, Chair – Board of Directors, certify that Bendigo Health has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard (ISO31000:2009) and internal control systems in place that enables the organisation to continually improve our understanding, management and control of risk exposures. The board verifies the assurance and that the risk profile of Bendigo Health has been critically reviewed within the last 12 months.



**Dr Michael Langdon**  
Chair – Board of Directors  
Bendigo Health

## Attestation of data accuracy

I, Michael Langdon, certify that Bendigo Health Care Group has put in place appropriate internal controls and processes to ensure that data reasonably reflects actual performance, Bendigo Health Care Group has critically reviewed these controls and processes during the year.



**Dr Michael Langdon**  
Chair – Board of Directors  
Bendigo Health

## Responsible bodies declaration

In accordance with the Financial Management Act 1994, I am please to present the Bendigo Health Care Group report of operations for the year ending 30 June 2014.



**Dr Michael Langdon**  
Chair – Board of Directors  
Bendigo Health

## Insurance attestation for Public Sector Agencies

I, Michael Langdon, certify that the Bendigo Health Care Group has complied with Ministerial Direction 4.5.5.1 – Insurance.



**Dr Michael Langdon**  
Chair – Board of Directors  
Bendigo Health



# DISCLOSURE INDEX

## Attestation of Compliance with Australia/New Zealand Risk Management Standard

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

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

| LEGISLATION                            | REQUIREMENT  | PAGE REFERENCE |
|--|--|----------------|
|  | Ministerial Directions   |                |
| <b>Report of Operations</b>            |  |                |
| <b>Charter and purpose</b>             |  |                |
| FRD 22E                                | Manner of establishment and the relevant Ministers                       | 3              |
| FRD 22E                                | Objectives, functions, powers and duties                                 | 3              |
| FRD 22E                                | Nature and range of services provided                                    | Inside Cover   |
| <b>Management and structure</b>        |  |                |
| FRD 22E                                | Organisational structure   | 54             |
| <b>Financial and other information</b> |  |                |
| FRD 10                                 | Disclosure index   | 74             |
| FRD 11A                                | Disclosure of ex gratia expenses   | 70             |
| FRD 21B                                | Responsible person and executive officer disclosures                     | FR             |
| FRD 22E                                | Application and operation of <i>Carers Recognition Act 2012</i>          | 71             |
| FRD 22E                                | Application and operation of Freedom of Information Act 1982             | 70             |
| FRD 22E                                | Compliance with building and maintenance provisions of Building Act 1993 | 70             |
| FRD 22E                                | Details of consultancies over \$10,000                                   | FR             |
| FRD 22E                                | Details of consultancies under \$10,000                                  | FR             |
| FRD 22E                                | Employment and conduct principles  | 71             |
| FRD 22E                                | Major changes or factors affecting performance                           | 70             |
| FRD 22E                                | Occupational health and safety   | 38             |
| FRD 22E                                | Operational and budgetary objectives and performance against objectives  | FR             |
| FRD 24C                                | Reporting of office-based environmental impacts                          | 36             |
| FRD 22E                                | Significant changes in financial position during the year                | FR             |

| LEGISLATION | REQUIREMENT  | PAGE REFERENCE |
|-------------|--|----------------|
| FRD 22E     | Statement of availability of other information   | 71             |
| FRD 22E     | Statement on National Competition Policy   | 70             |
| FRD 22E     | Subsequent events  | FR             |
| FRD 22E     | Summary of the financial results for the year  | FR             |
| FRD 22E     | Workforce Data Disclosures including a statement on the application of employment and conduct principles | 23, 71         |
| FRD 25B     | Victorian Industry Participation Policy disclosures  | 70             |
| FRD 29      | Workforce Data disclosures   | 23             |
| SD 4.2(g)   | Specific information requirements  | FR             |
| SD 4.2(j)   | Sign-off requirements  | 72             |
| SD 3.4.13   | Attestation on data integrity  | 72             |
| SD 4.5.5.1  | Ministerial Standing Direction 4.5.5.1 compliance attestation  | 72             |
| SD 4.5.5    | Risk management compliance attestation   | 72             |

### Financial Statements

#### Financial statements required under Part 7 of the FMA

|           |                                   |    |
|-----------|-----------------------------------|----|
| SD 4.2(a) | Statement of changes in equity    | FR |
| SD 4.2(b) | Comprehensive operating statement | FR |
| SD 4.2(b) | Balance sheet                     | FR |
| SD 4.2(b) | Cash flow statement               | FR |

#### Other requirements under Standing Directions 4.2

|           |  |    |
|-----------|--|----|
| SD 4.2(a) | Compliance with Australian accounting standards and other authoritative pronouncements | FR |
| SD 4.2(c) | Accountable officer's declaration  | FR |
| SD 4.2(c) | Compliance with Ministerial Directions   | FR |
| SD 4.2(d) | Rounding of amounts  | FR |

#### Legislation

Freedom of Information Act 1982

Carers Recognition Act 2012

Victorian Industry Participation Policy Act 2003

Building Act 1993

Financial Management Act 1994

# FINANCIAL REPORT

2013-2014

Annual Report - Statement of Priorities for 2013/14

Part B: Performance Priorities

| Program                      | Key performance Indicator  | 2013-14 Activity |
|------------------------------|--|------------------|
| <b>Financial Performance</b> |  |                  |
| <b>Operating Result</b>      |  |                  |
|                              | Annual Operating result (\$m)  | 3                |
|                              | Percentage of WIES (public & private) performance to target 100  | 105%             |
|                              | Creditors  | 58               |
|                              | Debtors  | 46               |
| <b>Access Performance</b>    |  |                  |
| <b>Emergency Care</b>        |  |                  |
|                              | Percentage of ambulance transfers within 40 minutes  | 91%              |
|                              | NEAT - Percentage of emergency presentations to physically leave the emergency department for admission to hospital, be referred to another hospital for treatment, or be discharged within four hours | 75%              |
|                              | Number of patients with a length of stay in the emergency department greater than 24 hours   | 8                |
|                              | Percentage of Triage Category 1 emergency patients seen immediately  | 100%             |
|                              | Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended times   | 72%              |
| <b>Elective Surgery</b>      |  |                  |
|                              | Percentage of Urgency Category 1 elective patients treated within 30 days  | 100%             |
|                              | NEST - Percentage of Urgency Category 2 elective surgery patients treated within 90 days   | 66%              |
|                              | NEST - Percentage of Urgency Category 3 elective surgery patients treated within 365   | 96%              |
|                              | Number of patients on the elective surgery waiting list  | 952              |
|                              | Number of Hospital Initiated Postponements (HiPs) per 100 scheduled admissions   | 7%               |
| <b>Service Performance</b>   |  |                  |
| <b>Elective Surgery</b>      |  |                  |
|                              | Number of patients admitted from the elective surgery waiting list – quarter 1   | 1160             |
|                              | Number of patients admitted from the elective surgery waiting list – quarter 2   | 1070             |
|                              | Number of patients admitted from the elective surgery waiting list – quarter 3   | 998              |
|                              | Number of patients admitted from the elective surgery waiting list – quarter 4   | 1206             |
| <b>Critical Care</b>         |  |                  |
|                              | ICU minimum operating capacity   | 0                |
| <b>Quality and Safety</b>    |  |                  |
|                              | Health service accreditation   | Full             |
|                              | Residential aged care accreditation  | Full             |
|                              | Cleaning standards (Overall)   | 98.2             |
|                              | Cleaning standards (AQL-A)   | 97.7             |
|                              | Cleaning standards (AQL-B)   | 97.5             |
|                              | Cleaning standards (AQL-C)   | 99.2             |
|                              | Health care worker immunisation - influenza  | 67%              |
|                              | Submission of data to VICNISS  | Achieved         |
|                              | Hospital acquired infection surveillance   | Achieved         |
|                              | Hand Hygiene (rate)  | 80%              |
|                              | SAB rate per occupied bed days   | 0.7              |
|                              | Victorian Patient Satisfaction Monitor (Jul-Dec 2013)  | Achieved         |
|                              | Consumer Participation Indicator (Jul-Dec 2013)  | Achieved         |
|                              | Victorian Hospital Experience Measurement Instrument (Jan-Jun 2014)  | Achieved         |
|                              | People Matter Survey   | Achieved         |
| <b>Maternity</b>             |  |                  |
|                              | Percentage of women with prearranged postnatal home care   | 99%              |
| <b>Mental Health</b>         |  |                  |
|                              | 28 day readmission rate  | 16%              |
|                              | Post discharge follow-up rate  | 77%              |
|                              | Seclusion rate per occupied bed days   | 10               |

**Part C: Activity and Funding**

| Program   | Key performance Indicator                | 2013-14 Activity |
|---|--|------------------|
| <b>Acute Inpatient</b>                                    |  |                  |
| <b>Weighted Inlier Equivalent Separations (WIES)</b>      |  |                  |
|   | WIES Public                              | 20,523           |
|   | WIES Private                             | 3,595            |
|   | <b>Total WIES (Public and Private)</b>   | <b>24,118</b>    |
|   | WIES DVA                                 | 597              |
|   | WIES TAC                                 | 182              |
|   | <b>WIES TOTAL</b>                        | <b>24,897</b>    |
| <b>Acute non-admitted</b>                                 |  |                  |
|   | Emergency Services                       | 47,724           |
|   | Specialist Clinics                       | 70,291           |
| <b>Sub Acute and Nonacute Admitted (weighted beddays)</b> |  |                  |
|   | Rehab Public                             | 15,502           |
|   | Rehab Private                            | 3,446            |
|   | Rehab DVA                                | 948              |
|   | GEM Public                               | 13,574           |
|   | GEM Private                              | 4,582            |
|   | GEM DVA                                  | 1,956            |
|   | Palliative Care Public                   | 2,511            |
|   | Palliative Care Private                  | 1,053            |
|   | Palliative Care DVA                      | 269              |
|   | Transition Care - Beddays                | 17,096           |
|   | Transition Care - Homeday                | 10,834           |
| <b>Aged Care</b>  |  |                  |
|   | Residential Aged Care                    | 88,410           |
|   | HACC                                     | 45,212           |
| <b>Mental Health and Drug Services</b>                    |  |                  |
|   | Mental Health Inpatient                  | 16,120           |
|   | Mental Health Ambulatory                 | 41,556           |
|   | Mental Health Residential                | 14,046           |
|   | Mental Health Sub Acute                  | 9,780            |
|   | Drug Services                            | not available    |
| <b>Primary Health</b>                                     |  |                  |
|   | Community Health / Primary Care Programs | 6,477            |

## Financials in Brief

A summary of the financial results for the year, from Annual Financial Reports, with comparative results from the preceding four financial years.

|  | 2013/14<br>\$000 | 2012/13<br>\$000 | 2011/12<br>\$000 | 2010/11<br>\$000 | 2009/10<br>\$000 |
|--|------------------|------------------|------------------|------------------|------------------|
| Total Expenses                             | 340,528          | 329,666          | 334,308          | 312,211          | 286,893          |
| Total Revenue                              | 332,869          | 323,160          | 329,699          | 310,377          | 292,561          |
| Net Result Before Capital & Specific Items | 2,948            | 1,608            | 721              | 316              | 1,463            |
| Net Result for the Year                    | (7,659)          | (6,506)          | (4,609)          | (1,834)          | 5,668            |
| Accumulated Surpluses/(Deficits)           | (29,620)         | (22,109)         | (15,276)         | (9,996)          | -8,394           |
| Total Assets                               | 264,812          | 235,790          | 233,774          | 234,033          | 227,988          |
| Total Liabilities                          | 84,191           | 91,915           | 83,393           | 79,043           | 71,164           |
| Net Assets                                 | 180,621          | 143,875          | 150,381          | 154,990          | 156,824          |

## Operational Summary

Bendigo Health Care Group recorded a statement of priorities operating surplus for the 2013/14 financial year which was favourable to budget. During the financial year a record number of patients were treated by the hospital.

## Consultancy Expenditure

| CONSULTANT   | PURPOSE OF CONSULTANCY  | Start<br>Date | End Date | Expenditure                   |                              |
|--|---|---------------|----------|-------------------------------|------------------------------|
|  |   |               |          | 2013-14<br>(ex GST)<br>\$'000 | Future<br>(ex GST)<br>\$'000 |
| Angela Ballard   | Workplace Investigation                                       | Aug-13        | Feb-14   | 24                            | 0                            |
| Aspex Consulting Pty Ltd                                   | Residential Aged Care Study                                   | May-14        | May-14   | 80                            | 0                            |
| Bartley Consulting Pty Ltd                                 | Carer Feedback Survey   | Mar-14        | Mar-14   | 14                            | 0                            |
| Best Practice Australia Pty Ltd                            | Staff Survey  | Jul-13        | Jul-13   | 17                            | 0                            |
| Corporate Services Axiom Pty Ltd                           | Workplace Climate Assessment                                  | Jul-13        | Jul-13   | 14                            | 0                            |
| Department of Transport, Planning and Local Infrastructure | Valuation of Bendigo Health Property Portfolio                | Feb-14        | Jun-14   | 47                            | 0                            |
| Golden City Support Services Inc                           | Mapping Natural Supports                                      | Feb-14        | May-14   | 16                            | 0                            |
| Katsieris Origami  | Architecural & Interior Design Work for BH Project            | Oct-13        | May-14   | 37                            | 9                            |
| Midnightsky Pty Ltd  | Psychiatric Services Model of Care                            | Feb-14        | Apr-14   | 12                            | 0                            |
| Moore Stephens Melbourne Pty Ltd                           | Provision of Probity Services - EMR Project                   | May-14        | May-14   | 20                            | 0                            |
| Paxton Consulting Pty Ltd                                  | Professional Services Rendered Relating to Milestone 1, 2 & 3 | Mar-14        | Jun-14   | 60                            | 0                            |
| People Potential Unlimited                                 | Respite Project   | Apr-14        | May-14   | 13                            | 0                            |

In 2013-2014, Bendigo Health engaged 17 consultancies where the total fees payable to the consultants were less than \$10,000, with a total expenditure of \$69,529 (excl GST).

## **Board Member's, Accountable Officer's, Chief Finance & Accounting Officer's Declaration**

We certify that the attached financial statements for Bendigo Health Care Group have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable *Financial Reporting Directions*, Australian Accounting Standards, Australian Accounting Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2014 and the financial position of Bendigo Health Care Group at 30 June 2014.

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

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



**Dr M Langdon**

Chair



**J D Mulder**

Chief Executive Officer



**A B Collins**

Chief Financial Officer

Dated the 22nd day of August 2014  
at Bendigo

## INDEPENDENT AUDITOR'S REPORT

### To the Board Members, Bendigo Health Care Group

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2014 of the Bendigo Health Care Group which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration has been audited.

#### *The Board Members' Responsibility for the Financial Report*

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on 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 Board Members, as well as evaluating the overall presentation of the financial report.

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

## Independent Auditor's Report (continued)

### *Independence*

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

### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Bendigo Health Care Group as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Financial Report*

This auditor's report relates to the financial report of the Bendigo Health Care Group for the year ended 30 June 2014 included both in the Bendigo Health Care Group's annual report and on the website. The Board Members of the Bendigo Health Care Group are responsible for the integrity of the Bendigo Health Care Group's website. I have not been engaged to report on the integrity of the Bendigo Health Care Group's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE  
22 August 2014



Dr Peter Frost  
*Acting Auditor-General*

**Bendigo Health Care Group**  
**Comprehensive Operating Statement For the Year Ended 30 June 2014**

|   | Note | 2014<br>\$'000 | 2013<br>\$'000 |
|---|------|----------------|----------------|
| Revenue from Operating Activities   | 2    | 310,492        | 297,559        |
| Revenue from Non-operating Activities   | 2    | 10,633         | 11,502         |
| Employee Expenses   | 3    | (223,597)      | (216,207)      |
| Non Salary Labour Costs   | 3    | (10,867)       | (11,100)       |
| Supplies & Consumables  | 3    | (49,495)       | (47,048)       |
| Other Expenses  | 3    | (33,353)       | (32,413)       |
| Share of Net Result of Joint Venture  | 2    | (865)          | (685)          |
| <b>Net Result From Continuing Operations Before<br/>Capital &amp; Specific Items</b>    |      | <b>2,948</b>   | <b>1,608</b>   |
| Capital Purpose Income  | 2    | 11,042         | 11,303         |
| Depreciation  | 4    | (17,736)       | (18,980)       |
| Expenditure using Capital Purpose Income  | 3    | (4,738)        | (3,553)        |
| Share of Net Result of Joint Venture  | 2    | 123            | 320            |
| Assets Provided Free of Charge  | 2    | 702            | 2,796          |
| <b>NET RESULT FOR THE YEAR</b>  |      | <b>(7,659)</b> | <b>(6,506)</b> |
| <b>Other Comprehensive Income<br/>Items that will not be reclassified to net result</b> |      |                |                |
| Changes in physical asset revaluation surplus   | 15a  | 44,405         | 0              |
| <b>Total Other Comprehensive Income</b>   |      | <b>44,405</b>  | <b>0</b>       |
| <b>COMPREHENSIVE RESULT</b>   |      | <b>36,746</b>  | <b>(6,506)</b> |

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

**Bendigo Health Care Group**  
**Balance Sheet**  
**As at 30 June 2014**

|   | Note | 2014<br>\$'000 | 2013<br>\$'000 |
|---|------|----------------|----------------|
| <b>Current Assets</b>                           |      |                |                |
| Cash and Cash Equivalents                       | 5    | 14,390         | 20,127         |
| Receivables                                     | 6    | 8,098          | 9,306          |
| Other Financial Assets                          | 7    | 653            | 1,614          |
| Inventories                                     | 8    | 2,246          | 2,200          |
| Other Current Assets                            | 9    | 836            | 860            |
| <b>Total Current Assets</b>                     |      | <b>26,223</b>  | <b>34,107</b>  |
| <b>Non-Current Assets</b>                       |      |                |                |
| Receivables                                     | 6    | 9,078          | 8,286          |
| Property, Plant & Equipment                     | 10   | 229,511        | 193,397        |
| <b>Total Non-Current Assets</b>                 |      | <b>238,589</b> | <b>201,683</b> |
| <b>TOTAL ASSETS</b>                             |      | <b>264,812</b> | <b>235,790</b> |
| <b>Current Liabilities</b>                      |      |                |                |
| Payables  | 11   | 12,032         | 21,474         |
| Provisions                                      | 12   | 56,037         | 53,260         |
| Other Liabilities                               | 14   | 7,177          | 9,020          |
| <b>Total Current Liabilities</b>                |      | <b>75,246</b>  | <b>83,754</b>  |
| <b>Non-Current Liabilities</b>                  |      |                |                |
| Provisions                                      | 12   | 8,945          | 8,161          |
| <b>Total Non-Current Liabilities</b>            |      | <b>8,945</b>   | <b>8,161</b>   |
| <b>TOTAL LIABILITIES</b>                        |      | <b>84,191</b>  | <b>91,915</b>  |
| <b>NET ASSETS</b>                               |      | <b>180,621</b> | <b>143,875</b> |
| <b>EQUITY</b>                                   |      |                |                |
| Property, Plant & Equipment Revaluation Surplus | 15a  | 107,152        | 62,747         |
| Restricted Specific Purpose Surplus             | 15a  | 4,049          | 4,197          |
| Contributed Capital                             | 15b  | 99,040         | 99,040         |
| Accumulated Surpluses/(Deficits)                | 15c  | (29,620)       | (22,109)       |
| <b>TOTAL EQUITY</b>                             | 15d  | <b>180,621</b> | <b>143,875</b> |
| Contingent Liabilities and Contingent Assets    | 19   |                |                |
| Commitments for Expenditure                     | 18   |                |                |

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

**Bendigo Health Care Group**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2014**

|   |             | <b>Property,<br/>Plant &amp;<br/>Equipment<br/>Revaluation<br/>Surplus</b> | <b>Restricted<br/>Specific<br/>Purpose<br/>Surplus</b> | <b>Contributions<br/>by Owners</b> | <b>Accumulated<br/>Surplus/(Deficit)</b> | <b>Total</b>   |
|---|-------------|--|--|------------------------------------|--|----------------|
|   | <b>Note</b> | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b>                      | <b>\$'000</b>                            | <b>\$'000</b>  |
| <b>Balance at 1 July 2012</b>           |             | <b>62,747</b>  | <b>3,870</b>   | <b>99,040</b>                      | <b>(15,276)</b>                          | <b>150,381</b> |
| Net Result for the Year                 | 15c         | 0  | 0  | 0                                  | (6,506)                                  | (6,506)        |
| Transfer to accumulated surplus         | 15c         | 0  | 327  | 0                                  | (327)                                    | 0              |
| <b>Balance at 30th June 2013</b>        | 15d         | <b>62,747</b>  | <b>4,197</b>   | <b>99,040</b>                      | <b>(22,109)</b>                          | <b>143,875</b> |
| Net Result for the Year                 | 15c         | 0  | 0  | 0                                  | (7,659)                                  | (7,659)        |
| Other comprehensive income for the year | 15a         | 44,405   | 0  | 0                                  | 0  | 44,405         |
| Transfer to accumulated surplus         | 15c         | 0  | (148)  | 0                                  | 148                                      | 0              |
| <b>Balance at 30th June 2014</b>        | 15d         | <b>107,152</b>   | <b>4,049</b>   | <b>99,040</b>                      | <b>(29,620)</b>                          | <b>180,621</b> |

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

**Bendigo Health Care Group**  
**Cash Flow Statement**  
**For the Year Ended 30 June 2014**

|  | Note | 2014<br>\$'000  | 2013<br>\$'000  |
|--|------|-----------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |      |                 |                 |
| Operating Grants from Government                                 |      | 265,096         | 253,699         |
| Patient and Resident Fees Received                               |      | 25,135          | 22,803          |
| Private Practice Fees Received                                   |      | 875             | 844             |
| Donations and Bequests Received                                  |      | 388             | 324             |
| GST Received from/(paid to) ATO                                  |      | 7,294           | 6,711           |
| Recoupment from private practice for use of hospital facilities  |      | 21              | 18              |
| Interest Received  |      | 761             | 614             |
| Other Receipts   |      | 29,921          | 29,605          |
| Employee Expenses Paid   |      | (237,657)       | (224,855)       |
| Payments for Suppliers & Consumables                             |      | (50,852)        | (48,395)        |
| Other Payments   |      | (46,210)        | (31,572)        |
| <b>Cash Generated from Operations</b>                            |      | <b>(5,228)</b>  | <b>9,796</b>    |
| Capital Grants from Government                                   |      | 10,207          | 12,179          |
| Other Capital Receipts   |      | 1,153           | 789             |
| <b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>       | 16   | <b>6,132</b>    | <b>22,764</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |      |                 |                 |
| Purchase of Property, Plant & Equipment                          |      | (11,854)        | (14,638)        |
| Proceeds from Sale of Property, Plant & Equipment                |      | 325             | 346             |
| Purchase of Investments  |      | 0               | (20)            |
| <b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>       |      | <b>(11,529)</b> | <b>(14,312)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD</b> |      | <b>(5,397)</b>  | <b>8,452</b>    |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>            |      | <b>11,964</b>   | <b>3,512</b>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>                  | 5    | <b>6,567</b>    | <b>11,964</b>   |

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

## **Note 1: Summary of significant accounting policies**

These annual financial statements represent the audited general purpose financial statements for Bendigo Health Care Group for the period ending 30 June 2014. The purpose of the report is to provide users with information about the Bendigo Health Care Group's stewardship of resources entrusted to it.

### **(a) Statement of compliance**

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

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

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

The annual financial statements were authorised for issue by the Board of Bendigo Health Care Group on 22nd August 2014.

### **(b) Basis of accounting preparation and measurement**

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014, and the comparative information presented in these financial statements for the year ended 30 June 2013.

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

These financial statements are presented in Australian dollars, the functional and presentation currency of Bendigo Health Care Group.

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

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

- non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

Revaluations are made and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;

- available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised (i.e. other comprehensive income – items that may be reclassified subsequent to net result); and
- the fair value of assets other than land is generally based on their depreciated replacement value.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment, (refer to Note 1(k));
- superannuation expense (refer to Note 1(h); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(l)).

Consistent with AASB 13 *Fair Value Measurement*, Bendigo Health Care Group determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments, and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant FRDs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Bendigo Health Care Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Bendigo Health Care Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level

input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Bendigo Health Care Group's independent valuation agency.

### **(c) Reporting entity**

The financial statements include all the controlled activities of the Bendigo Health Care Group.

Its principal address is:  
Lucan Street  
Bendigo, Victoria, 3550

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

### **Objectives and funding**

Bendigo Health Care Group's overall objective is the provision of Health Services.

Bendigo Health Care Group is predominantly funded by accrual based grant funding for the provision of outputs.

### **(d) Principles of consolidation**

#### **Joint ventures**

Joint ventures are accounted for in accordance with the policy outlined in Note 1(k) financial assets.

Interests in jointly controlled assets or operations are not consolidated by Bendigo Health Care Group, but are accounted for in accordance with the policy outlined in Note 1(k) Financial Assets.

Details of joint venture are set out in Note 21.

### **(e) Scope and presentation of financial statements**

#### **Fund Accounting**

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

#### **Services Supported By Health Services Agreement and Services Supported By Hospital and Community Initiatives**

Activities classified as *Services Supported by Health Services Agreement* (HSA) are substantially funded by the Department of Health and includes Residential Aged

Care Services (RACS) and are also funded from other sources such as the Commonwealth, patients and residents, while *Services Supported by Hospital and Community Initiatives* (H&CI) are funded by the Bendigo Health Care Group's own activities or local initiatives and/or the Commonwealth.

### **Residential Aged Care Service**

The *Residential Aged Care Service* operations are an integral part of the Bendigo Health Care Group 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 statements.

### **Comprehensive operating statement**

The comprehensive operating statement includes the subtotal entitled 'net result before capital & specific items' to enhance the understanding of the financial performance of Bendigo Health Care Group. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, expenditure using capital purpose income and items of an unusual nature and amount such as specific income and expenses. The exclusion of these items is made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The 'net result before capital & specific items' is used by the management of Bendigo Health Care Group, the Department of Health and the Victorian Government to measure the ongoing operating performance of Health Services.

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

- ❖ capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer Note 1 (g)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided;
- ❖ specific income/expense, comprises the following items, where material:
  - Voluntary departure packages
  - Write-down of inventories
  - Non-current asset revaluation increments/decrements
  - Diminution/impairment of investments
  - Restructuring of operations (disaggregation/aggregation of Health Services)
  - Litigation settlements
  - Non-current assets lost or found
  - Forgiveness of loans
  - 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), which have been recognised in accordance with Notes 1 (j);
- ❖ Depreciation and amortisation, as described in Note 1 (h);
- ❖ Assets provided or received free of charge (refer to Notes 1 (g) and (h)); and
- ❖ Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

### **Balance sheet**

Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered/settled more than 12 months after reporting period), are disclosed in the notes where relevant.

### **Statement of changes in equity**

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income.

### **Cash flow statement**

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

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

### **Rounding**

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

Minor discrepancies in tables between totals and sum of components are due to rounding.

## **(f) Change in Accounting policies**

### **AASB 13 Fair Value Measurement**

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when Bendigo Health Care Group is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. Bendigo Health Care

Group has considered the specific requirements relating to highest and best use, valuation premise, and principal (or most advantageous) market. The methods, assumptions, processes and procedures for determining fair value were revised and adjusted where applicable. In light of AASB 13, Bendigo Health Care Group has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

AASB 13 has predominantly impacted the disclosures of Bendigo Health Care Group. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 *Financial Instruments: Disclosures*.

The disclosure requirements of AASB 13 apply prospectively and need not to be provided for comparative periods, before initial application. Consequently, comparatives of these disclosures have not been provided for 2012-13, except for financial instruments, of which the fair value disclosures are required under AASB 7 *Financial Instruments Disclosures*.

### **AASB 119 Employee Benefits**

In 2013-14, Bendigo Health Care Group has applied AASB 119 *Employee Benefits (Sep 2011, as amended)*, and related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the State's defined benefit liabilities in its financial statements, changes in defined benefit obligations and plan assets will have limited impact on Bendigo Health Care Group.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within 12 months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis. This change in measurement has not resulted in a material change as at 30 June 2014, and no change was required to comparative amounts for 2013.

### **(g) Income from transactions**

Income is recognised in accordance with AASB 118 *Revenue* and is recognised as to the extent that it is probable that the economic benefits will flow to Bendigo Health Care Group and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

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

**Government Grants and other transfers of income (other than contributions by owners)**

In accordance with AASB 1004 *Contributions*, government grants and other transfers of income (other than contributions by owners) are recognised as income when Bendigo Health Care Group gains control of the underlying assets irrespective of whether conditions are imposed on Bendigo Health Care Group's use of the contributions.

Contributions are deferred as income in advance when Bendigo Health Care Group has a present obligation to repay them and the present obligation can be reliably measured.

**Indirect Contributions from the Department of Health**

- Insurance is recognised as revenue following advice from the Department of Health.
- Long Service Leave (LSL) – Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 05/2013 (update for 2012-13).

**Patient and Resident Fees**

Patient fees are recognised as revenue at the time invoices are raised or accrued when a patient is discharged or service provided.

**Private Practice Fees**

Private practice fees are recognised as revenue at the time invoices are raised or accrued when a patient is discharged or service provided.

**Revenue from commercial activities**

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

**Donations and Other Bequests**

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

**Dividend Revenue**

Dividend revenue is recognised when the right to receive payment is established.

**Interest Revenue**

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

**Sale of investments**

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

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

Resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether

restrictions or conditions are imposed over the use of the contributions, unless received from another Health Service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the service would have been purchased if not received as a donation.

### **(h) Expense recognition**

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

#### **Cost of goods sold**

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

#### **Employee expenses**

Employee expenses include:

- wages and salaries;
- annual leave;
- sick leave;
- long service leave; and
- superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

#### ***Defined contribution superannuation plans***

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

#### ***Defined benefit superannuation plans***

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

Employees of Bendigo Health Care Group are entitled to receive superannuation benefits and Bendigo Health Care Group 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 the Bendigo Health Care Group are disclosed in Note 13: *Superannuation*.

## Depreciation

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

Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives, residual value and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health. Assets with a cost in excess of \$1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

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

|   | <b>2014</b>   | <b>2013</b>    |
|---|---------------|----------------|
| Buildings                                     |               |                |
| - Structure Shell Building Fabric             | 28-60 years   | 45 to 60 years |
| - Site Engineering Services and Central Plant | 40 years      | 20 to 30 years |
| Central Plant                                 |               |                |
| - Fit Out                                     | 25 years      | 20 to 30 years |
| - Trunk Reticulated Building Systems          | 30 years      | 30 to 40 years |
| Plant & Equipment                             | 4 to 20 years | 3 to 7 years   |
| Medical Equipment                             | 4 to 20 years | 7 to 10 years  |
| Computers and Communication                   | 4 years       | 3 years        |
| Furniture and Fitting                         | 15 years      | 13 years       |
| Motor Vehicles                                | 7 years       | 10 years       |

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

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

## Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include:

### Supplies and consumables

Supplies and services costs which are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

### Bad and doubtful debts

Refer to Note 1 (k) *Impairment of financial assets*.

**Fair value of assets, services and resources provided free of charge or for nominal consideration**

Contributions of resources provided 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 agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer will be recognised at its 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.

**(i) Other comprehensive income**

Other comprehensive income measures the change in volume or value of assets or liabilities that do not result from transactions.

**Net gain/ (loss) on non-financial assets**

Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

**Revaluation gains/ (losses) of non-financial physical assets**

Refer to Note 1(k) *Revaluations of non-financial physical assets*.

**Net gain/ (loss) on disposal of non-financial assets**

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is the difference between the proceeds and the carrying value of the asset at the time.

**Revaluations of financial instrument at fair value**

Refer to Note 1 (j) *Financial instruments*.

**Share of net profits/ (losses) of associates and joint entities, excluding dividends.**

Refer to Note 1 (d) *Basis of consolidation*.

**Other gains/ (losses) from other comprehensive income**

Other gains/ (losses) include:

- a. the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- b. transfer of amounts from the reserves to accumulated surplus or net result due to disposal or derecognition or reclassification.

**(j) Financial instruments**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Bendigo Health Care Group's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and

financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

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

The following refers to financial instruments unless otherwise stated.

### ***Categories of non-derivative financial instruments***

#### **Financial assets and liabilities at fair value through profit or loss**

Financial assets are categorised as fair value through profit or loss at trade date if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed by the Health Service concerned based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies.

Financial instruments at fair value through profit or loss are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other comprehensive income. Any dividend or interest on a financial asset is recognised in the net result for the year.

#### ***Reclassification of financial instruments at fair value through profit or loss***

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

#### **Loans and receivables**

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

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

#### **Available-for-sale financial assets**

Available-for-sale financial instrument assets are those designated as available-for-sale or not classified in any other category of financial instrument asset. Such assets are initially recognised at fair value. Subsequent to initial recognition, gains and losses arising from changes in fair value are recognised in 'other comprehensive income' 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 net result for the period. Fair value is determined in the manner described in Note 17.

### **Financial liabilities at amortised cost**

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments 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.

Financial instrument liabilities measured at amortised cost include all of Bendigo Health Care Group's contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

## **(k) Assets**

### **Cash and Cash Equivalents**

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet.

### **Receivables**

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables; and
- statutory receivables, which includes predominantly amounts owing from the Victorian Government and Goods and Services Tax ("GST") input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

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

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

## **Investments and other financial assets**

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

Investments are classified in the following categories:

- financial assets at fair value through profit or loss;
- loans and receivables; and
- available-for-sale financial assets.

Bendigo Health Care Group 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.

Bendigo Health Care Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

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

## **Inventories**

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

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

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

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

## **Property, plant and equipment**

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

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

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

apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

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

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

***Restrictive nature of cultural and heritage assets, Crown land and infrastructure assets***

During the reporting period, Bendigo Health Care Group may hold cultural assets, heritage assets, Crown land and infrastructure assets.

Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. The nature of these assets means that there are certain limitations and restrictions imposed on their use and/or disposal.

**Revaluations of non-current physical assets**

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

Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

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

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

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

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

In accordance with FRD 103E, Bendigo Health Care Group's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

## **Prepayments**

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

## **Disposal of non-financial assets**

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

## **Impairment of non-financial assets**

All non-financial assets are assessed annually for indications of impairment, except for inventories.

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

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

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

## **Investments in jointly controlled assets and operations**

In respect of any interest in jointly controlled assets, Bendigo Health Care Group recognises in the financial statements:

- its share of jointly controlled assets;
- any liabilities that it had incurred;
- its share of liabilities incurred jointly by the joint venture;
- any income earned from the selling or using of its share of the output from the joint venture; and
- any expenses incurred in relation to being an investor in the joint venture.

For jointly controlled operations Bendigo Health Care Group recognises:

- the assets that it controls;
- the liabilities that it incurs;
- expenses that it incurs; and
- the share of income that it earns from selling outputs of the joint venture

### **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Bendigo Health Care Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Bendigo Health Care Group has transferred its rights to receive cash flows from the asset and either:
  - (a) has transferred substantially all the risks and rewards of the asset; or
  - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

### **Impairment of financial assets**

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

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

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

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

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

### **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.

## **(I) Liabilities**

### **Payables**

Payables consist of:

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

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

### **Provisions**

Provisions are recognised when Bendigo Health Care Group 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 liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

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

### **Employee benefits**

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

#### ***Wages and salaries, annual leave, sick leave and accrued days off***

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

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

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

### ***Long service leave (LSL)***

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

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

The components of this current LSL liability are measured at:

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

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

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

### ***Termination benefits***

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

Bendigo Health Care Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### ***On-costs***

Provisions for on-costs, such as payroll tax, workers compensation and superannuation are recognised together with provisions for employee benefits.

### ***Superannuation liabilities***

The Bendigo Health Care Group does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Health Service has no legal or

constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

## **(m) Leases**

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

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

For service concession arrangements, the commencement of the lease term is deemed to be the date the asset is commissioned.

All other leases are classified as operating leases.

### **Operating leases**

#### ***Entity as lessor***

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

#### ***Entity as lessee***

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. Leased asset are not recognised in the balance sheet.

#### ***Lease Incentives***

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

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

#### ***Leasehold Improvements***

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

## **(n) Equity**

### **Contributed capital**

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119A *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 to or distributions by owners that have been designated as contributed capital are also treated as contributed capital.

### **Property, plant & equipment revaluation surplus**

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

### **Financial asset available-for-sale revaluation surplus**

The available-for-sale revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold that portion of the surplus which relates to that financial asset is effectively realised, and is recognised in the comprehensive operating statement. Where a revalued financial asset is impaired that portion of the surplus which relates to that financial asset is recognised in the comprehensive operating statement.

### **Specific restricted purpose surplus**

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

## **(o) Commitments**

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to note 18) at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

## **(p) Contingent assets and contingent liabilities**

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

## **(q) Goods and Services Tax ("GST")**

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

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

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

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

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

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2014 reporting period. DTF assesses the impact of all these new standards and advises the Health Service of their applicability and early adoption where applicable.

As at 30 June 2014, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Bendigo Health Care Group has not and does not intend to adopt these standards early.

| <i>Standard/Interpretation</i>                   | <i>Summary</i>  | <i>Applicable for annual reporting periods beginning on</i> | <i>Impact on public sector entity financial statements</i>   |
|--|---|---|--|
| <i>AASB 9 Financial Instruments</i>              | This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).   | 1 Jan 2017  | The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss.<br><br>While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed. |
| <i>AASB 10 Consolidated Financial Statements</i> | This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors. | 1 Jan 2014 (not-for-profit entities)                        | For the public sector, AASB 10 builds on the control guidance that existed in AASB 127 and Interpretation 112 and is not expected to change which entities need to be consolidated.<br><br>Ongoing work is being done to monitor and assess the impact of this standard.   |

**Bendigo Health Care Group**  
**Notes to the financial statements**  
30 June 2014

| <i>Standard/Interpretation</i>                               | <i>Summary</i>   | <i>Applicable for annual reporting periods beginning on</i> | <i>Impact on public sector entity financial statements</i>  |
|--|--|---|---|
| <i>AASB 11 Joint Arrangements</i>                            | This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.                            | 1 Jan 2014 (not-for-profit entities)                        | Based on current assessment, entities already apply the equity method when accounting for joint ventures. It is anticipated that there would be no material impact. Ongoing work is being done to monitor and assess the impact of this standard. |
| <i>AASB 12 Disclosure of Interests in Other Entities</i>     | This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures. | 1 Jan 2014 (not-for-profit entities)                        | The new standard is likely to require additional disclosures and ongoing work is being done to determine the extent of additional disclosure required.  |
| <i>AASB 127 Separate Financial Statements</i>                | This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.  | 1 Jan 2014 (not-for-profit entities)                        | Current assessment indicates that there is limited impact on Victorian Public Sector entities. Ongoing work is being done to monitor and assess the impact of this standard.  |
| <i>AASB 128 Investments in Associates and Joint Ventures</i> | This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.   | 1 Jan 2014 (not-for-profit entities)                        | Current assessment indicates that there is limited impact on Victorian Public Sector entities. Ongoing work is being done to monitor and assess the impact of this standard.  |

**(s) Category groups**

Bendigo Health Care Group 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.

**Mental Health Services (Mental Health)** comprises all recurrent health revenue/expenditure on specialised mental Health Services (child and adolescent, general and adult, community and forensic) managed or funded by the state or territory health administrations, and includes: Admitted patient services (including forensic

mental health), outpatient services, emergency department services (where it is possible to separate emergency department mental Health Services), community-based services, residential and ambulatory services.

**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 psychogeriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from DH under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health funded community care units (CCUs) and secure extended care units (SECs).

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 2: Revenue**

|   | <b>HSA<br/>2014<br/>\$'000</b> | <b>HSA<br/>2013<br/>\$'000</b> | <b>H&amp;CI<br/>2014<br/>\$'000</b> | <b>H&amp;CI<br/>2013<br/>\$'000</b> | <b>Total<br/>2014<br/>\$'000</b> | <b>Total<br/>2013<br/>\$'000</b> |
|---|--------------------------------|--------------------------------|-------------------------------------|-------------------------------------|----------------------------------|----------------------------------|
| <b>Revenue from Operating Activities</b>                          |                                |                                |                                     |                                     |                                  |                                  |
| Government Grants   |                                |                                |                                     |                                     |                                  |                                  |
| - Department of Health  | 69,595                         | 138,021                        | 0                                   | 0                                   | 69,595                           | 138,021                          |
| - Victorian Health Fund Pool                                      | 162,977                        | 84,778                         | 0                                   | 0                                   | 162,977                          | 84,778                           |
| - Department of Human Services                                    | 3,881                          | 3,701                          | 0                                   | 0                                   | 3,881                            | 3,701                            |
| - Dental Health Services Victoria                                 | 4,980                          | 3,639                          | 0                                   | 0                                   | 4,980                            | 3,639                            |
| - State Government - Other  | 2                              | 1                              | 0                                   | 0                                   | 2                                | 1                                |
| - Commonwealth Government   |                                |                                |                                     |                                     |                                  |                                  |
| - Residential Aged Care Subsidy                                   | 17,235                         | 17,558                         | 0                                   | 0                                   | 17,235                           | 17,558                           |
| - Other   | 6,380                          | 6,576                          | 0                                   | 0                                   | 6,380                            | 6,576                            |
| <b>Total Government Grants</b>                                    | <b>265,050</b>                 | <b>254,274</b>                 | <b>0</b>                            | <b>0</b>                            | <b>265,050</b>                   | <b>254,274</b>                   |
| Indirect Contributions by Department of Health                    |                                |                                |                                     |                                     |                                  |                                  |
| - Insurance   | 231                            | 268                            | 0                                   | 0                                   | 231                              | 268                              |
| - Long Service Leave  | 842                            | 1,453                          | 0                                   | 0                                   | 842                              | 1,453                            |
| <b>Total Indirect Contributions by Department of Health</b>       | <b>1,073</b>                   | <b>1,721</b>                   | <b>0</b>                            | <b>0</b>                            | <b>1,073</b>                     | <b>1,721</b>                     |
| Patient and Resident Fees   |                                |                                |                                     |                                     |                                  |                                  |
| - Patient and Resident Fees (refer note 2b)                       | 11,683                         | 11,869                         | 0                                   | 0                                   | 11,683                           | 11,869                           |
| - Residential Aged Care (refer note 2b)                           | 6,215                          | 6,201                          | 0                                   | 0                                   | 6,215                            | 6,201                            |
| <b>Total Patient and Resident Fees</b>                            | <b>17,898</b>                  | <b>18,070</b>                  | <b>0</b>                            | <b>0</b>                            | <b>17,898</b>                    | <b>18,070</b>                    |
| Business Units & Specific Purpose Funds                           |                                |                                |                                     |                                     |                                  |                                  |
| - Laboratory Medicine   | 402                            | 429                            | 0                                   | 0                                   | 402                              | 429                              |
| - Diagnostic Imaging  | 9                              | 254                            | 0                                   | 0                                   | 9                                | 254                              |
| <b>Total Business Units &amp; Specific Purpose Funds</b>          | <b>411</b>                     | <b>683</b>                     | <b>0</b>                            | <b>0</b>                            | <b>411</b>                       | <b>683</b>                       |
| Recoupment from Private Practice for Use of Hospital Facilities   | 850                            | 817                            | 0                                   | 0                                   | 850                              | 817                              |
| Interest and Dividends  | 761                            | 614                            | 0                                   | 0                                   | 761                              | 614                              |
| Share of Net Result of Joint Venture (refer note 21)              | (865)                          | (685)                          | 0                                   | 0                                   | (865)                            | (685)                            |
| Other Revenue from Operating Activities                           | 24,449                         | 21,380                         | 0                                   | 0                                   | 24,449                           | 21,380                           |
| <b>Total Revenue from Operating Activities</b>                    | <b>309,627</b>                 | <b>296,874</b>                 | <b>0</b>                            | <b>0</b>                            | <b>309,627</b>                   | <b>296,874</b>                   |
| <b>Revenue from Non-Operating Activities</b>                      |                                |                                |                                     |                                     |                                  |                                  |
| Interest and Dividends  | 0                              | 0                              | 2                                   | 2                                   | 2                                | 2                                |
| Other Revenue from Non-Operating Activities                       | 0                              | 0                              | 10,631                              | 11,500                              | 10,631                           | 11,500                           |
| <b>Total Revenue from Non-Operating Activities</b>                | <b>0</b>                       | <b>0</b>                       | <b>10,633</b>                       | <b>11,502</b>                       | <b>10,633</b>                    | <b>11,502</b>                    |
| <b>Capital Purpose Income</b>                                     |                                |                                |                                     |                                     |                                  |                                  |
| State Government Capital Grants                                   |                                |                                |                                     |                                     |                                  |                                  |
| - Targeted Capital Works and Equipment                            | 10,207                         | 12,179                         | 0                                   | 0                                   | 10,207                           | 12,179                           |
| Net Gain/(Loss) on Disposal of Non-Current Assets (refer note 2c) | 0                              | 0                              | (285)                               | (1,639)                             | (285)                            | (1,639)                          |
| Assets Received Free of Charge (refer note 2d)                    | 0                              | 0                              | 702                                 | 2,796                               | 702                              | 2,796                            |
| Share of Net Result of Joint Venture (refer note 21)              | 0                              | 0                              | 123                                 | 320                                 | 123                              | 320                              |
| Other Capital Purpose Income                                      | 0                              | 0                              | 1,120                               | 763                                 | 1,120                            | 763                              |
| <b>Total Capital Purpose Income</b>                               | <b>10,207</b>                  | <b>12,179</b>                  | <b>1,660</b>                        | <b>2,240</b>                        | <b>11,867</b>                    | <b>14,419</b>                    |
| <b>Total Revenue (refer to note 2a)</b>                           | <b>319,834</b>                 | <b>309,053</b>                 | <b>12,293</b>                       | <b>13,742</b>                       | <b>332,127</b>                   | <b>322,795</b>                   |

Indirect contributions by Department of Health:

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 2a: Analysis of Revenue by Source**

|  | <b>Admitted<br/>Patients<br/>2014<br/>\$'000</b> | <b>Outpatients<br/>2014<br/>\$'000</b> | <b>EDS<br/>2014<br/>\$'000</b> | <b>Ambulatory<br/>2014<br/>\$'000</b> | <b>Mental<br/>Health<br/>2014<br/>\$'000</b> | <b>RAC incl.<br/>Mental Health<br/>2014<br/>\$'000</b> | <b>Aged Care<br/>2014<br/>\$'000</b> | <b>Primary<br/>Health<br/>2014<br/>\$'000</b> | <b>Other<br/>2014<br/>\$'000</b> | <b>Total<br/>2014<br/>\$'000</b> |
|--|--|--|--------------------------------|---------------------------------------|--|--|--------------------------------------|---|----------------------------------|----------------------------------|
| <b>Revenue from Services Supported by Health Services Agreement</b>                |  |  |                                |                                       |  |  |                                      |   |                                  |                                  |
| Government Grants  | 100,152  | 13,100                                 | 18,876                         | 42,266                                | 40,936                                       | 17,414   | 13,404                               | 828   | 18,074                           | 265,050                          |
| Capital Purpose Income (refer note 2)  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 10,207                           | 10,207                           |
| Indirect contributions by Department of Health                                     | 394  | 61                                     | 74                             | 168                                   | 152  | 87   | 53                                   | 3   | 81                               | 1,073                            |
| Patient and Resident Fees (refer note 2b)  | 4,894  | 1,568                                  | 620                            | 2,930                                 | 422  | 6,215  | 632                                  | 0   | 617                              | 17,898                           |
| Business Units & Specific Purpose Funds  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 411                              | 411                              |
| Recoupment from Private Practice for Use of Hospital Facilities                    | 533  | 85                                     | 0                              | 7                                     | 56   | 0  | 0                                    | 0   | 169                              | 850                              |
| Interest and Dividends   | 277  | 43                                     | 52                             | 118                                   | 107  | 68   | 37                                   | 2   | 57                               | 761                              |
| Share of Net Result of Joint Venture (refer note 21)                               | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | (865)                            | (865)                            |
| Other Revenue from Operating Activities  | 7,549  | 2,600                                  | 1,649                          | 2,843                                 | 2,320  | 1,233  | 1,181                                | 76  | 4,998                            | 24,449                           |
| <b>Total Revenue from Services Supported by Health Services Agreement</b>          | <b>113,799</b>                                   | <b>17,457</b>                          | <b>21,271</b>                  | <b>48,332</b>                         | <b>43,993</b>                                | <b>25,017</b>  | <b>15,307</b>                        | <b>909</b>                                    | <b>33,749</b>                    | <b>319,834</b>                   |
| <b>Revenue from Services Supported by Hospital and Community Initiatives</b>       |  |  |                                |                                       |  |  |                                      |   |                                  |                                  |
| Interest and Dividends   | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 2                                | 2                                |
| Other Revenue from Non-Operating Activities  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 10,631                           | 10,631                           |
| Capital Purpose Income (refer note 2)  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 1,537                            | 1,537                            |
| Share of Net Result of Joint Venture (refer note 21)                               | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 123                              | 123                              |
| <b>Total Revenue from Services Supported by Hospital and Community Initiatives</b> | <b>0</b>   | <b>0</b>                               | <b>0</b>                       | <b>0</b>                              | <b>0</b>                                     | <b>0</b>   | <b>0</b>                             | <b>0</b>                                      | <b>12,293</b>                    | <b>12,293</b>                    |
| <b>Total Revenue</b>   | <b>113,799</b>                                   | <b>17,457</b>                          | <b>21,271</b>                  | <b>48,332</b>                         | <b>43,993</b>                                | <b>25,017</b>  | <b>15,307</b>                        | <b>909</b>                                    | <b>46,042</b>                    | <b>332,127</b>                   |

Indirect contributions by Department of Health:

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 2a: Analysis of Revenue by Source**

|  | <b>Admitted<br/>Patients<br/>2013<br/>\$'000</b> | <b>Outpatients<br/>2013<br/>\$'000</b> | <b>EDS<br/>2013<br/>\$'000</b> | <b>Ambulatory<br/>2013<br/>\$'000</b> | <b>Mental<br/>Health<br/>2013<br/>\$'000</b> | <b>RAC incl.<br/>Mental Health<br/>2013<br/>\$'000</b> | <b>Aged Care<br/>2013<br/>\$'000</b> | <b>Primary<br/>Health<br/>2013<br/>\$'000</b> | <b>Other<br/>2013<br/>\$'000</b> | <b>Total<br/>2013<br/>\$'000</b> |
|--|--|--|--------------------------------|---------------------------------------|--|--|--------------------------------------|---|----------------------------------|----------------------------------|
| <b>Revenue from Services Supported by Health Services Agreement</b>                |  |  |                                |                                       |  |  |                                      |   |                                  |                                  |
| Government Grants  | 97,856   | 9,646                                  | 17,963                         | 40,915                                | 40,141                                       | 17,529   | 12,913                               | 761   | 16,550                           | 254,274                          |
| Capital Purpose Income (refer note 2)  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 12,179                           | 12,179                           |
| Indirect contributions by Department of Health                                     | 645  | 72                                     | 117                            | 275                                   | 252  | 146  | 88                                   | 5   | 121                              | 1,721                            |
| Patient and Resident Fees (refer note 2b)  | 4,882  | 1,319                                  | 629                            | 3,444                                 | 409  | 6,200  | 617                                  | 0   | 570                              | 18,070                           |
| Business Units & Specific Purpose Funds  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 683                              | 683                              |
| Recoupment from Private Practice for Use of Hospital Facilities                    | 482  | 70                                     | 0                              | 0                                     | 66   | 0  | 0                                    | 0   | 199                              | 817                              |
| Interest and Dividends   | 227  | 25                                     | 41                             | 97                                    | 89   | 59   | 31                                   | 2   | 43                               | 614                              |
| Share of Net Result of Joint Venture (refer note 21)                               | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | (685)                            | (685)                            |
| Other Revenue from Operating Activities  | 7,197  | 1,204                                  | 1,382                          | 2,783                                 | 2,437  | 1,294  | 1,499                                | 64  | 3,520                            | 21,380                           |
| <b>Total Revenue from Services Supported by Health Services Agreement</b>          | <b>111,289</b>                                   | <b>12,336</b>                          | <b>20,132</b>                  | <b>47,514</b>                         | <b>43,394</b>                                | <b>25,228</b>  | <b>15,148</b>                        | <b>832</b>                                    | <b>33,180</b>                    | <b>309,053</b>                   |
| <b>Revenue from Services Supported by Hospital and Community Initiatives</b>       |  |  |                                |                                       |  |  |                                      |   |                                  |                                  |
| Interest and Dividends   | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 2                                | 2                                |
| Other Revenue from Non-Operating Activities  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 11,500                           | 11,500                           |
| Capital Purpose Income (refer note 2)  | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 1,920                            | 1,920                            |
| Share of Net Result of Joint Venture (refer note 21)                               | 0  | 0                                      | 0                              | 0                                     | 0  | 0  | 0                                    | 0   | 320                              | 320                              |
| <b>Total Revenue from Services Supported by Hospital and Community Initiatives</b> | <b>0</b>   | <b>0</b>                               | <b>0</b>                       | <b>0</b>                              | <b>0</b>                                     | <b>0</b>   | <b>0</b>                             | <b>0</b>                                      | <b>13,742</b>                    | <b>13,742</b>                    |
| <b>Total Revenue</b>   | <b>111,289</b>                                   | <b>12,336</b>                          | <b>20,132</b>                  | <b>47,514</b>                         | <b>43,394</b>                                | <b>25,228</b>  | <b>15,148</b>                        | <b>832</b>                                    | <b>46,922</b>                    | <b>322,795</b>                   |

Indirect contributions by Department of Health:

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

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

|   | <b>2014</b>   | <b>2013</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>Patient and Resident Fees Raised</b> |               |               |
| Acute                                   |               |               |
| – Inpatients                            | 4,181         | 4,180         |
| – Outpatients                           | 1,382         | 1,379         |
| Mental Health                           | 48            | 52            |
| Other                                   | 6,072         | 6,258         |
|   | <b>11,683</b> | <b>11,869</b> |
| Residential Aged Care                   |               |               |
| – Generic                               | 5,227         | 5,215         |
| – Mental Health                         | 988           | 986           |
| <b>Total</b>                            | <b>17,898</b> | <b>18,070</b> |

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

|   | <b>2014</b>   | <b>2013</b>    |
|---|---------------|----------------|
|   | <b>\$'000</b> | <b>\$'000</b>  |
| <b>Proceeds from Disposals of Non-Current Assets</b>        |               |                |
| Medical Equipment   | 1             | 45             |
| Motor Vehicles  | 324           | 294            |
| Computers and Communications                                | 0             | 7              |
| <b>Total Proceeds from Disposal of Non-Current Assets</b>   | <b>325</b>    | <b>346</b>     |
| <b>Less: Written Down Value of Non-Current Assets Sold</b>  |               |                |
| Buildings   | 0             | (1,438)        |
| Plant & Machinery   | (6)           | 0              |
| Medical Equipment   | (111)         | (113)          |
| Non Medical Equipment                                       | (3)           | 0              |
| Motor Vehicles  | (475)         | (407)          |
| Computers and Communications                                | (1)           | (27)           |
| Furniture & Fittings  | (14)          | 0              |
| <b>Total Written Down Value of Non-Current Assets Sold</b>  | <b>(610)</b>  | <b>(1,985)</b> |
| <b>Net gains/(losses) on Disposal of Non-Current Assets</b> | <b>(285)</b>  | <b>(1,639)</b> |

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

|   | <b>2014</b>   | <b>2013</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| During the reporting Period, the fair value of assets received free of charge was as follows: |               |               |
| Medical Equipment   | 702           | 46            |
| Land  | 0             | 2,750         |
| <b>Total</b>  | <b>702</b>    | <b>2,796</b>  |

Medical Equipment received was from BreastScreen Victoria as part of the transition of service to Bendigo Health Care Group for the continuation of breast screening services within the Loddon Mallee region.

**Bendigo Health Care Group**
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**
**Note 3: Expenses**

|   | <b>HSA</b>     | <b>HSA</b>     | <b>H&amp;CI</b> | <b>H&amp;CI</b> | <b>Total</b>   | <b>Total</b>   |
|---|----------------|----------------|-----------------|-----------------|----------------|----------------|
|   | <b>2014</b>    | <b>2013</b>    | <b>2014</b>     | <b>2013</b>     | <b>2014</b>    | <b>2013</b>    |
|   | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b>   | <b>\$'000</b>   | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>Employee Expenses</b>                              |                |                |                 |                 |                |                |
| Salaries & Wages                                      | 195,021        | 188,962        | 1,666           | 1,774           | 196,687        | 190,736        |
| WorkCover Premium                                     | 2,549          | 1,980          | 23              | 24              | 2,572          | 2,004          |
| Departure Packages                                    | 220            | 147            | 0               | 93              | 220            | 240            |
| Long Service Leave                                    | 5,542          | 5,836          | 66              | 66              | 5,608          | 5,902          |
| Superannuation  | 18,293         | 17,115         | 217             | 210             | 18,510         | 17,325         |
| <b>Total Employee Expenses</b>                        | <b>221,625</b> | <b>214,040</b> | <b>1,972</b>    | <b>2,167</b>    | <b>223,597</b> | <b>216,207</b> |
| <b>Non Salary Labour Costs</b>                        |                |                |                 |                 |                |                |
| Fees for Visiting Medical Officers                    | 4,400          | 3,832          | 0               | 0               | 4,400          | 3,832          |
| External Contract Staff                               | 6,467          | 7,267          | 0               | 1               | 6,467          | 7,268          |
| <b>Total Non Salary Labour Costs</b>                  | <b>10,867</b>  | <b>11,099</b>  | <b>0</b>        | <b>1</b>        | <b>10,867</b>  | <b>11,100</b>  |
| <b>Supplies &amp; Consumables</b>                     |                |                |                 |                 |                |                |
| Drug Supplies   | 11,910         | 11,456         | 0               | 0               | 11,910         | 11,456         |
| Medical, Surgical Supplies and Prosthesis             | 14,730         | 14,010         | 2               | 6               | 14,732         | 14,016         |
| Pathology Supplies                                    | 1,951          | 1,814          | 1               | 2               | 1,952          | 1,816          |
| Food Supplies   | 2,042          | 2,056          | 718             | 677             | 2,760          | 2,733          |
| Other Supplies & Consumables                          | 18,137         | 16,997         | 4               | 30              | 18,141         | 17,027         |
| <b>Total Supplies &amp; Consumables</b>               | <b>48,770</b>  | <b>46,333</b>  | <b>725</b>      | <b>715</b>      | <b>49,495</b>  | <b>47,048</b>  |
| <b>Other Expenses</b>                                 |                |                |                 |                 |                |                |
| Domestic Services & Supplies                          | 4,181          | 2,872          | 169             | 188             | 4,350          | 3,060          |
| Fuel, Light, Power and Water                          | 3,653          | 3,816          | 33              | 30              | 3,686          | 3,846          |
| Insurance costs funded by Department of Health        | 231            | 268            | 0               | 0               | 231            | 268            |
| Motor Vehicle Expenses                                | 939            | 946            | 7               | 0               | 946            | 946            |
| Repairs & Maintenance                                 | 2,357          | 2,120          | 54              | 63              | 2,411          | 2,183          |
| Maintenance Contracts                                 | 2,553          | 2,519          | 39              | 228             | 2,592          | 2,747          |
| Patient Transport                                     | 1,826          | 1,780          | 0               | 0               | 1,826          | 1,780          |
| Bad & Doubtful Debts                                  | 109            | 179            | 0               | 0               | 109            | 179            |
| Other Administrative Expenses                         | 16,761         | 17,104         | 78              | 54              | 16,839         | 17,158         |
| Audit Fees  |                |                |                 |                 |                |                |
| - VAGO - Audit of Financial Statements                | 60             | 55             | 0               | 0               | 60             | 55             |
| - Other   | 303            | 191            | 0               | 0               | 303            | 191            |
| <b>Total Other Expenses</b>                           | <b>32,973</b>  | <b>31,850</b>  | <b>380</b>      | <b>563</b>      | <b>33,353</b>  | <b>32,413</b>  |
| <b>Expenditure using Capital Purpose Income</b>       |                |                |                 |                 |                |                |
| Other Expenses  |                |                |                 |                 |                |                |
| - Other   | 0              | 0              | 4,738           | 3,553           | 4,738          | 3,553          |
| <b>Total Expenditure using Capital Purpose Income</b> | <b>0</b>       | <b>0</b>       | <b>4,738</b>    | <b>3,553</b>    | <b>4,738</b>   | <b>3,553</b>   |
| <b>Impairment of Assets</b>                           |                |                |                 |                 |                |                |
| Depreciation (refer note 4)                           | 17,736         | 18,980         | 0               | 0               | 17,736         | 18,980         |
| <b>Total Impairment of Assets</b>                     | <b>17,736</b>  | <b>18,980</b>  | <b>0</b>        | <b>0</b>        | <b>17,736</b>  | <b>18,980</b>  |
| <b>Total Expenses</b>                                 | <b>331,971</b> | <b>322,302</b> | <b>7,815</b>    | <b>6,999</b>    | <b>339,786</b> | <b>329,301</b> |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 3a: Analysis of Expenses by Source**

|   | <b>Admitted Patients</b> | <b>Outpatients</b> | <b>EDS</b>    | <b>Ambulatory</b> | <b>Mental Health</b> | <b>RAC incl. Mental Health</b> | <b>Aged Care</b> | <b>Primary Health</b> | <b>Other</b>  | <b>Total</b>   |
|---|--------------------------|--------------------|---------------|-------------------|----------------------|--------------------------------|------------------|-----------------------|---------------|----------------|
|   | <b>2014</b>              | <b>2014</b>        | <b>2014</b>   | <b>2014</b>       | <b>2014</b>          | <b>2014</b>                    | <b>2014</b>      | <b>2014</b>           | <b>2014</b>   | <b>2014</b>    |
|   | <b>\$'000</b>            | <b>\$'000</b>      | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b>        | <b>\$'000</b>                  | <b>\$'000</b>    | <b>\$'000</b>         | <b>\$'000</b> | <b>\$'000</b>  |
| <b>Services Supported by Health Services Agreement</b>  |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Employee Benefits   | 83,115                   | 8,379              | 18,381        | 28,956            | 37,170               | 21,104                         | 11,536           | 620                   | 12,364        | 221,625        |
| Non Salary Labour Costs   | 6,768                    | 553                | 346           | 853               | 1,525                | 325                            | 199              | 9                     | 289           | 10,867         |
| Supplies & Consumables  | 17,092                   | 2,719              | 2,017         | 10,548            | 4,855                | 2,107                          | 2,311            | 41                    | 7,081         | 48,771         |
| Other Expenses from Continuing Operations   | 11,996                   | 1,517              | 2,879         | 4,542             | 4,990                | 2,451                          | 1,843            | 71                    | 2,739         | 33,028         |
| <b>Total Expenses from Services Supported by Health Services Agreement</b>  | <b>118,971</b>           | <b>13,168</b>      | <b>23,623</b> | <b>44,899</b>     | <b>48,540</b>        | <b>25,987</b>                  | <b>15,889</b>    | <b>741</b>            | <b>22,473</b> | <b>314,291</b> |
| <b>Services Supported by Hospital and Community Initiatives</b>   |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Employee Benefits   | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 1,972         | 1,972          |
| Supplies & Consumables  | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 725           | 725            |
| Other Expenses from Continuing Operations   | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 380           | 380            |
| <b>Total Expense from Services Supported by Hospital and Community Initiatives</b>                                      | <b>0</b>                 | <b>0</b>           | <b>0</b>      | <b>0</b>          | <b>0</b>             | <b>0</b>                       | <b>0</b>         | <b>0</b>              | <b>3,077</b>  | <b>3,077</b>   |
| <b>Expenditure using Capital Purpose Income</b>   |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Other Expenses  | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 4,682         | 4,682          |
| <b>Total Expenses from Services Supported by Capital Resources</b>  | <b>0</b>                 | <b>0</b>           | <b>0</b>      | <b>0</b>          | <b>0</b>             | <b>0</b>                       | <b>0</b>         | <b>0</b>              | <b>4,682</b>  | <b>4,682</b>   |
| Depreciation (refer note 4)   | 6,714                    | 743                | 1,333         | 2,534             | 2,739                | 1,466                          | 897              | 42                    | 1,268         | 17,736         |
| <b>Total Expenditure from Services Supported by Health Services Agreement and by Hospital and Community Initiatives</b> | <b>6,714</b>             | <b>743</b>         | <b>1,333</b>  | <b>2,534</b>      | <b>2,739</b>         | <b>1,466</b>                   | <b>897</b>       | <b>42</b>             | <b>1,268</b>  | <b>17,736</b>  |
| <b>Total Expenses</b>   | <b>125,685</b>           | <b>13,911</b>      | <b>24,956</b> | <b>47,433</b>     | <b>51,279</b>        | <b>27,453</b>                  | <b>16,786</b>    | <b>783</b>            | <b>31,500</b> | <b>339,786</b> |

|   | <b>Admitted Patients</b> | <b>Outpatients</b> | <b>EDS</b>    | <b>Ambulatory</b> | <b>Mental Health</b> | <b>RAC incl. Mental Health</b> | <b>Aged Care</b> | <b>Primary Health</b> | <b>Other</b>  | <b>Total</b>   |
|---|--------------------------|--------------------|---------------|-------------------|----------------------|--------------------------------|------------------|-----------------------|---------------|----------------|
|   | <b>2013</b>              | <b>2013</b>        | <b>2013</b>   | <b>2013</b>       | <b>2013</b>          | <b>2013</b>                    | <b>2013</b>      | <b>2013</b>           | <b>2013</b>   | <b>2013</b>    |
|   | <b>\$'000</b>            | <b>\$'000</b>      | <b>\$'000</b> | <b>\$'000</b>     | <b>\$'000</b>        | <b>\$'000</b>                  | <b>\$'000</b>    | <b>\$'000</b>         | <b>\$'000</b> | <b>\$'000</b>  |
| <b>Services Supported by Health Services Agreement</b>  |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Employee Benefits   | 80,810                   | 7,437              | 17,324        | 27,252            | 36,627               | 21,084                         | 11,307           | 578                   | 11,621        | 214,040        |
| Non Salary Labour Costs   | 7,011                    | 463                | 439           | 893               | 1,178                | 397                            | 248              | 11                    | 459           | 11,099         |
| Supplies & Consumables  | 16,492                   | 2,349              | 1,917         | 10,358            | 4,593                | 2,151                          | 2,328            | 39                    | 6,106         | 46,333         |
| Other Expenses from Continuing Operations   | 11,511                   | 1,270              | 2,711         | 4,347             | 5,121                | 2,477                          | 1,844            | 63                    | 2,506         | 31,850         |
| <b>Total Expenses from Services Supported by Health Services Agreement</b>  | <b>115,824</b>           | <b>11,519</b>      | <b>22,391</b> | <b>42,850</b>     | <b>47,519</b>        | <b>26,109</b>                  | <b>15,727</b>    | <b>691</b>            | <b>20,692</b> | <b>303,322</b> |
| <b>Services Supported by Hospital and Community Initiatives</b>   |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Employee Benefits   | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 2,167         | 2,167          |
| Non Salary Labour Costs   | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 1             | 1              |
| Supplies & Consumables  | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 715           | 715            |
| Other Expenses from Continuing Operations   | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 563           | 563            |
| <b>Total Expense from Services Supported by Hospital and Community Initiatives</b>                                      | <b>0</b>                 | <b>0</b>           | <b>0</b>      | <b>0</b>          | <b>0</b>             | <b>0</b>                       | <b>0</b>         | <b>0</b>              | <b>3,446</b>  | <b>3,446</b>   |
| <b>Expenditure using Capital Purpose Income</b>   |                          |                    |               |                   |                      |                                |                  |                       |               |                |
| Other Expenses  | 0                        | 0                  | 0             | 0                 | 0                    | 0                              | 0                | 0                     | 3,553         | 3,553          |
| <b>Total Expenses from Services Supported by Capital Resources</b>  | <b>0</b>                 | <b>0</b>           | <b>0</b>      | <b>0</b>          | <b>0</b>             | <b>0</b>                       | <b>0</b>         | <b>0</b>              | <b>3,553</b>  | <b>3,553</b>   |
| Depreciation (refer note 4)   | 7,248                    | 721                | 1,401         | 2,681             | 2,973                | 1,634                          | 984              | 43                    | 1,295         | 18,980         |
| <b>Total Expenditure from Services Supported by Health Services Agreement and by Hospital and Community Initiatives</b> | <b>7,248</b>             | <b>721</b>         | <b>1,401</b>  | <b>2,681</b>      | <b>2,973</b>         | <b>1,634</b>                   | <b>984</b>       | <b>43</b>             | <b>1,295</b>  | <b>18,980</b>  |
| <b>Total Expenses</b>   | <b>123,072</b>           | <b>12,240</b>      | <b>23,792</b> | <b>45,531</b>     | <b>50,492</b>        | <b>27,743</b>                  | <b>16,711</b>    | <b>734</b>            | <b>28,986</b> | <b>329,301</b> |

**Bendigo Health Care Group**

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014

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

|                        | <b>2014</b>   | <b>2013</b>   |
|------------------------|---------------|---------------|
|                        | <b>\$'000</b> | <b>\$'000</b> |
| Catering               | 1,510         | 1,458         |
| Fundraising Activities | 457           | 480           |
| Research Trials        | 115           | 206           |
| Clinical Training      | 413           | 369           |
| Other                  | 582           | 933           |
| <b>Total</b>           | <b>3,077</b>  | <b>3,446</b>  |

**Note 4: Depreciation**

|                             | <b>2014</b>   | <b>2013</b>   |
|-----------------------------|---------------|---------------|
|                             | <b>\$'000</b> | <b>\$'000</b> |
| Buildings                   | 13,791        | 14,174        |
| Landscaping & Grounds       | 39            | 39            |
| Plant & Machinery           | 246           | 227           |
| Non-Medical Equipment       | 212           | 195           |
| Medical Equipment           | 2,311         | 2,317         |
| Computers and Communication | 521           | 1,507         |
| Furniture and Fittings      | 207           | 150           |
| Motor Vehicles              | 409           | 371           |
| <b>Total Depreciation</b>   | <b>17,736</b> | <b>18,980</b> |

**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.

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Cash on Hand                           | 27            | 30            |
| Cash at Bank                           | 9,562         | 16,792        |
| Deposits at Call                       | 4,801         | 3,305         |
| <b>Total Cash and Cash Equivalents</b> | <b>14,390</b> | <b>20,127</b> |

**Represented by:**

Cash for Health Service Operations (as per Cash Flow Statement)

|  |               |               |
|--|---------------|---------------|
|  | 6,567         | 11,964        |
| Cash for Monies Held in Trust          |               |               |
| - Cash on Hand                         | 11            | 11            |
| - Cash at Bank                         | 5,923         | 5,710         |
| - Deposits at Call                     | 534           | 1,534         |
|  | 6,468         | 7,255         |
| Cash for Joint Venture                 | 1,355         | 908           |
| <b>Total Cash and Cash Equivalents</b> | <b>14,390</b> | <b>20,127</b> |

**Note 6: Receivables**

|   | <b>2014</b>   | <b>2013</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>CURRENT</b>                            |               |               |
| <b>Contractual</b>                        |               |               |
| Trade Debtors                             | 272           | 291           |
| Patient Fees                              | 2,389         | 3,105         |
| Accrued Investment Income                 | 22            | 24            |
| Accrued Revenue - Other                   | 4,618         | 5,314         |
| Primary Care Clinic Loan                  | 25            | 0             |
| Less Allowance for Doubtful Debts         |               |               |
| Trade Debtors                             | (15)          | (32)          |
| Patient Fees                              | (188)         | (161)         |
|   | <b>7,123</b>  | <b>8,541</b>  |
| <b>Statutory</b>                          |               |               |
| GST Receivable                            | 975           | 765           |
|   | <b>975</b>    | <b>765</b>    |
| <b>Total Current Receivables</b>          | <b>8,098</b>  | <b>9,306</b>  |
| <b>NON CURRENT</b>                        |               |               |
| <b>Contractual</b>                        |               |               |
| Primary Care Clinic Advance               | 50            | 100           |
|   | <b>50</b>     | <b>100</b>    |
| <b>Statutory</b>                          |               |               |
| Department of Health - Long Service Leave | 9,028         | 8,186         |
|   | <b>9,028</b>  | <b>8,186</b>  |
| <b>Total Non-Current Receivables</b>      | <b>9,078</b>  | <b>8,286</b>  |
| <b>Total Receivables</b>                  | <b>17,176</b> | <b>17,592</b> |

**(a) Movement in allowance for doubtful debts**

|   | <b>2014</b>   | <b>2013</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Balance at beginning of year                              | 193           | 200           |
| Amounts written off during the year                       | (92)          | (186)         |
| Increase/(decrease) in allowance recognised in net result | 102           | 179           |
| <b>Balance at end of year</b>                             | <b>203</b>    | <b>193</b>    |

**(b) Ageing analysis of receivables**

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

**(c) Nature and extent of risk arising from receivables**

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

**Note 7: Investments and Other Financial Assets**

|   | <b>Operating Fund</b> |               | <b>Specific Purpose Fund</b> |               | <b>2014</b>   | <b>2013</b>   |
|---|-----------------------|---------------|------------------------------|---------------|---------------|---------------|
|   | <b>2014</b>           | <b>2013</b>   | <b>2014</b>                  | <b>2013</b>   |               |               |
|   | <b>\$'000</b>         | <b>\$'000</b> | <b>\$'000</b>                | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| <b>CURRENT</b>                                      |                       |               |                              |               |               |               |
| <b>Loans and Receivables</b>                        |                       |               |                              |               |               |               |
| Aust. Dollar Term Deposits > 3 months               | 20                    | 20            | 534                          | 1,534         | 554           | 1,554         |
| Others > 3 months                                   | 99                    | 60            | 0                            | 0             | 99            | 60            |
| <b>Total Current</b>                                | <b>119</b>            | <b>80</b>     | <b>534</b>                   | <b>1,534</b>  | <b>653</b>    | <b>1,614</b>  |
| <b>Represented by:</b>                              |                       |               |                              |               |               |               |
| Shares  | 99                    | 60            | 0                            | 0             | 99            | 60            |
| Heritage Council of Victoria                        | 20                    | 20            | 0                            | 0             | 20            | 20            |
| Monies Held in Trust                                |                       |               |                              |               |               |               |
| - Patient Monies                                    | 0                     | 0             | 160                          | 160           | 160           | 160           |
| - Accommodation Bonds (Refundable Entrance Fees)    | 0                     | 0             | 200                          | 200           | 200           | 200           |
| - Salary Packaging                                  | 0                     | 0             | 174                          | 174           | 174           | 174           |
| - HWA Clinical Training Fund Program                | 0                     | 0             | 0                            | 1,000         | 0             | 1,000         |
| <b>Total Investments and Other Financial Assets</b> | <b>119</b>            | <b>80</b>     | <b>534</b>                   | <b>1,534</b>  | <b>653</b>    | <b>1,614</b>  |

**(a) Ageing analysis of other financial assets**

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

**(b) 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**

|                                      | <b>2014</b>   | <b>2013</b>   |
|--------------------------------------|---------------|---------------|
|                                      | <b>\$'000</b> | <b>\$'000</b> |
| <b>CURRENT</b>                       |               |               |
| Pharmaceuticals - at cost            | 696           | 668           |
| Catering Supplies - at cost          | 70            | 53            |
| Medical and Surgical Lines - at cost | 1,059         | 1,082         |
| Gift Shop Stores - at cost           | 19            | 16            |
| Other                                | 402           | 381           |
| <b>Total Inventories</b>             | <b>2,246</b>  | <b>2,200</b>  |

**Note 9: Other Assets**

|                           | <b>2014</b>   | <b>2013</b>   |
|---------------------------|---------------|---------------|
|                           | <b>\$'000</b> | <b>\$'000</b> |
| Prepayments               | 836           | 860           |
| <b>Total Other Assets</b> | <b>836</b>    | <b>860</b>    |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 10: Property, Plant & Equipment**

**(a) Gross carrying amount and accumulated depreciation**

|   | <b>2014</b>    | <b>2013</b>    |
|---|----------------|----------------|
|   | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>Land</b>                                 |                |                |
| - Land at Cost                              | 0              | 1,870          |
| - Land at Fair Value                        | 19,240         | 14,430         |
| <b>Total Land</b>                           | <b>19,240</b>  | <b>16,300</b>  |
| <b>Buildings</b>                            |                |                |
| - Buildings at Cost                         | 0              | 46,560         |
| Less Accumulated Depreciation               | 0              | (3,053)        |
| - Buildings at Fair Value                   | 157,733        | 143,176        |
| Less Accumulated Depreciation               | 0              | (60,028)       |
| <b>Total Buildings</b>                      | <b>157,733</b> | <b>126,655</b> |
| <b>Landscaping &amp; Grounds</b>            |                |                |
| - Landscaping & Grounds at Fair Value       | 1,235          | 1,558          |
| Less Accumulated Depreciation               | 0              | (145)          |
| <b>Total Landscaping &amp; Grounds</b>      | <b>1,235</b>   | <b>1,413</b>   |
| <b>Plant and Machinery</b>                  |                |                |
| - Plant and Machinery at Fair Value         | 4,039          | 3,708          |
| Less Accumulated Depreciation               | (2,013)        | (1,798)        |
| <b>Total Plant and Machinery</b>            | <b>2,026</b>   | <b>1,910</b>   |
| <b>Medical Equipment</b>                    |                |                |
| - Medical Equipment at Fair Value           | 28,706         | 27,470         |
| Less Accumulated Depreciation               | (17,559)       | (16,868)       |
| <b>Total Medical Equipment</b>              | <b>11,147</b>  | <b>10,602</b>  |
| <b>Computers and Communication</b>          |                |                |
| - Computers and Communication at Fair Value | 15,297         | 15,242         |
| Less Accumulated Depreciation               | (13,841)       | (14,163)       |
| <b>Total Computers and Communications</b>   | <b>1,456</b>   | <b>1,079</b>   |
| <b>Furniture and Fittings</b>               |                |                |
| - Furniture and Fittings at Fair Value      | 676            | 1,487          |
| Less Accumulated Depreciation               | (356)          | (1,024)        |
| <b>Total Furniture and Fittings</b>         | <b>320</b>     | <b>463</b>     |
| <b>Motor Vehicles</b>                       |                |                |
| - Motor Vehicles at Fair Value              | 5,008          | 4,894          |
| Less Accumulated Depreciation               | (1,530)        | (1,337)        |
| <b>Total Motor Vehicles</b>                 | <b>3,478</b>   | <b>3,557</b>   |
| <b>Non-Medical Equipment</b>                |                |                |
| - Non-Medical Equipment at Fair Value       | 2,850          | 2,704          |
| Less Accumulated Depreciation               | (1,880)        | (1,683)        |
| <b>Total Non-Medical Equipment</b>          | <b>970</b>     | <b>1,021</b>   |
| <b>Work In Progress</b>                     |                |                |
| - Work In Progress at Cost                  | 31,906         | 30,397         |
| <b>Total Work In Progress</b>               | <b>31,906</b>  | <b>30,397</b>  |
| <b>Total</b>                                | <b>229,511</b> | <b>193,397</b> |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 10: Property, Plant & Equipment (Continued)**

**(b) 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<br>\$'000 | Buildings<br>\$'000 | Landscaping<br>& Grounds<br>\$'000 | Plant &<br>Machinery<br>\$'000 | Medical<br>Equipment<br>\$'000 | Computers &<br>Communications<br>\$'000 | Furniture &<br>Fittings<br>\$'000 | Motor<br>Vehicles<br>\$'000 | Non-Medical<br>Equipment<br>\$'000 | Work<br>In Progress<br>\$'000 | Total<br>\$'000 |
|---|----------------|---------------------|------------------------------------|--------------------------------|--------------------------------|---|-----------------------------------|-----------------------------|------------------------------------|-------------------------------|-----------------|
| <b>Balance at 1 July 2012</b>                         | 13,550         | 138,469             | 1,452                              | 2,083                          | 11,746                         | 2,358                                   | 595                               | 3,960                       | 775                                | 23,385                        | 198,373         |
| Additions   | 0              | 63                  | 0                                  | 54                             | 1,240                          | 259                                     | 18                                | 375                         | 441                                | 12,188                        | 14,638          |
| Disposals (refer note 2c)                             | 0              | (1,438)             | 0                                  | 0                              | (113)                          | (27)                                    | 0                                 | (407)                       | 0                                  | 0                             | (1,985)         |
| Jointly controlled Non-Current Assets (refer note 21) | 0              | 0                   | 0                                  | 0                              | 0                              | (4)                                     | 0                                 | 0                           | 0                                  | 0                             | (4)             |
| Assets Received Free of Charge (refer Note 2d)        | 2,750          | 0                   | 0                                  | 0                              | 46                             | 0                                       | 0                                 | 0                           | 0                                  | 0                             | 2,796           |
| Transfers from WIP                                    | 0              | 3,735               | 0                                  | 0                              | 0                              | 0                                       | 0                                 | 0                           | 0                                  | (5,176)                       | (1,441)         |
| Depreciation (refer note 4)                           | 0              | (14,174)            | (39)                               | (227)                          | (2,317)                        | (1,507)                                 | (150)                             | (371)                       | (195)                              | 0                             | (18,980)        |
| <b>Balance at 1 July 2013</b>                         | 16,300         | 126,655             | 1,413                              | 1,910                          | 10,602                         | 1,079                                   | 463                               | 3,557                       | 1,021                              | 30,397                        | 193,397         |
| Additions   | 0              | 0                   | 0                                  | 371                            | 2,115                          | 821                                     | 85                                | 806                         | 300                                | 7,356                         | 11,854          |
| Disposals (refer note 2c)                             | 0              | 0                   | 0                                  | (6)                            | (111)                          | (1)                                     | (14)                              | (475)                       | (3)                                | 0                             | (610)           |
| Revaluation Increments / (Decrements) (refer note 15) | 2,940          | 41,605              | (140)                              | 0                              | 0                              | 0                                       | 0                                 | 0                           | 0                                  | 0                             | 44,405          |
| Jointly controlled Non-Current Assets (refer note 21) | 0              | 0                   | 0                                  | 0                              | 0                              | 82                                      | 0                                 | 0                           | 0                                  | 0                             | 82              |
| Assets Received Free of Charge (refer Note 2d)        | 0              | 0                   | 0                                  | 0                              | 702                            | 0                                       | 0                                 | 0                           | 0                                  | 0                             | 702             |
| Transfers from WIP                                    | 0              | 3,264               | 0                                  | 0                              | 0                              | 0                                       | 0                                 | 0                           | 0                                  | (5,847)                       | (2,583)         |
| Net Transfers between Classes                         | 0              | 0                   | 1                                  | (3)                            | 150                            | (4)                                     | (7)                               | (1)                         | (136)                              | 0                             | 0               |
| Depreciation (refer note 4)                           | 0              | (13,791)            | (39)                               | (246)                          | (2,311)                        | (521)                                   | (207)                             | (409)                       | (212)                              | 0                             | (17,736)        |
| <b>Balance at 30 June 2014</b>                        | 19,240         | 157,733             | 1,235                              | 2,026                          | 11,147                         | 1,456                                   | 320                               | 3,478                       | 970                                | 31,906                        | 229,511         |

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 is 30th June 2014.

In May 2013 the Victorian State Government appointed a consortium to redevelop Bendigo Health. Construction commenced in late 2013 and be completed in late 2016.

To facilitate the construction of the new hospital, a number of existing buildings were required to be decommissioned and written-off and others have accelerated depreciation applied to properly reflect their shortened useful lives. This has been taken into account within the valuation.

It has been determined under the contract terms of the redevelopment that the new Bendigo Hospital will not be recognised as an asset until completion which is expected to take place in the 2016/17 financial year.

**Note 10: Property, Plant & Equipment (Continued)**

**(c) Fair value measurement hierarchy for assets as at 30 June 2014**

|  | Carrying amount<br>as at 30 June<br>2014 | Fair value measurement at end of<br>reporting period using: |                        |                        |
|--|--|---|------------------------|------------------------|
|  |  | Level 1 <sup>(i)</sup>                                      | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| <b>Land at fair value</b>                                |  |   |                        |                        |
| Non-specialised land                                     | 6,822                                    | 0   | 6,822                  | <b>0</b>               |
| Specialised land   | 12,418                                   | 0   | 0                      | 12,418                 |
| <b>Total of Land at fair value</b>                       | <b>19,240</b>                            | <b>0</b>  | <b>6,822</b>           | <b>12,418</b>          |
| <b>Buildings at fair value</b>                           |  |   |                        |                        |
| Non-specialised buildings                                | 4,518                                    | 0   | 4,518                  | 0                      |
| Specialised buildings                                    | 153,215                                  | 0   | 0                      | 153,215                |
| <b>Total of Buildings at fair value</b>                  | <b>157,733</b>                           | <b>0</b>  | <b>4,518</b>           | <b>153,215</b>         |
| <b>Land Improvements at fair value</b>                   |  |   |                        |                        |
| Specialised land improvements                            | 1,235                                    | <b>0</b>  | <b>0</b>               | 1,235                  |
| <b>Total of Land Improvements at fair value</b>          | <b>1,235</b>                             | <b>0</b>  | <b>0</b>               | <b>1,235</b>           |
| <b>Plant and Machinery at fair value</b>                 |  |   |                        |                        |
| Plant and Machinery at fair value                        | 2,026                                    | 0   | 0                      | 2,026                  |
| <b>Total of Plant and Machinery at fair value</b>        | <b>2,026</b>                             | <b>0</b>  | <b>0</b>               | <b>2,026</b>           |
| <b>Medical Equipment at fair value</b>                   |  |   |                        |                        |
| Medical Equipment  | 11,147                                   | 0   | 0                      | 11,147                 |
| <b>Total Medical Equipment at fair value</b>             | <b>11,147</b>                            | <b>0</b>  | <b>0</b>               | <b>11,147</b>          |
| <b>Computers &amp; Communication at fair value</b>       |  |   |                        |                        |
| Computers & Communication                                | 1,456                                    | 0   | 0                      | 1,456                  |
| <b>Total Computers &amp; Communication at fair value</b> | <b>1,456</b>                             | <b>0</b>  | <b>0</b>               | <b>1,456</b>           |
| <b>Furniture &amp; Fittings at fair value</b>            |  |   |                        |                        |
| Furniture & Fittings                                     | 320                                      | 0   | 0                      | 320                    |
| <b>Total Furniture &amp; Fittings at fair value</b>      | <b>320</b>                               | <b>0</b>  | <b>0</b>               | <b>320</b>             |
| <b>Motor Vehicles at fair value</b>                      |  |   |                        |                        |
| Motor Vehicles   | 3,478                                    | 0   | 0                      | 3,478                  |
| <b>Total Motor Vehicles at fair value</b>                | <b>3,478</b>                             | <b>0</b>  | <b>0</b>               | <b>3,478</b>           |
| <b>Non-Medical Equipment at fair value</b>               |  |   |                        |                        |
| Non-Medical Equipment                                    | 970                                      | 0   | 0                      | 970                    |
| <b>Total Non-Medical Equipment at fair value</b>         | <b>970</b>                               | <b>0</b>  | <b>0</b>               | <b>970</b>             |
|  | <b>197,605</b>                           | <b>0</b>  | <b>11,340</b>          | <b>186,265</b>         |

<sup>(i)</sup> Classified in accordance with the fair value hierarchy, see Note 1  
There have been no transfers between levels during the period.

**Note 10: Property, Plant & Equipment (Continued)**

**Non-specialised land and non-specialised buildings**

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by independent valuers *Countrywide Valuers* on behalf of the *Valuer-General Victoria* to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

**Specialised land , specialised buildings and specialised land improvements**

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

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

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

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

**Motor Vehicles**

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

**Other Non-Financial Assets - Plant & Machinery, Medical Equipment, Furniture & Fitting, Computers & Communication, Non-Medical Equipment**

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

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 10: Property, Plant & Equipment (Continued)**

**(d) Reconciliation of Level 3 fair value**

|  | <b>Land<br/>\$ '000</b> | <b>Buildings<br/>\$ '000</b> | <b>Land<br/>Improvements<br/>\$ '000</b> | <b>Plant and<br/>Machinery<br/>\$ '000</b> | <b>Medical<br/>Equipment<br/>\$ '000</b> | <b>Computers &amp;<br/>Communication<br/>\$ '000</b> | <b>Furniture &amp;<br/>Fittings<br/>\$ '000</b> | <b>Motor<br/>Vehicles<br/>\$ '000</b> | <b>Non Medical<br/>Equipment<br/>\$ '000</b> |
|--|-------------------------|------------------------------|--|--|--|--|---|---------------------------------------|--|
| <b>Opening Balance</b>                         | 10,275                  | 136,704                      | 1,413                                    | 1,910                                      | 10,602                                   | 1,079  | 463   | 3,557                                 | 1,021  |
| <b>Purchases (sales)</b>                       | 0                       | 0                            | 0  | 362  | 2,856                                    | 898  | 64  | 330                                   | 161  |
| Gains or losses recognised in net result       |                         |                              |  |  |  |  |   |                                       |  |
| - Depreciation                                 | 0                       | (34,351)                     | (39)                                     | (246)                                      | (2,311)                                  | (521)  | (207)   | (409)                                 | (212)  |
| <b>Subtotal</b>                                | <b>10,275</b>           | <b>102,353</b>               | <b>1,374</b>                             | <b>2,026</b>                               | <b>11,147</b>                            | <b>1,456</b>   | <b>320</b>                                      | <b>3,478</b>                          | <b>970</b>                                   |
| Items recognised in other comprehensive income |                         |                              |  |  |  |  |   |                                       |  |
| - Revaluation                                  | 2,143                   | 50,862                       | (139)                                    | 0  | 0  | 0  | 0   | 0                                     | 0  |
| <b>Subtotal</b>                                | <b>2,143</b>            | <b>50,862</b>                | <b>(139)</b>                             | <b>0</b>                                   | <b>0</b>                                 | <b>0</b>   | <b>0</b>  | <b>0</b>                              | <b>0</b>                                     |
| <b>Closing Balance</b>                         | <b>12,418</b>           | <b>153,215</b>               | <b>1,235</b>                             | <b>2,026</b>                               | <b>11,147</b>                            | <b>1,456</b>   | <b>320</b>                                      | <b>3,478</b>                          | <b>970</b>                                   |

There have been no transfers between levels during the period.

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 10: Property, Plant & Equipment (Continued)**

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

|   | <b>Valuation technique</b>   | <b>Significant unobservable inputs</b>                               | <b>Range (weighted average)</b>                               | <b>Sensitivity of fair value measurement to changes in significant unobservable inputs</b>  |
|---|------------------------------|--|---|---|
| <b>Specialised land</b>                       | Market approach              | Community Service Obligation (CSO) adjustment                        | 20% (i)   | A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value  |
| <b>Specialised buildings</b>                  | Depreciated replacement cost | Direct cost per square metre<br>Useful life of specialised buildings | \$250 - \$3,985/m2 (\$2,076)<br>1 - 49 years (23 years)       | A significant increase or decrease in direct cost per square meter adjustment would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation. |
| <b>Landscaping &amp; Grounds</b>              | Depreciated replacement cost | Direct replacement cost<br>Useful life of Landscaping & Grounds      | \$3,000 - \$360,000<br>1 - 49 years (23 years)                | A significant increase or decrease in direct cost would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.                             |
| <b>Plant &amp; Machinery</b>                  | Depreciated replacement cost | Cost per unit<br>Useful life of PPE                                  | \$1,000 - \$784,000 (\$332,000)<br>4-20 years (15 years)      | A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.                           |
| <b>Motor Vehicles</b>                         | Depreciated replacement cost | Cost per unit<br>Useful life of vehicles                             | \$3,000-\$76,000 (\$29,500 per unit)<br>3 - 8 years (7 years) | A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.                           |
| <b>Medical equipment at fair value</b>        | Depreciated replacement cost | Cost per unit<br>Useful life of medical equipment                    | \$1,000 - \$1,990,000 (\$307,000)<br>4-20 years (10 years)    | Increase (decrease) in gross replacement cost would result in a significantly higher (lower) fair value<br>Increase (decrease) in useful life would result in a significantly higher (lower) fair value.  |
| <b>Computers and Communication</b>            | Depreciated replacement cost | Cost per unit<br>Useful life of computers & communication assets     | \$1,000 - \$1,778,500 (\$700,500)<br>2-20 years (4 years)     | A significant increase or decrease in direct cost per unit meter adjustment would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.   |
| <b>Furniture &amp; Fittings at fair value</b> | Depreciated replacement cost | Cost per unit<br>Useful life of furniture & fittings                 | \$1,000 - \$29,500 (\$6,500)<br>2-20 years (15 years)         | A significant increase or decrease in direct cost per unit meter adjustment would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.   |
| <b>Non-Medical Equipment</b>                  | Depreciated replacement cost | Cost per unit<br>Useful life of vehicles                             | \$1,000-\$331,000 (\$62,500)<br>3 - 20 years (10 years)       | A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value<br>A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.                           |

(i) CSO adjustments of 20% were applied to reduce the market approach value for the specialised land.

**Note 11: Payables**

|                       | <b>2014</b>          | <b>2013</b>          |
|-----------------------|----------------------|----------------------|
|                       | <b>\$'000</b>        | <b>\$'000</b>        |
| <b>CURRENT</b>        |                      |                      |
| <b>Contractual</b>    |                      |                      |
| Trade Creditors       | 8,574                | 14,951               |
| Accrued Expenses      | 3,209                | 6,300                |
|                       | <u>11,783</u>        | <u>21,251</u>        |
| <b>Statutory</b>      |                      |                      |
| GST Payable           | 249                  | 223                  |
| <b>Total Payables</b> | <b><u>12,032</u></b> | <b><u>21,474</u></b> |

**(a) Ageing analysis of payables**

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

**(b) Nature and extent of risk arising from payables**

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

**Note 12: Provisions**

|   | <b>2014</b>          | <b>2013</b>          |
|---|----------------------|----------------------|
|   | <b>\$'000</b>        | <b>\$'000</b>        |
| <b>Current Provisions</b>                                   |                      |                      |
| <b>Employee Benefits</b>                                    |                      |                      |
| Long Service Leave  |                      |                      |
| - Unconditional and expected to be settled within 12 months | 1,272                | 360                  |
| - Unconditional and expected to be settled after 12 months  | 23,381               | 23,270               |
| Annual Leave  |                      |                      |
| - Unconditional and expected to be settled within 12 months | 14,530               | 13,948               |
| - Unconditional and expected to be settled after 12 months  | 2,381                | 2,254                |
| Accrued Days Off  |                      |                      |
| - Unconditional and expected to be settled within 12 months | 574                  | 581                  |
| - Unconditional and expected to be settled after 12 months  | 6                    | 6                    |
| Accrued Wages and Salaries                                  | 9,365                | 8,519                |
| Sub Leave   | 24                   | 21                   |
|   | <u>51,533</u>        | <u>48,959</u>        |
| <b>Provisions related to Employee Benefit On-Costs</b>      |                      |                      |
| - Unconditional and expected to be settled within 12 months | 4,250                | 4,054                |
| - Unconditional and expected to be settled after 12 months  | 254                  | 247                  |
|   | <u>4,504</u>         | <u>4,301</u>         |
| <b>Total Current Provisions</b>                             | <b><u>56,037</u></b> | <b><u>53,260</u></b> |
| <b>Non-Current Provisions</b>                               |                      |                      |
| Employee Benefits   | 8,213                | 7,493                |
| Provisions related to Employee Benefit On-Costs             | 732                  | 668                  |
| <b>Total Non-Current Provisions</b>                         | <b><u>8,945</u></b>  | <b><u>8,161</u></b>  |
| <b>Total Provisions</b>                                     | <b><u>64,982</u></b> | <b><u>61,421</u></b> |

**(a) Employee Benefits and Related On-Costs****Current Employee Benefits and related On-Costs**

|   |        |        |
|---|--------|--------|
| Unconditional Long Service Leave entitlements | 27,294 | 26,165 |
| Annual Leave entitlements                     | 18,712 | 17,906 |
| Accrued Wages and Salaries                    | 9,365  | 8,519  |
| Accrued Days Off                              | 642    | 649    |
| Sub Leave                                     | 24     | 21     |

**Non-Current Employee Benefits and related On-Costs**

|   |                      |                      |
|---|----------------------|----------------------|
| Conditional long service leave entitlements (present value) | 8,945                | 8,161                |
| <b>Total Employee Benefits and Related On-Costs</b>         | <b><u>64,982</u></b> | <b><u>61,421</u></b> |

**(b) Movements in provisions****Movement in Long Service Leave:**

|                                 |                      |                      |
|---------------------------------|----------------------|----------------------|
| <b>Balance at start of year</b> | <b>34,326</b>        | <b>31,266</b>        |
| Provision made during the year  | 5,826                | 5,955                |
| Settlement made during the year | (3,913)              | (2,895)              |
| <b>Balance at end of year</b>   | <b><u>36,239</u></b> | <b><u>34,326</u></b> |

**Bendigo Health Care Group****Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014****Note 13: Superannuation**

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

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

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

|                                     | <b>Paid Contributions<br/>for the Year</b> |               | <b>Contribution<br/>Outstanding at<br/>Year End</b> |               |
|-------------------------------------|--|---------------|---|---------------|
|                                     | <b>2014</b>                                | <b>2013</b>   | <b>2014</b>   | <b>2013</b>   |
|                                     | <b>\$'000</b>                              | <b>\$'000</b> | <b>\$'000</b>                                       | <b>\$'000</b> |
| <b>(i) Defined benefit plans:</b>   |  |               |   |               |
| First State Super Pty Ltd           | 12,033                                     | 11,440        | 0   | 951           |
| Government Superannuation Office    | 286  | 321           | 71  | 132           |
| <b>Defined contributions plans:</b> |  |               |   |               |
| HESTA Administration                | 3,704                                      | 3,296         | 0   | 129           |
| Other                               | 2,637                                      | 2,268         | 0   | 72            |
| <b>Total</b>                        | <b>18,660</b>                              | <b>17,325</b> | <b>71</b>   | <b>1,284</b>  |

(i) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

**Note 14: Other Liabilities**

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b>CURRENT</b>   |               |               |
| Monies Held in Trust*  |               |               |
| - Patient Monies Held in Trust                                 | 505           | 552           |
| - Accommodation Bonds (Refundable Entrance Fees)               | 2,807         | 3,731         |
| - Loddon Mallee Regional Palliative Care Consortium            | 363           | 334           |
| - Salary Packaging   | 576           | 539           |
| - Regional Integrated Cancer Service                           | 343           | 64            |
| - Loddon Mallee Clinical Placement Network                     | 951           | 905           |
| - HWA Clinical Training Fund Program                           | 466           | 2,663         |
| - BreastScreen Victoria  | 444           | 0             |
| - Loddon Mallee & Hume Regional Sustainability Hospitals Group | 547           | 0             |
| Other  | 175           | 232           |
| <b>Total Other Liabilities</b>                                 | <b>7,177</b>  | <b>9,020</b>  |

**\* Total Monies Held in Trust****Represented by the following assets:**

|  |              |              |
|--|--------------|--------------|
| Cash Assets (refer to note 5)            | 6,468        | 7,255        |
| Other Financial Assets (refer to note 7) | 534          | 1,534        |
| <b>Total</b>                             | <b>7,002</b> | <b>8,789</b> |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 15: Equity**

**(a) Surpluses**

**Land and Buildings Asset Revaluation Surplus**

|   | <b>2014</b>    | <b>2013</b>   |
|---|----------------|---------------|
|   | <b>\$'000</b>  | <b>\$'000</b> |
| Balance at the beginning of the reporting period  | 62,074         | 62,074        |
| Revaluation Increment/(Decrement)                 | 44,545         | 0             |
| <b>Balance at the end of the reporting period</b> | <b>106,619</b> | <b>62,074</b> |

**Landscaping & Grounds Asset Revaluation Surplus**

|   |            |            |
|---|------------|------------|
| Balance at the beginning of the reporting period  | 673        | 673        |
| Revaluation Increment/(Decrement)                 | (140)      | 0          |
| <b>Balance at the end of the reporting period</b> | <b>533</b> | <b>673</b> |

**Balance at the end of the reporting period\***

|                |               |
|----------------|---------------|
| <b>107,152</b> | <b>62,747</b> |
|----------------|---------------|

\* Represented by:

|                         |                |               |
|-------------------------|----------------|---------------|
| - Land                  | 9,440          | 6,501         |
| - Buildings             | 97,179         | 55,573        |
| - Landscaping & Grounds | 533            | 673           |
| <b>TOTAL</b>            | <b>107,152</b> | <b>62,747</b> |

**Restricted Special Purpose Surpluses**

**Cockroft Memorial Fund**

(Bequest funds for ongoing training and equipment upgrades)

|   |           |           |
|---|-----------|-----------|
| Balance at the beginning of the reporting period  | 61        | 61        |
| <b>Balance at the end of the reporting period</b> | <b>61</b> | <b>61</b> |

**Emery Estate**

(Bequest funds for future equipment upgrades)

|   |            |            |
|---|------------|------------|
| Balance at the beginning of the reporting period  | 349        | 349        |
| <b>Balance at the end of the reporting period</b> | <b>349</b> | <b>349</b> |

**Endowment Fund**

(Bequest funds for future upgrades to Bendigo Health Care Group)

|   |           |           |
|---|-----------|-----------|
| Balance at the beginning of the reporting period  | 40        | 40        |
| <b>Balance at the end of the reporting period</b> | <b>40</b> | <b>40</b> |

**Radiology Fund**

(For future equipment upgrades for medical imaging area)

|   |              |              |
|---|--------------|--------------|
| Balance at the beginning of the reporting period          | 2,137        | 1,804        |
| Transfer to / (from) Restricted Special Purpose Surpluses | 0            | 333          |
| <b>Balance at the end of the reporting period</b>         | <b>2,137</b> | <b>2,137</b> |

**Fundraising Fund**

(Funds donated for specific purposes)

|   |            |              |
|---|------------|--------------|
| Balance at the beginning of the reporting period          | 1,101      | 1,107        |
| Transfer to / (from) Restricted Special Purpose Surpluses | (148)      | (6)          |
| <b>Balance at the end of the reporting period</b>         | <b>953</b> | <b>1,101</b> |

**Technology Fund**

(For future IT equipment upgrade)

|   |            |            |
|---|------------|------------|
| Balance at the beginning of the reporting period  | 509        | 509        |
| <b>Balance at the end of the reporting period</b> | <b>509</b> | <b>509</b> |

|                        |                |               |
|------------------------|----------------|---------------|
| <b>TOTAL</b>           | <b>4,049</b>   | <b>4,197</b>  |
| <b>Total Surpluses</b> | <b>111,201</b> | <b>66,944</b> |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 15: Equity (Continued)**

|   | <b>2014</b>     | <b>2013</b>     |
|---|-----------------|-----------------|
|   | <b>\$'000</b>   | <b>\$'000</b>   |
| <b>(b) Contributed Capital</b>  |                 |                 |
| Balance at the beginning of the reporting period                            | 99,040          | 99,040          |
| <b>Balance at the end of the reporting period</b>                           | <b>99,040</b>   | <b>99,040</b>   |
| <b>(c) Accumulated Surpluses/(Deficits)</b>                                 |                 |                 |
| Balance at the beginning of the reporting period                            | (22,109)        | (15,276)        |
| Net Result for the Year   | (7,659)         | (6,506)         |
| Transfers to and from Restricted Special Purpose Surpluses                  | 148             | (327)           |
| <b>Balance at the end of the reporting period</b>                           | <b>(29,620)</b> | <b>(22,109)</b> |
| <b>(d) Total Equity at end of financial year</b>                            |                 |                 |
| Total Equity at the Beginning of the reporting period                       | 143,875         | 150,381         |
| Total Changes in Equity Recognised in the Comprehensive Operating Statement | 36,746          | (6,506)         |
| <b>Balance at the end of the reporting period</b>                           | <b>180,621</b>  | <b>143,875</b>  |

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

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b>Net Result for the Year</b>                                   | (7,659)       | (6,506)       |
| <b>Non-cash movements:</b>                                       |               |               |
| Depreciation   | 17,736        | 18,980        |
| Share of Joint Venture Assets & Liabilities                      | (529)         | 221           |
| Assets Received Free of Charge                                   | (702)         | (2,796)       |
| Capital Expenditure transferred from WIP                         | 2,583         | 1,441         |
| <b>Movements included in investing and financing activities:</b> |               |               |
| Net (Gain)/Loss from Sale of Plant and Equipment                 | 285           | 1,639         |
| <b>Movements in assets and liabilities:</b>                      |               |               |
| Change in Operating Assets & Liabilities                         |               |               |
| Increase/(Decrease) in Payables                                  | (9,498)       | 2,701         |
| Increase/(Decrease) in Employee Benefits                         | 3,562         | 7,260         |
| (Increase)/Decrease in Other Current Assets                      | (22)          | (42)          |
| (Increase)/Decrease in Shares                                    | (39)          | 0             |
| (Increase)/Decrease in Receivables                               | 415           | (134)         |
| <b>Net Cash Inflow/(Outflow) From Operating Activities</b>       | <b>6,132</b>  | <b>22,764</b> |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**  
**Note 17: Financial Instruments**

**(a) Financial Risk Management Objectives and Policies**

Bendigo Health Care Group's principal financial instruments comprise of:

- Cash Assets
- Term Deposits
- Shares in Other Entities
- 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.

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

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

The main purpose in holding financial instruments is to prudentially manage Bendigo Health Care Group financial risks within the government policy parameters.

**Categorisation of financial instruments**

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

|  | <b>Contractual financial assets/liabilities designated at fair value through profit/loss \$'000</b> | <b>Contractual financial assets/liabilities held-for-trading at fair value through profit/loss \$'000</b> | <b>Contractual financial assets - loans and receivables \$'000</b> | <b>Contractual financial assets - available for sale \$'000</b> | <b>Contractual financial liabilities at amortised cost \$'000</b> | <b>Total \$'000</b> |
|--|---|---|--|---|---|---------------------|
| <b>2014</b>  |   |   |  |   |   |                     |
| <b>Contractual Financial Assets</b>                |   |   |  |   |   |                     |
| Cash and cash equivalents                          | 0   | 0   | 14,390   | 0   | 0   | 14,390              |
| Receivables  |   |   |  |   |   |                     |
| - Trade Debtors                                    | 0   | 0   | 272  | 0   | 0   | 272                 |
| - Other Receivables                                | 0   | 0   | 6,901  | 0   | 0   | 6,901               |
| Other Financial Assets                             |   |   |  |   |   |                     |
| - Term Deposit                                     | 0   | 0   | 554  | 0   | 0   | 554                 |
| - Shares in Other Entities                         | 0   | 0   | 0  | 99  | 0   | 99                  |
| <b>Total Financial Assets <sup>(i)</sup></b>       | <b>0</b>  | <b>0</b>  | <b>22,117</b>  | <b>99</b>   | <b>0</b>  | <b>22,216</b>       |
| <b>Financial Liabilities</b>                       |   |   |  |   |   |                     |
| Payables   | 0   | 0   | 0  | 0   | 11,784  | 11,784              |
| Other Financial Liabilities                        |   |   |  |   |   |                     |
| - Accomodation bonds                               | 0   | 0   | 0  | 0   | 2,807   | 2,807               |
| - Other  | 0   | 0   | 0  | 0   | 4,370   | 4,370               |
| <b>Total Financial Liabilities <sup>(ii)</sup></b> | <b>0</b>  | <b>0</b>  | <b>0</b>   | <b>0</b>  | <b>18,961</b>   | <b>18,961</b>       |

|  | <b>Contractual financial assets/liabilities designated at fair value through profit/loss \$'000</b> | <b>Contractual financial assets/liabilities held-for-trading at fair value through profit/loss \$'000</b> | <b>Contractual financial assets - loans and receivables \$'000</b> | <b>Contractual financial assets - available for sale \$'000</b> | <b>Contractual financial liabilities at amortised cost \$'000</b> | <b>Total \$'000</b> |
|--|---|---|--|---|---|---------------------|
| <b>2013</b>  |   |   |  |   |   |                     |
| <b>Contractual Financial Assets</b>                |   |   |  |   |   |                     |
| Cash and cash equivalents                          | 0   | 0   | 20,127   | 0   | 0   | 20,127              |
| Receivables  |   |   |  |   |   |                     |
| - Trade Debtors                                    | 0   | 0   | 291  | 0   | 0   | 291                 |
| - Other Receivables                                | 0   | 0   | 8,350  | 0   | 0   | 8,350               |
| Other Financial Assets                             |   |   |  |   |   |                     |
| - Term Deposit                                     | 0   | 0   | 1,554  | 0   | 0   | 1,554               |
| - Shares in Other Entities                         | 0   | 0   | 0  | 60  | 0   | 60                  |
| <b>Total Financial Assets <sup>(i)</sup></b>       | <b>0</b>  | <b>0</b>  | <b>30,322</b>  | <b>60</b>   | <b>0</b>  | <b>30,382</b>       |
| <b>Financial Liabilities</b>                       |   |   |  |   |   |                     |
| Payables   | 0   | 0   | 0  | 0   | 21,251  | 21,251              |
| Other Financial Liabilities                        |   |   |  |   |   |                     |
| - Accomodation bonds                               | 0   | 0   | 0  | 0   | 3,731   | 3,731               |
| - Other  | 0   | 0   | 0  | 0   | 5,289   | 5,289               |
| <b>Total Financial Liabilities <sup>(ii)</sup></b> | <b>0</b>  | <b>0</b>  | <b>0</b>   | <b>0</b>  | <b>30,271</b>   | <b>30,271</b>       |

(i) The total amount of financial assets disclosed here excludes statutory receivables

(ii) The total amount of financial liabilities disclosed here excludes statutory payables

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 17: Financial Instruments (Continued)**

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

|   | <b>Net holding<br/>gain/(loss)<br/>\$'000</b> | <b>Total interest<br/>income /<br/>(expense)<br/>\$'000</b> | <b>Fee income /<br/>(expense)<br/>\$'000</b> | <b>Impairment<br/>loss<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|---|---|---|--|---------------------------------------|-------------------------|
| <b>2014</b>   |   |   |  |                                       |                         |
| <b>Financial Assets</b>                               |   |   |  |                                       |                         |
| Cash and Cash Equivalents                             | 0   | 761   | 0  | 0                                     | 761                     |
| Designated at Fair Value through Profit or Loss       | 0   | 0   | 0  | 0                                     | 0                       |
| Held-for-Trading at Fair Value through Profit or Loss | 0   | 0   | 0  | 0                                     | 0                       |
| Loans and Receivables                                 | 0   | 0   | 0  | 0                                     | 0                       |
| Available for Sale                                    | 0   | 0   | 0  | 0                                     | 0                       |
| <b>Total Financial Assets</b>                         | <b>0</b>                                      | <b>761</b>  | <b>0</b>                                     | <b>0</b>                              | <b>761</b>              |
| <b>Financial Liabilities</b>                          |   |   |  |                                       |                         |
| Designated at Fair Value through Profit or Loss       | 0   | 0   | 0  | 0                                     | 0                       |
| Held-for-Trading at Fair Value through Profit or Loss | 0   | 0   | 0  | 0                                     | 0                       |
| At Amortised Cost                                     | 0   | 0   | 0  | 0                                     | 0                       |
| <b>Total Financial Liabilities</b>                    | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                     | <b>0</b>                              | <b>0</b>                |
| <b>2013</b>   |   |   |  |                                       |                         |
| <b>Financial Assets</b>                               |   |   |  |                                       |                         |
| Cash and Cash Equivalents                             | 0   | 614   | 0  | 0                                     | 614                     |
| Designated at Fair Value through Profit or Loss       | 0   | 0   | 0  | 0                                     | 0                       |
| Held-for-Trading at Fair Value through Profit or Loss | 0   | 0   | 0  | 0                                     | 0                       |
| Loans and Receivables                                 | 0   | 0   | 0  | 0                                     | 0                       |
| Available for Sale                                    | 0   | 0   | 0  | 0                                     | 0                       |
| <b>Total Financial Assets</b>                         | <b>0</b>                                      | <b>614</b>  | <b>0</b>                                     | <b>0</b>                              | <b>614</b>              |
| <b>Financial Liabilities</b>                          |   |   |  |                                       |                         |
| Designated at Fair Value through Profit or Loss       | 0   | 0   | 0  | 0                                     | 0                       |
| Held-for-Trading at Fair Value through Profit or Loss | 0   | 0   | 0  | 0                                     | 0                       |
| At Amortised Cost                                     | 0   | 0   | 0  | 0                                     | 0                       |
| <b>Total Financial Liabilities</b>                    | <b>0</b>                                      | <b>0</b>  | <b>0</b>                                     | <b>0</b>                              | <b>0</b>                |

**(b) Credit risk**

Credit risk arises from the contractual financial assets of the Health Service, which comprise cash and deposits, non-statutory receivables and available for sale contractual financial assets. The Health Service's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Health Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Health Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Health Service's obligation to provide services, and private patient fees are recoverable from the patient or their health fund. These are unsecured debts.

In addition, the Health Service does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. The Health Service's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Bendigo Health Care Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

|                               | <b>Financial<br/>institutions<br/>(credit rating) *</b> | <b>Government<br/>agencies<br/>(AAA credit<br/>rating)</b> | <b>Other<br/>(Non Rated)</b> | <b>Total</b>  |
|-------------------------------|---|--|------------------------------|---------------|
|                               | <b>\$'000</b>   | <b>\$'000</b>  | <b>\$'000</b>                | <b>\$'000</b> |
| <b>2014</b>                   |   |  |                              |               |
| <b>Financial Assets</b>       |   |  |                              |               |
| Cash and Cash Equivalents     | 14,390  | 0  | 0                            | 14,390        |
| Loans and Receivables         |   |  |                              |               |
| - Trade Debtors               | 0   | 231  | 41                           | 272           |
| - Other Receivables           | 0   | 0  | 6,901                        | 6,901         |
| - Term Deposit                | 554   | 0  | 0                            | 554           |
| Available for sale            |   |  |                              |               |
| - Shares in Other Entities    | 0   | 0  | 99                           | 99            |
| <b>Total Financial Assets</b> | <b>14,944</b>   | <b>231</b>   | <b>7,041</b>                 | <b>22,216</b> |
| <b>2013</b>                   |   |  |                              |               |
| <b>Financial Assets</b>       |   |  |                              |               |
| Cash and Cash Equivalents     | 20,127  | 0  | 0                            | 20,127        |
| Loans and Receivables         |   |  |                              |               |
| - Trade Debtors               | 0   | 247  | 44                           | 291           |
| - Other Receivables           | 0   | 0  | 8,350                        | 8,350         |
| - Term Deposit                | 1,554   | 0  | 0                            | 1,554         |
| Available for sale            |   |  |                              |               |
| - Shares in Other Entities    | 0   | 0  | 60                           | 60            |
| <b>Total Financial Assets</b> | <b>21,681</b>   | <b>247</b>   | <b>8,454</b>                 | <b>30,382</b> |

\* Financial Institutions credit rating represented by:

| <b>Credit<br/>Rating</b> | <b>2014<br/>\$'000</b> | <b>2013<br/>\$'000</b> |
|--------------------------|------------------------|------------------------|
| A1+                      | 1,386                  | 14,676                 |
| A2                       | 12,558                 | 6,005                  |
| BBB+                     | 1,000                  | 1,000                  |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**  
**Note 17: Financial Instruments (continued)**

**(b) Credit Risk (continued)**

The Bendigo Health Care Group's 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 Assets as at 30 June**

|                               | Consol'd<br>Carrying<br>Amount<br>\$'000 | Not Past Due<br>and Not<br>Impaired<br>\$'000 | Past Due But Not Impaired      |                         |                                |                     | Impaired<br>Financial<br>Assets<br>\$'000 |
|-------------------------------|--|---|--------------------------------|-------------------------|--------------------------------|---------------------|---|
|                               |  |   | Less than 1<br>Month<br>\$'000 | 1-3<br>Months<br>\$'000 | 3 months -<br>1 Year<br>\$'000 | 1-5 Years<br>\$'000 |   |
| <b>2014</b>                   |  |   |                                |                         |                                |                     |   |
| <b>Financial Assets</b>       |  |   |                                |                         |                                |                     |   |
| Cash and Cash Equivalents     | 14,390                                   | 14,390  | 0                              | 0                       | 0                              | 0                   | 0   |
| Loans and Receivables         |  |   |                                |                         |                                |                     |   |
| - Trade Debtors               | 272                                      | 200   | 36                             | 22                      | 14                             | 0                   | 0   |
| - Other Receivables           | 6,901                                    | 5,059   | 899                            | 523                     | 345                            | 75                  | 0   |
| - Term Deposit                | 554                                      | 0   | 554                            | 0                       | 0                              | 0                   | 0   |
| Available for sale            |  |   |                                |                         |                                |                     |   |
| - Shares in Other Entities    | 99                                       | 0   | 0                              | 0                       | 99                             | 0                   | 0   |
| <b>Total Financial Assets</b> | <b>22,216</b>                            | <b>19,649</b>                                 | <b>1,489</b>                   | <b>545</b>              | <b>458</b>                     | <b>75</b>           | <b>0</b>                                  |
| <b>2013</b>                   |  |   |                                |                         |                                |                     |   |
| <b>Financial Assets</b>       |  |   |                                |                         |                                |                     |   |
| Cash and Cash Equivalents     | 20,127                                   | 20,127  | 0                              | 0                       | 0                              | 0                   | 0   |
| Loans and Receivables         |  |   |                                |                         |                                |                     |   |
| - Trade Debtors               | 291                                      | 170   | 46                             | 40                      | 35                             | 0                   | 0   |
| - Other Receivables           | 8,350                                    | 6,003   | 721                            | 688                     | 838                            | 100                 | 0   |
| - Term Deposit                | 1,554                                    | 0   | 20                             | 1,534                   | 0                              | 0                   | 0   |
| Available for sale            |  |   |                                |                         |                                |                     |   |
| - Shares in Other Entities    | 60                                       | 0   | 0                              | 0                       | 60                             | 0                   | 0   |
| <b>Total Financial Assets</b> | <b>30,382</b>                            | <b>26,300</b>                                 | <b>787</b>                     | <b>2,262</b>            | <b>933</b>                     | <b>100</b>          | <b>0</b>                                  |

**(c) Liquidity risk**

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

The Health Service's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet.

The following table discloses the contractual maturity analysis for Bendigo Health Care Group's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

**Maturity analysis of Financial Liabilities as at 30 June**

|                                    | Carrying<br>Amount<br>\$'000 | Nominal<br>Amount<br>\$'000 | Maturity Dates                    |                      |                                |                     |
|------------------------------------|------------------------------|-----------------------------|-----------------------------------|----------------------|--------------------------------|---------------------|
|                                    |                              |                             | Less<br>than 1<br>Month<br>\$'000 | 1-3 Months<br>\$'000 | 3 months -<br>1 Year<br>\$'000 | 1-5 Years<br>\$'000 |
| <b>2014</b>                        |                              |                             |                                   |                      |                                |                     |
| <b>Financial Liabilities</b>       |                              |                             |                                   |                      |                                |                     |
| <i>At amortised cost</i>           |                              |                             |                                   |                      |                                |                     |
| Payables                           | 11,784                       | 11,784                      | 11,784                            | 0                    | 0                              | 0                   |
| Other Financial Liabilities        |                              |                             |                                   |                      |                                |                     |
| - Accommodation Bonds              | 2,807                        | 2,807                       | 0                                 | 0                    | 2,807                          | 0                   |
| - Other                            | 4,370                        | 4,370                       | 4,370                             | 0                    | 0                              | 0                   |
| <b>Total Financial Liabilities</b> | <b>18,961</b>                | <b>18,961</b>               | <b>16,154</b>                     | <b>0</b>             | <b>2,807</b>                   | <b>0</b>            |
| <b>2013</b>                        |                              |                             |                                   |                      |                                |                     |
| <b>Financial Liabilities</b>       |                              |                             |                                   |                      |                                |                     |
| <i>At amortised cost</i>           |                              |                             |                                   |                      |                                |                     |
| Payables                           | 21,251                       | 21,251                      | 21,251                            | 0                    | 0                              | 0                   |
| Other Financial Liabilities        |                              |                             |                                   |                      |                                |                     |
| - Accommodation Bonds              | 3,731                        | 3,731                       | 0                                 | 0                    | 3,731                          | 0                   |
| - Other                            | 5,289                        | 5,289                       | 5,289                             | 0                    | 0                              | 0                   |
| <b>Total Financial Liabilities</b> | <b>30,271</b>                | <b>30,271</b>               | <b>26,540</b>                     | <b>0</b>             | <b>3,731</b>                   | <b>0</b>            |

**Bendigo Health Care Group****Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014****Note 17: Financial Instruments (continued)****(d) Market risk**

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

**Currency risk**

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

**Interest rate risk**

Exposure to interest rate risk might arise primarily through the Health Service's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the health service mainly undertake financial liabilities with relatively even maturity profiles.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Health Service has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.

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

**Interest rate exposure of financial assets and liabilities as at 30 June**

|                                  | Weighted Average Effective Interest Rate (%) | Carrying Amount<br>\$'000 | Interest Rate Exposure        |                                  |                                |
|----------------------------------|--|---------------------------|-------------------------------|----------------------------------|--------------------------------|
|                                  |  |                           | Fixed Interest Rate<br>\$'000 | Variable Interest Rate<br>\$'000 | Non-Interest Bearing<br>\$'000 |
| <b>2014</b>                      |  |                           |                               |                                  |                                |
| <b>Financial Assets</b>          |  |                           |                               |                                  |                                |
| <i>Cash and Cash Equivalents</i> | 2.75   | 14,390                    | 9,562                         | 4,801                            | 27                             |
| <i>Loans and Receivables</i>     |  |                           |                               |                                  |                                |
| - Trade Debtors                  |  | 272                       | 0                             | 0                                | 272                            |
| - Other Receivables              |  | 6,901                     | 0                             | 0                                | 6,901                          |
| - Term Deposit                   | 3.01   | 554                       | 554                           | 0                                | 0                              |
| <i>Available for sale</i>        |  |                           |                               |                                  |                                |
| - Shares in Other Entities       |  | 99                        | 0                             | 0                                | 99                             |
|                                  |  | <b>22,216</b>             | <b>10,116</b>                 | <b>4,801</b>                     | <b>7,299</b>                   |
| <b>Financial Liabilities</b>     |  |                           |                               |                                  |                                |
| <i>At amortised cost</i>         |  |                           |                               |                                  |                                |
| Payables                         |  | 11,784                    | 0                             | 0                                | 11,784                         |
| Other Financial Liabilities      |  |                           |                               |                                  |                                |
| - Accommodation Bonds            |  | 2,807                     | 0                             | 0                                | 2,807                          |
| - Other                          |  | 4,370                     | 0                             | 0                                | 4,370                          |
|                                  |  | <b>18,961</b>             | <b>0</b>                      | <b>0</b>                         | <b>18,961</b>                  |
| <b>2013</b>                      |  |                           |                               |                                  |                                |
| <b>Financial Assets</b>          |  |                           |                               |                                  |                                |
| <i>Cash and Cash Equivalents</i> | 3.03   | 20,127                    | 3,305                         | 16,792                           | 30                             |
| <i>Loans and Receivables</i>     |  |                           |                               |                                  |                                |
| - Trade Debtors                  |  | 291                       | 0                             | 0                                | 291                            |
| - Other Receivables              |  | 8,350                     | 0                             | 0                                | 8,350                          |
| - Term Deposit                   | 3.91   | 1,554                     | 1,534                         | 0                                | 20                             |
| <i>Available for sale</i>        |  |                           |                               |                                  |                                |
| - Shares in Other Entities       |  | 60                        | 0                             | 0                                | 60                             |
|                                  |  | <b>30,382</b>             | <b>4,839</b>                  | <b>16,792</b>                    | <b>8,751</b>                   |
| <b>Financial Liabilities</b>     |  |                           |                               |                                  |                                |
| <i>At amortised cost</i>         |  |                           |                               |                                  |                                |
| Payables                         |  | 21,251                    | 0                             | 0                                | 21,251                         |
| Other Financial Liabilities      |  |                           |                               |                                  |                                |
| - Accommodation Bonds            |  | 3,731                     | 0                             | 0                                | 3,731                          |
| - Other                          |  | 5,289                     | 0                             | 0                                | 5,289                          |
|                                  |  | <b>30,271</b>             | <b>0</b>                      | <b>0</b>                         | <b>30,271</b>                  |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**  
**Note 17: Financial Instruments (continued)**

**(d) Market risk (continued)**

**Sensitivity disclosure analysis**

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

- A shift of 100 basis points up and down in market interest rates (AUD) from year-end rates of 3%;
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 3%

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

|                                  | Carrying Amount | Interest Rate Risk |               |               |               | Other Price Risk |               |               |               |
|----------------------------------|-----------------|--------------------|---------------|---------------|---------------|------------------|---------------|---------------|---------------|
|                                  |                 | -1%                |               | +1%           |               | -1%              |               | +1%           |               |
|                                  |                 | Profit \$'000      | Equity \$'000 | Profit \$'000 | Equity \$'000 | Profit \$'000    | Equity \$'000 | Profit \$'000 | Equity \$'000 |
| <b>2014</b>                      |                 |                    |               |               |               |                  |               |               |               |
| <b>Financial Assets</b>          |                 |                    |               |               |               |                  |               |               |               |
| <i>Cash and Cash Equivalents</i> | 14,390          | (144)              | (144)         | 144           | 144           | 0                | 0             | 0             | 0             |
| <i>Loans and Receivables</i>     |                 |                    |               |               |               |                  |               |               |               |
| - Trade Debtors                  | 272             | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Other Receivables              | 6,901           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Term Deposit                   | 554             | (6)                | (6)           | 6             | 6             | 0                | 0             | 0             | 0             |
| <i>Available for sale</i>        |                 |                    |               |               |               |                  |               |               |               |
| - Shares in Other Entities       | 99              | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| <b>Financial Liabilities</b>     |                 |                    |               |               |               |                  |               |               |               |
| <i>At amortised cost</i>         |                 |                    |               |               |               |                  |               |               |               |
| Payables                         | 11,784          | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| Other Financial Liabilities      | -               | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Accommodation Bonds            | 2,807           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Other                          | 4,370           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
|                                  |                 | <b>(150)</b>       | <b>(150)</b>  | <b>150</b>    | <b>150</b>    | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| <b>2013</b>                      |                 |                    |               |               |               |                  |               |               |               |
| <b>Financial Assets</b>          |                 |                    |               |               |               |                  |               |               |               |
| <i>Cash and Cash Equivalents</i> | 20,127          | (201)              | (201)         | 201           | 201           | 0                | 0             | 0             | 0             |
| <i>Loans and Receivables</i>     |                 |                    |               |               |               |                  |               |               |               |
| - Trade Debtors                  | 291             | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Other Receivables              | 8,350           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Term Deposit                   | 1,554           | (16)               | (16)          | 16            | 16            | 0                | 0             | 0             | 0             |
| <i>Available for sale</i>        |                 |                    |               |               |               |                  |               |               |               |
| - Shares in Other Entities       | 60              | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| <b>Financial Liabilities</b>     |                 |                    |               |               |               |                  |               |               |               |
| <i>At amortised cost</i>         |                 |                    |               |               |               |                  |               |               |               |
| Payables                         | 21,251          | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| Other Financial Liabilities      |                 |                    |               |               |               |                  |               |               |               |
| - Accommodation Bonds            | 3,731           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
| - Other                          | 5,289           | 0                  | 0             | 0             | 0             | 0                | 0             | 0             | 0             |
|                                  |                 | <b>(217)</b>       | <b>(217)</b>  | <b>217</b>    | <b>217</b>    | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>      |

**(e) Fair value**

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

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

The financial assets include holdings in listed shares on the NSX. Fair value of these is determined by reference to quoted prices on the NSX.

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

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**  
**Note 17: Financial Instruments (continued)**

**Comparison between carrying amount and fair value**

|                                    | <b>Consol'd<br/>Carrying<br/>Amount<br/>2010<br/>\$'000</b> | <b>Fair value<br/>2010<br/>\$'000</b> | <b>Consol'd<br/>Carrying<br/>Amount<br/>2009<br/>\$'000</b> | <b>Fair value<br/>2009<br/>\$'000</b> |
|------------------------------------|---|---------------------------------------|---|---------------------------------------|
| <b>Financial Assets</b>            |   |                                       |   |                                       |
| <i>Cash and Cash Equivalents</i>   | 14,390  | 14,390                                | 20,127  | 20,127                                |
| <i>Loans and Receivables</i>       |   |                                       |   |                                       |
| - Trade Debtors                    | 272   | 272                                   | 291   | 291                                   |
| - Other Receivables                | 6,901   | 6,901                                 | 8,350   | 8,350                                 |
| - Term Deposit                     | 554   | 554                                   | 1,554   | 1,554                                 |
| <i>Available for sale</i>          |   |                                       |   |                                       |
| - Shares in Other Entities         | 99  | 99                                    | 60  | 60                                    |
| <b>Total Financial Assets</b>      | <b>22,216</b>   | <b>22,216</b>                         | <b>30,382</b>   | <b>30,382</b>                         |
| <b>Financial Liabilities</b>       |   |                                       |   |                                       |
| <i>At amortised cost</i>           |   |                                       |   |                                       |
| Payables                           | 11,784  | 11,784                                | 21,251  | 21,251                                |
| Other Financial Liabilities        |   |                                       |   |                                       |
| - Accommodation Bonds              | 2,807   | 2,807                                 | 3,731   | 3,731                                 |
| - Other                            | 4,370   | 4,370                                 | 5,289   | 5,289                                 |
| <b>Total Financial Liabilities</b> | <b>18,961</b>   | <b>18,961</b>                         | <b>30,271</b>   | <b>30,271</b>                         |

**Financial assets measured at fair value**

|   | <b>Carrying<br/>Amount as at<br/>30 June<br/>\$'000</b> | <b>Fair value measurement at end of<br/>reporting period using:</b> |                            |                           |
|---|---|---|----------------------------|---------------------------|
|   |   | <b>Level 1*<br/>\$'000</b>  | <b>Level 2*<br/>\$'000</b> | <b>Level 3<br/>\$'000</b> |
| <b>2014</b>   |   |   |                            |                           |
| <b>Financial assets at fair value<br/>through profit &amp; loss</b> |   |   |                            |                           |
| Debt securities   | 0   | 0   | 0                          | 0                         |
| Available for sale securities                                       |   |   |                            |                           |
| Listed securities   | 0   | 0   | 0                          | 0                         |
| Unlisted securities   | 0   | 0   | 0                          | 0                         |
| - Equities and managed funds  | 99  | 99  | 0                          | 0                         |
| <b>Total Financial Assets</b>                                       | <b>99</b>   | <b>99</b>   | <b>0</b>                   | <b>0</b>                  |
| <b>2013</b>   |   |   |                            |                           |
| <b>Financial assets at fair value<br/>through profit &amp; loss</b> |   |   |                            |                           |
| Debt securities   | 0   | 0   | 0                          | 0                         |
| Available for sale securities                                       |   |   |                            |                           |
| Listed securities   | 0   | 0   | 0                          | 0                         |
| Unlisted securities   | 0   | 0   | 0                          | 0                         |
| - Equities and managed funds  | 0   | 0   | 0                          | 0                         |
| <b>Total Financial Assets</b>                                       | <b>0</b>  | <b>0</b>  | <b>0</b>                   | <b>0</b>                  |

\*There is no significant transfer between level 1 and level 2

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 18: Commitments for Expenditure**

Bendigo Health Care Group has been granted capital funding for major capital building projects and purchase of plant and equipment.

**Capital Expenditure Commitments**

Payable:

Land and Buildings

**Total Capital Expenditure Commitments**

Not later than one year

**Total**

**Other Expenditure Commitments**

Payable:

Contracts for the supply of services

**Total Other Expenditure Commitments**

Not later than one year

Later than 1 year and not later than 5 years

Later than 5 years

**Total**

**Lease Commitments**

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

Operating Leases

**Total Lease Commitments**

**Operating Leases**

Residential property leases payable as follows:

Cancellable

Not later than one year

Later than 1 year and not later than 5 years

**Total Operating Leases**

**Total Commitments for expenditure (inclusive of GST)**

less GST recoverable from the Australian Tax Office

**Total Commitments for expenditure (exclusive of GST)**

**Build-own-transfer arrangement – new Bendigo Hospital**

In addition to the expenditure commitments above, the State of Victoria has entered into a 29 year agreement in May 2013 under its Partnerships Victoria policy with the Exemplar Consortium for the financing, design, construction, and maintenance for 25 years of the new Bendigo Hospital. The construction of the new hospital is scheduled for completion in late 2016 (stage 1), at which time Bendigo Health will assume the management of and responsibility for the provision of health services at the facility. On completion of Stage 1 of the Project, Bendigo Health will enter into a 25 year licence agreement in order to lease the facility from Exemplar. As the lease agreement meets the definition of a Finance Lease, Bendigo Health will record the Facility as a leased asset and also record a corresponding lease liability. The State will pay to Exemplar the Quarterly Service Payment (QSP) from the operational commencement date. Each QSP includes an allowance for the capital cost of the facility and the facilities maintenance and ancillary service to be delivered by Exemplar over the 25 year operating phase.

**Note 19: Contingent Assets & Contingent Liabilities**

Details and estimates of maximum amounts of contingent assets or contingent liabilities are as follows:

**Contingent Assets**

Bendigo Health Care Group does not have any known contingent assets at 30th June, 2014

**Total**

**Contingent Liabilities**

Bendigo Health Care Group does not have any known contingent liabilities at 30th June, 2014

**Total**

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
|  | 0             | 378           |
|  | <b>0</b>      | <b>378</b>    |
|  | 0             | 378           |
|  | <b>0</b>      | <b>378</b>    |
|  | 63,399        | 68,768        |
|  | <b>63,399</b> | <b>68,768</b> |
|  | 5,423         | 5,272         |
|  | 11,772        | 16,138        |
|  | 46,204        | 47,358        |
|  | <b>63,399</b> | <b>68,768</b> |
|  | 470           | 171           |
|  | <b>470</b>    | <b>171</b>    |
|  | 145           | 171           |
|  | 325           | 0             |
|  | <b>470</b>    | <b>171</b>    |
|  | <b>63,869</b> | <b>69,317</b> |
|  | 5,764         | 6,286         |
|  | <b>58,105</b> | <b>63,031</b> |

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
|  | 0             | 0             |
|  | <b>0</b>      | <b>0</b>      |
|  | 0             | 0             |
|  | <b>0</b>      | <b>0</b>      |

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 20: Segment Reporting**

|   | <b>RACS</b>    |                | <b>Acute</b>    |                 | <b>Mental Health</b> |                | <b>Aged Care</b> |                | <b>Others</b>  |                | <b>Eliminations</b> |                | <b>Consolidated</b> |                |
|---|----------------|----------------|-----------------|-----------------|----------------------|----------------|------------------|----------------|----------------|----------------|---------------------|----------------|---------------------|----------------|
|   | 2014<br>\$'000 | 2013<br>\$'000 | 2014<br>\$'000  | 2013<br>\$'000  | 2014<br>\$'000       | 2013<br>\$'000 | 2014<br>\$'000   | 2013<br>\$'000 | 2014<br>\$'000 | 2013<br>\$'000 | 2014<br>\$'000      | 2013<br>\$'000 | 2014<br>\$'000      | 2013<br>\$'000 |
| <b>REVENUE</b>                                  |                |                |                 |                 |                      |                |                  |                |                |                |                     |                |                     |                |
| External Segment Revenue                        | 23,100         | 23,299         | 152,155         | 143,464         | 43,886               | 43,305         | 15,270           | 15,117         | 96,953         | 96,994         | 0                   | 0              | 331,364             | 322,179        |
| <b>Total Revenue</b>                            | <b>23,100</b>  | <b>23,299</b>  | <b>152,155</b>  | <b>143,464</b>  | <b>43,886</b>        | <b>43,305</b>  | <b>15,270</b>    | <b>15,117</b>  | <b>96,953</b>  | <b>96,994</b>  | <b>0</b>            | <b>0</b>       | <b>331,364</b>      | <b>322,179</b> |
| <b>EXPENSES</b>                                 |                |                |                 |                 |                      |                |                  |                |                |                |                     |                |                     |                |
| Unallocated Expense                             | 23,365         | 23,518         | 164,552         | 159,104         | 51,279               | 50,492         | 16,786           | 16,711         | 89,072         | 84,894         | (5,268)             | (5,418)        | 339,786             | 329,301        |
| <b>Total Expenses</b>                           | <b>23,365</b>  | <b>23,518</b>  | <b>164,552</b>  | <b>159,104</b>  | <b>51,279</b>        | <b>50,492</b>  | <b>16,786</b>    | <b>16,711</b>  | <b>89,072</b>  | <b>84,894</b>  | <b>(5,268)</b>      | <b>(5,418)</b> | <b>339,786</b>      | <b>329,301</b> |
| <b>Net Result from ordinary activities</b>      | <b>(265)</b>   | <b>(219)</b>   | <b>(12,397)</b> | <b>(15,640)</b> | <b>(7,393)</b>       | <b>(7,187)</b> | <b>(1,516)</b>   | <b>(1,594)</b> | <b>7,881</b>   | <b>12,100</b>  | <b>5,268</b>        | <b>5,418</b>   | <b>(8,422)</b>      | <b>(7,122)</b> |
| Interest Income                                 | 41             | 24             | 372             | 293             | 107                  | 89             | 37               | 31             | 206            | 179            | 0                   | 0              | 763                 | 616            |
| <b>Net Result from continuing operations</b>    | <b>(224)</b>   | <b>(195)</b>   | <b>(12,025)</b> | <b>(15,347)</b> | <b>(7,286)</b>       | <b>(7,098)</b> | <b>(1,479)</b>   | <b>(1,563)</b> | <b>8,087</b>   | <b>12,279</b>  | <b>5,268</b>        | <b>5,418</b>   | <b>(7,659)</b>      | <b>(6,506)</b> |
| <b>Net Result for Year</b>                      | <b>(224)</b>   | <b>(195)</b>   | <b>(12,025)</b> | <b>(15,347)</b> | <b>(7,286)</b>       | <b>(7,098)</b> | <b>(1,479)</b>   | <b>(1,563)</b> | <b>8,087</b>   | <b>12,279</b>  | <b>5,268</b>        | <b>5,418</b>   | <b>(7,659)</b>      | <b>(6,506)</b> |
| <b>OTHER INFORMATION</b>                        |                |                |                 |                 |                      |                |                  |                |                |                |                     |                |                     |                |
| Segment Assets                                  | 73,834         | 26,049         | 54,873          | 51,624          | 12,923               | 8,276          | 5,713            | 18,367         | 0              | 0              | 0                   | 0              | 147,343             | 104,316        |
| Unallocated Assets                              | 0              | 0              | 0               | 0               | 0                    | 0              | 0                | 0              | 117,469        | 131,474        | 0                   | 0              | 117,469             | 131,474        |
| <b>Total Assets</b>                             | <b>73,834</b>  | <b>26,049</b>  | <b>54,873</b>   | <b>51,624</b>   | <b>12,923</b>        | <b>8,276</b>   | <b>5,713</b>     | <b>18,367</b>  | <b>117,469</b> | <b>131,474</b> | <b>0</b>            | <b>0</b>       | <b>264,812</b>      | <b>235,790</b> |
| Segment Liabilities                             | 7,135          | 7,173          | 26,950          | 25,605          | 8,494                | 7,780          | 3,335            | 3,381          | 0              | 0              | 0                   | 0              | 45,914              | 43,939         |
| Unallocated Liabilities                         | 0              | 0              | 0               | 0               | 0                    | 0              | 0                | 0              | 38,277         | 47,976         | 0                   | 0              | 38,277              | 47,976         |
| <b>Total Liabilities</b>                        | <b>7,135</b>   | <b>7,173</b>   | <b>26,950</b>   | <b>25,605</b>   | <b>8,494</b>         | <b>7,780</b>   | <b>3,335</b>     | <b>3,381</b>   | <b>38,277</b>  | <b>47,976</b>  | <b>0</b>            | <b>0</b>       | <b>84,191</b>       | <b>91,915</b>  |
| Acquisition of Property, Plant and Equipment    | 544            | 874            | 2,128           | 429             | 518                  | 454            | 79               | 448            | 8,584          | 12,433         | 0                   | 0              | 11,853              | 14,638         |
| Depreciation Expense from continuing operations | 1,466          | 1,634          | 8,790           | 9,370           | 2,739                | 2,973          | 897              | 984            | 3,844          | 4,019          | 0                   | 0              | 17,736              | 18,980         |

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

**Business Segments**

Residential Aged Care Services (RACS)  
Acute  
Mental Health  
Aged Care  
Others

**Services**

Nursing home services  
Inpatient/Outpatient health services as per Department of Health Guidelines  
Inpatient and community psychiatric services as per Department of Health and Commonwealth Guidelines  
Outpatient and community based aged care services  
Ambulatory and community outpatient and community health provision

**Geographical Segment**

Bendigo Health operates predominately in Bendigo, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Bendigo, Victoria.

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 21: Jointly Controlled Operations and Assets**

| Name of entity                      | Principal Activity     | Ownership Interest |        |
|-------------------------------------|------------------------|--------------------|--------|
|                                     |                        | 2014 %             | 2013 % |
| Loddon Mallee Rural Health Alliance | Information Technology | 22.35              | 21.09  |

Bendigo Health's interest in the above jointly controlled operations and assets is detailed below.  
The amounts are included in the financial statements under their respective asset categories:

|                                  | 2014<br>\$'000 | 2013<br>\$'000 |
|----------------------------------|----------------|----------------|
| <b>CURRENT ASSETS</b>            |                |                |
| Cash and Cash Equivalents        | 1,355          | 908            |
| Receivables                      | 40             | 452            |
| Other                            | 41             | 39             |
| <b>Total Current Assets</b>      | <b>1,436</b>   | <b>1,399</b>   |
| <b>NON CURRENT ASSETS</b>        |                |                |
| Property, Plant and Equipment    | 106            | 24             |
| <b>Total Non Current Assets</b>  | <b>106</b>     | <b>24</b>      |
| <b>Total Assets</b>              | <b>1,542</b>   | <b>1,423</b>   |
| <b>CURRENT LIABILITIES</b>       |                |                |
| Payables                         | 177            | 116            |
| <b>Total Current Liabilities</b> | <b>177</b>     | <b>116</b>     |
| <b>Total Liabilities</b>         | <b>177</b>     | <b>116</b>     |
| <b>Net Assets</b>                | <b>1,365</b>   | <b>1,307</b>   |

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

|   | 2014<br>\$'000 | 2013<br>\$'000 |
|---|----------------|----------------|
| <b>REVENUES</b>                           |                |                |
| Operating Activities                      | 640            | 742            |
| Capital Purpose Income                    | 157            | 348            |
| <b>Total Revenue</b>                      | <b>797</b>     | <b>1,090</b>   |
| <b>EXPENSES</b>                           |                |                |
| Other Expenses from Continuing Operations | 1,505          | 1,427          |
| Expenditure using Capital Purpose Income  | 34             | 28             |
| <b>Total Expenses</b>                     | <b>1,539</b>   | <b>1,455</b>   |
| <b>Net Result</b>                         | <b>(742)</b>   | <b>(365)</b>   |

**CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

The joint venture does not have any known contingent assets or contingent liabilities as at 30 June 2014.

**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                                   |
|---|--|
| <b>Responsible Ministers:</b>                                   |  |
| The Honourable David Davis, MLC, Minister for Health and Ageing | 01/07/2013-30/06/2014                    |
| The Honourable Mary Wooldridge, MLA, Minister for Mental Health | 01/07/2013-30/06/2014                    |
| <b>Governing Boards</b>   |  |
| Dr M Langdon  | Chair<br>01/07/2013-30/06/2014           |
| Ms A Berry  | Director<br>15/10/2013-30/06/2014        |
| Ms S Clarke   | Director<br>01/07/2013-30/06/2014        |
| Mr G Michell  | Director<br>01/07/2013-30/06/2014        |
| Mr W O'Neil   | Director<br>01/07/2013-30/06/2014        |
| Ms M O'Rourke   | Director<br>01/07/2013-30/06/2014        |
| Mr G Stewart  | Director<br>01/07/2013-30/06/2014        |
| Mr A Woods  | Director<br>01/07/2013-30/06/2014        |
| <b>Accountable Officers</b>                                     |  |
| Mr J Mulder   | Chief Executive<br>01/07/2013-30/06/2014 |

**Remuneration of Responsible Persons**

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

| Income Band  | 2014<br>No.      | 2013<br>No.      |
|--|------------------|------------------|
| \$0 - \$9,999  | 0                | 1                |
| \$10,000 - \$19,999  | 1                | 6                |
| \$20,000 - \$29,999  | 6                | 0                |
| \$30,000 - \$39,999  | 0                | 1                |
| \$40,000 - \$49,999  | 1                | 0                |
| \$370,000 - \$379,999  | 0                | 1                |
| \$390,000 - \$399,999  | 1                | 0                |
| <b>Total Numbers</b>   | <b>9</b>         | <b>9</b>         |
| <b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b> | <b>\$580,459</b> | <b>\$515,771</b> |

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

**Bendigo Health Care Group**  
**Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014**

**Note 22a: Responsible Persons Disclosures (continued)**

**Other Transactions of Responsible Persons and their Related Parties.**

Mr. J Mulder is a Director of LMHA Network Ltd which provides information & communication services to Bendigo Health Care Group on normal commercial terms and conditions.

Mr. J Mulder is the Chairperson of the Loddon Mallee Rural Health Alliance JVA Steering Committee. Loddon Mallee Rural Health Alliance provides information & communication services to Bendigo Health Care Group on normal commercial terms and conditions.

Dr. M Langdon is the Chief Executive Officer of Bendigo Access Employment. Bendigo Access Employment provides courier services to Bendigo Health Care Group on normal commercial terms and conditions.

Mr. G Stewart is a Director of Girton Grammar School Limited. Girton Grammar School provided tuition services to a client of Bendigo Health Care Group.

Mr. G Stewart is a Director of Bendigo Primary Care Centre Limited. Bendigo Health provides utilities for BPCC which are reimbursed. During 2013 Bendigo Health provided a \$100K advance to BPCC.

Mr. W O'Neil & Ms. S Clarke are Directors of Loddon Mallee Housing Services Limited. Loddon Mallee Housing Services Limited provides client services to Bendigo Health Care Group on normal commercial terms and conditions.

Ms. M O'Rourke is a Director of Bendigo TAFE (BRIT). Bendigo TAFE (BRIT) provides education services to Bendigo Health Care Group on normal commercial terms and conditions.

Ms. M O'Rourke is a Director of Bendigo Business Council. Bendigo Health Care Group are a member of Bendigo Business Council on normal commercial terms and conditions.

Ms. J Boynton was the Chief Executive Officer of Peter Harcourt Disability Services. Peter Harcourt Disability Services provides Ageing Carers Initiative services to Bendigo Health Care Group on normal commercial terms and conditions.

Ms. S Clarke was a Board Member of Heathcote Health. Heathcote Health provides client services to Bendigo Health Care Group on normal commercial terms and conditions.

Ms. S Clarke is a Director of Loddon Mallee Murray Medicare Locals. Bendigo Health Care Group provides rural health services on normal commercial terms and conditions.

Mr. G Michell is a Director of Bendigo Community Telco. Bendigo Community Telco provides Telecommunication services to Bendigo Health Care Group on normal commercial terms and conditions.

Mr. G Michell was a Director of Lower Murray Water. Bendigo Health Care Group make water and sewerage payments to Lower Murray Water on a property they rent in Swan Hill on normal commercial terms and conditions.

|  | <b>Payments<br/>2014<br/>\$'000</b> | <b>Receipts<br/>2014<br/>\$'000</b> | <b>Payments<br/>2013<br/>\$'000</b> | <b>Receipts<br/>2013<br/>\$'000</b> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
|  | 1,012                               | 0                                   | 839                                 | 199                                 |
|  | 1,915                               | 2,086                               | 3,262                               | 3,082                               |
|  | 38                                  | 0                                   | 22                                  | 0                                   |
|  | 1                                   | 0                                   | 0                                   | 0                                   |
|  | 22                                  | 50                                  | 102                                 | 155                                 |
|  | 89                                  | 0                                   | 103                                 | 0                                   |
|  | 27                                  | 78                                  | 25                                  | 120                                 |
|  | 6                                   | 0                                   | 3                                   | 0                                   |
|  | 0                                   | 0                                   | 16                                  | 0                                   |
|  | 0                                   | 0                                   | 234                                 | 160                                 |
|  | 0                                   | 160                                 | 0                                   | 0                                   |
|  | 709                                 | 0                                   | 978                                 | 0                                   |
|  | 0                                   | 0                                   | 1                                   | 0                                   |
|  | <b>3,819</b>                        | <b>2,374</b>                        | <b>5,585</b>                        | <b>3,716</b>                        |

**Other Disclosures**

No retirement benefits were paid to Responsible Persons as at 30th June 2013 and 30th June 2014.

**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.

|  | <b>Total Remuneration</b> |                     | <b>Base Remuneration</b> |                     |
|--|---------------------------|---------------------|--------------------------|---------------------|
|  | <b>2014<br/>No.</b>       | <b>2013<br/>No.</b> | <b>2014<br/>No.</b>      | <b>2013<br/>No.</b> |
| \$170,000 - \$179,999                              | 0                         | 0                   | 1                        | 2                   |
| \$180,000 - \$189,999                              | 1                         | 2                   | 1                        | 0                   |
| \$190,000 - \$199,999                              | 1                         | 0                   | 0                        | 0                   |
| \$200,000 - \$209,999                              | 0                         | 0                   | 0                        | 2                   |
| \$210,000 - \$219,999                              | 0                         | 2                   | 1                        | 1                   |
| \$220,000 - \$229,999                              | 2                         | 1                   | 2                        | 2                   |
| \$230,000 - \$239,999                              | 1                         | 1                   | 1                        | 0                   |
| \$240,000 - \$249,999                              | 1                         | 1                   | 0                        | 0                   |
| \$250,000 - \$259,999                              | 0                         | 0                   | 1                        | 0                   |
| \$260,000 - \$269,999                              | 1                         | 0                   | 0                        | 0                   |
| \$360,000 - \$369,999                              | 0                         | 0                   | 0                        | 1                   |
| \$370,000 - \$379,999                              | 0                         | 1                   | 1                        | 0                   |
| \$390,000 - \$399,999                              | 1                         | 0                   | 0                        | 0                   |
| <b>Total</b>                                       | <b>8</b>                  | <b>8</b>            | <b>8</b>                 | <b>8</b>            |
| <b>Total annualised employee equivalents (AEE)</b> | <b>8</b>                  | <b>8</b>            | <b>8</b>                 | <b>8</b>            |
| <b>Total remuneration</b>                          | <b>\$1,963,161</b>        | <b>\$1,867,601</b>  | <b>\$1,876,009</b>       | <b>\$1,783,792</b>  |

**Bendigo Health Care Group****Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2014****Note 22: Responsible Persons Disclosures (continued)****Note 22c. Payments to other personnel****Payments to other personnel (i.e. contractors with significant management responsibilities)**

There were no payments to contractors with significant management responsibilities as at 30th June 2013 and 30th June 2014.

**Note 23. Remuneration of auditors****Victorian Auditor-General's Office**

Audit or review of financial statement

|  | <b>2014</b>   | <b>2013</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
|  | 60            | 55            |
|  | <b>60</b>     | <b>55</b>     |

**Note 24: Economic dependency**

Bendigo Health is wholly dependent on the continued financial support of the State Government and in particular, the Department of Health. The Department of Health has provided confirmation that it will continue to provide Bendigo Health adequate cash flow support to meet its current and future obligations as and when they fall due for a period up to September 2015.

**Note 25: Ex-gratia Payments**

There were no ex-gratia payments made by Bendigo Health during the 2013/14 financial year.

**Note 26: Events occurring after the balance sheet date**

There were no events occurring after reporting date which required additional information to be disclosed.