

The History of Edenhope & District Memorial Hospital



The hospital began in 1910 as a privately owned and managed private hospital. At that time it was situated in a house owned by Mrs. Jerome Minogue, who was Mrs. Daly's mother of Clunie at Harrow. This building was later owned by Mr. Tabby Preece and is now known as "Edenhope Antiques".

The hospital was rebuilt in 1930, on its present site, becoming two wards with a total of 5 beds. Donations for the construction were sought with the help of many district people and Mrs. "Tug" Kealy who ventured out to collect them via horse and cart. The Hospital continued to function as two wards until 1950, at which time management of the hospital was transferred to the Hospitals and Charities Commission.

The "Halahan Wing" which currently houses the Executive Offices was residence to Mr. McDonald who operated Horsham Drays, a gravel contractor for the Kowree Shire. He also housed his horses at stables which were located where the

current Elsie Bennett Community Centre stands today. In winter times the stables were often flooded.

During 1961 the hospital underwent an upgrade and was extended, making it a 23 bed hospital. In 1981 approval was given for 8 beds in the Nurses Home to be reallocated as 8 Nursing Home Beds, giving the hospital a total of 31 beds.

In 1988-89, a new nursing home was built consisting of 18 beds. This now created a facility of 20 acute beds and 18 nursing home beds.

In 1998 the hospital opened its new 17 bed hostel and community health centre.

The ownership of the Barkala Flats was transferred to Edenhope & District Memorial Hospital in 2001. Of the 19 flats, 18 are used as accommodation for the Aged and Disabled while 1 is utilised by the hospital for short term accommodation for staff, students or other visitors as required.

In 2003, 5 beds were added to the hostel.

Principal Operating Functions

Edenhope and District Memorial Hospital is a public health service with 20 acute beds, providing general and acute medical, general surgical, paediatric, pre natal and post natal care and residential aged care through a nursing home of 18 beds and a 22 bed hostel. The Hospital owns 19 Independent living units of which 18 are used as rental accommodation for the aged and disabled.

During the year the following additional services were provided:

- Chemotherapy
- Dialysis
- Physiotherapy
- Podiatry
- Speech Therapy
- Optometry
- Dietetics
- Dentistry
- Pathology
- Radiology
- Community Health
- District Nursing
- Meals on Wheels
- Home and bed-based respite
- Whilst we do not have a registered outpatients service, we does provide an accident and emergency service.

MISSION STATEMENT:

To provide the highest standard of care and health related services, that reflect community needs.

Governance

GOAL: To provide quality leadership to Edenhope & District Memorial Hospital through a comprehensive Governance Framework.

STRATEGIES

- Provide leadership by establishing and regularly reviewing the mission, goals, aims, objectives and policy.
- Maintain legal compliance and high ethical standards of operation.
- Provide a committee system, with clearly defined roles, responsibilities and tasks.
- Establish key financial objectives, with appropriate financial and audit processes in place that ensure that funds are prudently invested.
- Ensure robust risk management, including financial capacity and asset management, providing the organisation with targeted administration and infrastructure support to programs.
- Monitor the financial, operational and compliance risk exposures, and monitor the annual budget.
- Monitor the overall performance in regards to service delivery, continuous improvement and effective management practices.
- Undertake and approve strategic and business planning.
- Undertake succession planning for Board, Management and Staff, including skills, community engagement and capacity, through mentoring and training.
- Establish and regularly review the duties and responsibilities of the CEO.
- Develop and maintain strong links between the Board and the constituent community by maintaining a positive and well regarded profile.
- Ensures that the organisation takes an active role in local and regional health planning.

RESULTS

- Consolidation of our Risk Management system.
- Introduction of Health Legal Regulatory Compliance System.
- Review of Sub Committee representatives.
- Improved Risk Management reporting to BOM.
- Introduced New Board Member knowledge questionnaire.
- Review of Strategic plan achievements.
- Undertake Master Planning.
- Work with VMO to recruit replacement VMO.
- 100% of BOM members completed BOM effectiveness review.
- Excellent end of year financial result.

Continuous Improvement

GOAL: To continue to promote and enhance a culture of Continuous Improvement in all aspects of our operations and services, with the goal of achieving an excellent reputation as a quality healthcare provider.

STRATEGIES

- Maintain the organisation's quality plan as a "living" document, with all opportunities for improvement continually identified and reviewed, and Key Performance Indicators monitored.
- Continue to maintain, monitor and meet Accreditation (EQulP, Aged Care Standards Agency, HACC & DVA) requirements to maintain accreditation.
- Utilise existing links to Regional Director of Medical Services for the referral of ethical issues in the first instance, and establish protocols for referral to the Joint Ethnic Committee of Ballarat Health Service and St John of God Healthcare
- Continue to ensure best practice Infection Control processes through a scheduled review of the Infection Control policies, monthly monitoring of incidences of infection, and liaising and membership with the Grampians Regional Infection Control Group.
- Undertake annual community feedback on the services we provide.

RESULTS

- Successful Aged Care Standards and Accreditation Agency accreditation for the Kowree Nursing Home. This is for a period of 3 years commencing November 2007 and expiring on November 2010.
- Successful spot check The Lakes Hostel 1 April 2008.
- Successful spot check for Kowree Nursing Home 13 June 2008.
- Review of Self Assessment report provided for the Australian Council on Healthcare Standards with a view to strengthening the report before its final submission next financial year.
- Conducted Community Consultation meeting in April 2008 wherein suggestions were made to improve the format of our community information pamphlets.

VISION STATEMENT:

To be the best quality provider of healthcare that is responsive to community needs.

Information Management

GOAL: To improve the use of information management as a tool for enhancing communication and decision making.

- Installation of the MONIKA temperature monitoring system which provides facility wide 24 hour a day refrigeration temperature monitoring to ensure correct operation of all refrigeration equipment. Computerised data logging of goods received as well as time and temperature monitoring of cooked and prepared food.
- Installation of Ozone Laundry System which replaces hazardous chemicals and 83 degree hot water with ozone to disinfect the linen during washing.
- Regional benchmarking on infection control criteria show that we reach the standard benchmark in regard to all fields audited.

STRATEGIES

- Develop a marketing and communication strategy that clearly articulates our services and facilities available.
- Liaise with DHS to ensure appropriate linkage of EDMH to the DHS Information & Communication Technology Strategy to ensure that ICT supports the delivery of focused health services.
- Ensure communication pathways are effective and efficient at all levels.
- IT resources reviewed and updated accordingly, and annual budgeting includes allowances for IT updating.

RESULTS

- Member of the Grampians Joint Venture Agreement.
- CEO member of the JVA Transition committee.
- IT resources and capital updated and upgraded as per IT plan.
- Development of the Picture Postcard Menu system to assist clients in choosing meals and provide a log of meal choices.
- Installation of the MONIKA temperature monitoring system which gives facility wide 24 hour a day refrigeration temperature monitoring to ensure correct operation of all equipment. Computerised data logging of goods received as well as time and temperature monitoring of cooked and prepared food.
- Member of Regional FMIS Steering committee overseeing the future implementation of a replacement Financial Management Information System for the Grampians region.
- 15 new desktop computers installed (4 for medical clinic and 4 printers).
- 2 fax/photocopier/printers (one for Hostel and one for medical clinic).
- New printer acute ward.
- iCare web-based care planning and assessment computer program introduced in both the Kowree Nursing Home and Lakes Hostel to ensure accurate documentation and assessments are completed on residents and that care plans can be tailored to the residents individual requirements.

Workforce Development

GOAL: To ensure we actively recruit and retain suitably skilled and qualified staff and provide ongoing education to ensure the Vision, Mission, Values and Strategic and Operational Plans of the organisation are met.

STRATEGIES

- Continue the annual staff performance review process linked to the Vision, Mission, Strategic Plan and Operational Plans.
- Develop a targeted workforce development plan with input from the annual staff performance review process, with the Wimmera PCP's integrated workforce development program to be utilised as appropriate.
- Advocate for, and input into, a co-ordinated approach for the recruitment and retention of General Practitioners, Visiting Medical Officers and Allied Health Professionals across the Wimmera, through the existing alliances of the Wimmera PCP and West Vic Division of GPs.
- Ensure Registered Nurse staff have effective and efficient systems to exchange knowledge and to undertake distance education.
- Continue to enhance staff satisfaction, develop career pathways, provide a safe working environment and acknowledge staff achievements.

RESULTS

- 1 Div-1 Nurse completed Wound Management Course.
- 3 Div-1 Nurses completed Emergency Care Course with a 100% pass rate.
- 14 Hotel Services staff completed Certificate 3 in Hospitality (Operations).
- 76% Position Descriptions currently up to date.
- Attained Service of another Podiatrist.
- 1 Div-2 Trainee completed traineeship.
- 1 Trainee Div-2 Nurse commenced January '08.
- 2nd year Apprentice Gardener.
- 2nd year Apprentice Cook.
- HostelTeamLeader currently undertaking Certificate IV in Aged Care.
- OH&S Officer successfully obtained a scholarship and enrolled in Certificate IV in OH&S.

OUR VALUES:

We believe that our customers are entitled to the highest quality health care that is respecting of their rights, dignity and beliefs regardless of their cultural or socio-economic background.

We recognise staff as our most valuable asset, we care for their well-being and encourage and support their ongoing development.

We are committed to a culture of continuous quality improvement.

We are committed to the provision of a safe environment.

Risk Management

GOAL: To ensure all risks associated with provision of services and management of the business are effectively addressed.

STRATEGIES

- Continue to develop protocols/guidelines to local Directors of Medical Services (DOMS) and between Visiting Medical Officers (VMO) to the whole Wimmera, not just those visiting Edenhope.
- Develop protocols/guidelines for emergency obstetrics including delivery and transfer.

RESULTS

- Establishment of separate VMO and Medication Advisory Committees (MAC).
- Involvement of visiting Pharmacist in MAC.
- Credentialing of new VMO's undertaken by local DMS.
- Continue to review and develop Risk Management System.
- Risk Management review undertaken by VMIA with excellent results.

Capital Development

GOAL: To pursue the provision of a re-developed service that will provide modern workable buildings and equipment for all (including residents, patients, clients, staff, visiting medical officers and visitors).

STRATEGIES

- Liaise with and pursue DHS to fund a comprehensive Feasibility Masterplan for the Acute and Nursing Home facilities to maximise building functionality, including consideration of:
 - Certification requirements for the Nursing Home.
 - Co-location of Medical Practice.
 - Provision of recovery area separate from the theatre.
 - Allied Health space.
- Connectivity of functionality.
- Undertake a Feasibility Study for the redevelopment of the Barkala Flats including a self-funding asset replacement program.

RESULTS

- Masterplanning commenced in February 2008 and expected to be finalised early in the new financial year.
- Capital equipment upgrades to Barkala flats as required.
- \$80,000 received for capital equipment grants.
- \$198,000 received for the following future capital works:
 - establishment of dedicated x-ray room.
 - updated xray equipment.
 - upgrade airconditioning in kitchen.

Service Delivery

GOAL: To be responsive to future service needs by providing quality medical, nursing and support services to the Edenhope and surrounding community.

STRATEGIES

- Work in conjunction with the Shire Council, Wimmera Primary Care Partnership and Lowan Rural Health Network to utilise evidence based research to advocate and lobby on behalf of the Edenhope & District community.
- Utilise evidence based research to flexibly allocate resources, between Acute, Sub-acute and Primary Health services, through the Small Rural Health Service Funding Guidelines, in consultation with the Department of Human Services, to meet the needs of the community and ensure efficient utilisation of limited resources.

RESULTS

- The position of the diabetes educator has been functioning for 14 months and the service ensures that clients with diabetes are assessed and plans for care are developed to ensure that they receive quality care in regard to their diabetes.
- Application and successful outcome of new Lowan Rural Health contract.
- Active participation in PCP including representation on Executive Committee.

Board of Management

The Board of Management is appointed by the Governor-in-Council from nominations received by the Hospital. The Hospital is incorporated under, and regulated by, the Health Services Act 1988.

The Minister during the reporting period was The Hon Daniel Andrews MP effective 3 August 2007. Prior to that the Minister for Health was The Hon Bronwyn Pike MP.

Board Members each serve a three-year term, and may be eligible for re-nomination at the conclusion of each of their terms.

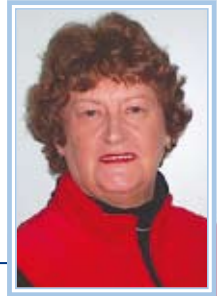
The role of the Board of Management is to ensure Edenhope and District Memorial Hospital achieves its Mission and Strategic goals and objectives and, in doing so, meets all the legal and moral responsibilities accompanying "best practice" corporate governance.

The Board of Management strives to be a professional Board that uses leadership to move the organisation towards its vision.

Cr. Ronald Hawkins
President



Mrs. Jan Grigg
Senior Vice President



Mr. Michael Holland
Junior Vice President



Mr. Jim McKay
Treasurer



Mrs. Wendy Reed
Assistant Treasurer



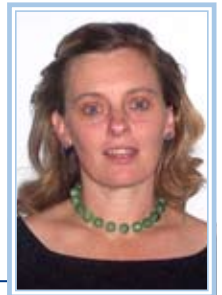
Mr. John Warner



Mrs. Vonnie Penrose



Mrs. Angela Newton
*Resigned
21 May 2008*



Mr. Robert Carberry



Mr. Jim Farran



Board of Management

BOARD OF MANAGEMENT REPRESENTATIVES ON HOSPITAL COMMITTEES								
BOARD MEMBER	Ron Hawkins	Jan Grigg	Vonnie Penrose	Jim McKay	Robert Carberry	Wendy Reed	Angela Newton	Jim Farran
Occupational Health & Safety								
Residential Care Services								
Continuum of Care								
Risk Management								
Continuous Improvement								
Clinical Review								
Audit & Compliance								

ATTENDANCE AT BOARD MEETINGS												
BOARD MEMBER	July 30th	Aug. 27th	Sept. 24th	Oct. 29th	Nov. AGM	Nov. 26th	Feb. 4th	Mar. 3rd	Mar. 31st	Apr. 28th	May 26th	Jun. 30th
John Warner	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cr. Ron Hawkins	A	A	✓	✓	✓	✓	✓	✓	A	✓	✓	✓
Mike Holland	✓	X	✓	✓	X	A	A	✓	✓	✓	A	✓
Jan Grigg	✓	✓	✓	✓	✓	A	✓	A	✓	✓	✓	A
Vonnie Penrose	✓	✓	A	✓	✓	✓	✓	✓	✓	A	A	✓
Wendy Reed	✓	✓	A	✓	X	✓	✓	✓	✓	✓	✓	A
Jim McKay	✓	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	✓
Angela Newton	A	✓	A	✓	✓	✓	A	A	A	A	Resigned	
Robert Carberry	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	✓	✓
Jim Farran	✓	A	✓	✓	✓	✓	A	A	✓	✓	✓	✓

HIGHLIGHTS

Masterplanning

Above Budget Surplus

Successful Grant

Applications

Achievements

PLANNING

A summary of our Strategic Plan achievements for the year is outlined on pages 2–4 of this report. This is the third year of our 2005-2009 Strategic Plan and as we move towards the final year of this plan we will be working with the staff, Board and other stakeholders to develop our new plan which will commence in July 2009.

One of the exciting highlights of the year has been the development of our Master Plan for the redevelopment of the hospital.

This commenced late in 2007 with expressions of interest from Architects and Quantity Surveyors. Following a review of applications and interviews Baade Harbour Australia Pty Ltd (Architects) and Page Kirkland Victoria Pty Ltd (Quantity Surveyors) were appointed to manage the process which is nearing completion.

We would like to thank the Architects, Quantity Surveyors, DHS and all of the staff and Board members who have been involved in Project Control Group and User Group meetings, your input has been invaluable and will ensure that any new hospital will not only be modern but functional and meet future requirements.

CONTINUOUS IMPROVEMENT

Quality is an important component of our business and we rely on the feedback from others to assist us in striving to improve what we do throughout the year. Our commitment to quality is evident in the positive results from the Victorian Patient Satisfaction Monitor, various patient/resident questionnaires and feedback from the community.

Another measure of quality is the outcomes from accreditation. This year we were successful in achieving a further 3 years accreditation for the Bade Wing Nursing Home following an audit conducted on 24 July 2007. In addition we had positive outcomes from a spot check conducted at

On behalf of the Board of Management, Executive and staff of Edenhope & District Memorial Hospital and in accordance with the Financial Management Act 1994, we are pleased to present this Annual Report for the year ended 30th June 2008.

The excellent achievements this year are the direct result of the hard work and dedication undertaken by all who are associated with Edenhope & District Memorial Hospital and we would like to commence this report by thanking everyone for this commitment and dedication.



*Board of Management
President, Cr. Ron
Hawkins and Hospital
CEO, Kathy Huett.*

the Lakes Hostel on 1 April 2008 and the Bade Wing on 13 June 2008.

Our acute EQuIP accreditation will be conducted by the Australian Council on Health Care Standards in mid September 2008.

Further Quality of Care details will be outlined in our 2007/2008 Quality of Care Report which will be distributed in December 2008 via the West Wimmera Advocate or available from the hospital reception.

FINANCE

Edenhope & District Memorial Hospital achieved an excellent financial result for 2007/2008 with an operating surplus of \$542,042. After allowing for capital income and depreciation our net result is a surplus of \$680,454.

The result achieved reflects in the main, a 13% increase in funding from DHS and a 47.3% increase in interest income compared to the previous financial year. Management and staff maintained a tight rein on controllable expenditure despite major increases in food, fuel and electricity costs compared to the previous financial year.

Grant funding of \$337,225 was received from DHS for various capital equipment purchases and developments including but not limited to:

- Ozone laundry system.
- Monika Temperature monitoring System.

- Air-conditioning for Kitchen (to be installed and completed in the new year).
- Commercial roller ironer.
- X-ray equipment and development of dedicated x ray unit (to be installed and completed in the new year).

Please refer to the financial section of this report for the full details of the financial results for 2007/2008.

TRAINING

Staff understand the importance of keeping abreast of changes and updating their skills to ensure that they continue to undertake their duties competently.

During the year over 80% of staff undertook various training programs. 14 Hotel Services staff completed their Certificate III in Hospitality (Operations), while two significant training programs for residential services staff were:

- the new assessment funding tool (ACFI).
- the electronic documentation of resident's progress notes, assessments and care plans (iCare).

Staff have commenced their fire training via an e learning tool and it is expected that all staff would have completed this early in the new financial year. It is expected that more e learning tools will be developed in the future which will provide a broader range of staff with the ability to undertake learning and update their knowledge.

Report from the President and Chief Executive Officer

Acknowledgements

STAFF

Staff strive to provide an excellent service and this is regularly acknowledged via positive feedback and comments from the community and via questionnaires. We extend our gratitude to all of the staff for their commitment, dedication and the work they have undertaken throughout the year.

VISITING MEDICAL OFFICERS

In March 2008 Drs Flew and Ihuaquai announced that they were leaving Edenhope to pursue their careers. We would like to take this opportunity to thank Drs Flew and Ihuaquai for their commitment to Edenhope & District Memorial Hospital. This is particularly the case while they have been working between their new destination of Mansfield and Edenhope during which time they have been pursuing other Doctors for their practice at Edenhope. At this stage negotiations are being undertaken with two Doctors and we are sure of a positive outcome for the community.

We would like to thank Dr Rajah Beejadhur for his commitment over the past year and especially during the times when Drs Flew and Ihuaquai were absent.

BOARD OF MANAGEMENT

As a result of the change of terms of office for board members to a 1st July to 30th June cycle there were no new Board Members appointed during this year. Unfortunately Angela Newton resigned from the Board for personal reasons and the Board would like to thank her for her contribution over her term of appointment.

We extend our thanks to all Board members for their time and contribution over the past year.

COMMUNITY

The support and assistance we receive from the community is acknowledged and appreciated.

This support is evident from individuals, businesses and organizations including service clubs, Ladies Auxiliary, Murray to Moyne Cycle Relay Team and the Community who all assist us in improving our services and facilities. It



A meeting of the Board of Management underway in the Elsie Bennett Community Centre.

is a demonstration of the community commitment to the hospital even during the drought and other difficult times.

PARTNERSHIPS

We extend our thanks to Wimmera Health Care Group who support our payroll staff with processing activities, Casterton Memorial Hospital for provision of coding services and Western District Health Service for provision of coding audits, physiotherapy to our aged care residents, speech pathology and dietician services to our facility and the community.

We continue to work closely with West Wimmera Health Service in the coordination and management of the Lowan Rural Health Network and with the Wimmera Primary Care Partnership to assist in promoting and improving the health of the community.

DEPARTMENT OF HUMAN SERVICES

Staff from the Department of Human Services continue to be helpful and supportive both at a Regional and Head Office level. We would particularly like to acknowledge the support provided by the Regional Director, Brenda Boland and her staff Nicola Reinders, Claire Sandford and Kristy Bellman.

Towards Our Future

2008/2009 will be a year of consolidation with the opportunity to:

- Finalise our Master Plan and Feasibility Study.
- Develop our new Strategic Plan for the next 5 years.
- Achieve successful EQulP Accreditation outcomes for the acute service audit which will be conducted in September 2008.
- Achieve successful HACC Accreditation outcomes for the Day Centre and District Nursing service audit which will be conducted in September 2008.
- Achieve successful Aged Care Standards and Accreditation outcome for the Lakes Hostel in early 2009.
- Implement a new Patient Client Management computer program for use by the majority of departments within the hospital.

In closing we would like to once again thank everyone for their continued commitment and support and we look forward to working with you all in 2008/2009.

Cr. Ron Hawkins
President

Kathy Huett
Chief Executive Officer

Acute Care

The quality of the care delivered to our patients over the past 12 months has once again been provided at a high standard.

Throughout the year we continue to identify ways that we can improve the care and service which is provided to the community. Staff are very proactive in identifying ways that we can ensure that the quality of the service and care continue to expand. These may be due to the purchase of new equipment, updates to current policies and procedures, staff training and refurbishing of wards.

It has been a busy year especially in the aged care areas with the introduction of ACFI which is a new Aged Care Funding Tool. This change in our funding has required us to relook at the ways we do things in regard to resident documentation. We have had to make changes to our systems and processes and some of our assessments.

Each of the aged care managers and the Director of Nursing received 2 days training in December to begin implementing the process changes which were required. Four senior nursing staff attended two days of training in February 2008.

Annie Osborn the Team Leader from the Lakes Hostel graduated from a Wimmera Leadership Skills Initiative Program. The program aims to develop individual leadership skills, including teamwork, conflict resolution, and public speaking.

We are working towards changing the way we document residents assessments and care plans in both the aged care facilities by introducing an electronic care planning tool called iCare. The benefits are that we will move away from our complex, time consuming paper based system to a more streamlined computer based system.



Pauline Kelly and Cath McDonald with Stu Willder from Western District Health Service after attending a training session in Hamilton to deliver locally the successful "Sustainable Farming Families" program.

Division 1 nurses Carolyn Middleton, Darryl Atchison and Sue Roberts completed an Emergency Upskilling Program.



Nine staff have attended a four day training course to become trainers and they will educate the staff in each aspect of the program. Full implementation is expected to occur by November 2008.

The Community Health Nurses were successful in attracting funding through the Western District Health Service and Department of Human Services to conduct the successful Sustainable Farm Families Program. Cath McDonald and Pauline Kelly attended training to be able to deliver the program. The program addresses the health, well-being and safety issues facing farm families through health awareness and education workshops.

A new family special needs room has been re-furbished in the acute ward. The funding for this was generously donated by the Murray to Moyné Cycle Relay Team.

The room provides a private area for family members to stay with sick patients and features a recliner, a three seater sofa bed, microwave, refrigerator, flat screen television, dvd player and other items.

TRAINING AND DEVELOPMENT

Training, development and up-skilling of our nurses continues to be a very important aspect of care delivery. In the previous 12 months some of the education that staff have attended has included:

- No lift education and competency assessments.
- Basic Life Support education and competency assessments.
- Drug Calculations for Division 1 nurses.
- Advanced Life support education and assessments for Division 1 nurses.
- Managing aggressive persons training with the Horsham Police.
- Education topics with the Adelaide pharmacist who conducted monthly talks on medications.
- Education on VAT mattress use which was conducted by the local ambulance officer.
- Education provided by Western District Health Service educator which included GI tract and Musculo-Skeletal disorders
- Four Division 1 nurses attended Chemotherapy Module I training.

Meredith Finnigan
Director of Nursing

Key Achievements

Community Health

The Department of Human Services continues to identify physical activity and nutrition as a focus for community health.

Exercise programs are a strong focus of community health, there are programs for all ages and abilities. The men's program "Pump it up" on Tuesday and Friday morning is very popular and entertaining.

A Falls Prevention Program commenced late last year with its focus on strength, mobility and eye movements which generally help people stay on their feet.

The warm water exercise program at the Horsham Aquatic Centre is very popular and beneficial with a bus full of enthusiastic men and women ranging in age from 45yrs to 88yrs heading to Horsham each Thursday. The people attending have all felt the improvements in their mobility. The program meets the needs of people with arthritis and those preparing or recovering from hip or knee replacements

With Health promotion and prevention being a large part of community health, women's health has been identified as an important focus for us. Well Women's Clinic is a free and confidential service, which is held on Tuesdays and Thursdays or by appointment at the Elsie Bennett Community Centre with qualified Pap Nurse Providers.

Four times a year the hospital bus is provided to take women to Horsham for Breast screen. Breastscreen Vic. provide afternoon tea, and it is quiet a sociable outing. Remember early detection of cancer has good results of recovery.

Carer's meetings/outings are a bi monthly activity, outings have included 2 trips to the Horsham Cinema for some light relief. We welcome any new people to the Carer's program.

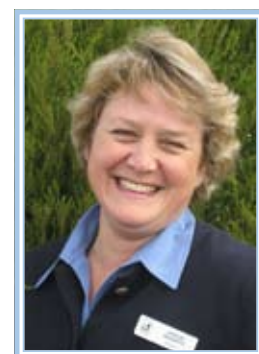
We have been very fortunate in obtaining funding again this year for another Carer's holiday. We are heading away in October for a well deserved break which provides respite for carers. They are a wonderful support and without them their loved one's could not remain safely at home.

Pauline Kelly
Community Health Nurse

District Nursing

The District Nursing Department in collaboration with other allied health services, continues to provide holistic care, assisting clients to remain in the comfort and security of their own homes. We have a very busy service, visiting 3,216 clients over the past year.

We have been fortunate to gain another District Nurse in Ainslee McManus, bringing further skills and experience to our team. Unfortunately we lost Helen Grummet who resigned from District Nursing to further her career in Diabetes Education. This is a great benefit to the community with our increasing diabetic population.



Ainslee McManus.

During the past year we have purchased a new wound dressing bag, which has enabled us to safely and more efficiently transport all of our stock. We have ordered a tympanic thermometer which will be greatly appreciated and help towards improving the nursing care we provide.

Relevant workshops have been attended by our nursing staff and we are now looking forward to a future inservice wound management session.

District Nurses



Community health nurses Cath McDonald and Pauline Kelly have introduced 'pole walking' as part of the extensive exercise program offered to the community. They are joined on a walk by Jo McLaughlan, Jodie Grigg and Emma Hunt.

Adult Day Centre

This past year the Day centre bus trips have taken people all over our area of Victoria and into South Australia. Once a month we have outings for Apsley Ladies, Edenhope Ladies, Men, and our Young group.

Funding has been made available from Carers Choice/Wimmera Community Options for 6 hours on a Saturday, to give respite to Carers who work or have a role in Volunteering. Thank you to those same groups for providing funding for 2 new lightweight wheelchairs for the Day Centre.

The Men's Shed is still running two days a week. We have a very industrious group of men who make items of their own choice or items that have been ordered. There is nothing they won't put their hand to. They also have undertaken some restoration work on old furniture.

On October 9th of last year our group attended the Seniors Week Concert at the Mechanics Hall Edenhope. Denise Drysdale entertained almost 300 people from around the West Wimmera Shire and you would have had to travel a long way to find better entertainment anywhere.

The Harrow and Nhill Day Centres visited us a couple of times in the past twelve months and joined in on our activities. Many also renewed old friendships and caught up on local gossip over morning tea.

The South West Planned Activity Groups, consisting of Edenhope, Casterton, Merino, Macarthur, Harrow, Balmoral, Coleraine, Heywood and Portland, all brought their groups together in Coleraine for a fishing



Cards are one of many enjoyable activities undertaken at the Day Centre.

competition. Lines in at 11am on the dot and Rainbow Trout, Redfin, tennis balls and tins of tuna were the catch of the day. A trophy was awarded to the heaviest fish and as it was such a successful day it was agreed to make it an annual event.

It was decided that this year our group would join in with a community Melbourne Cup Day organized by Edenhope College at the Race Course. The big screen provided us with perfect view of all races. As we all had horses in the sweeps there was plenty of barracking and banter back and forth. The day was a huge success and we all hope the College again host the day for us. The day was a great chance for our wonderful band of volunteers to sit back, relax, take in the atmosphere and hopefully win a few dollars.

As with our regular activities we have had the pleasure of being entertained by Tom

Boston (guitar/singing), Ailcie Wilks (piano), Audrey Huntley (piano) and Dorothy McGinty (piano). We are very lucky to have these very talented people available to us.

With our monthly program going out by mail to 110 people in the area, there is a lot of interest in the community. With such a diverse group of people there are always many new ideas being put forward for activities or places to visit. People who are happy to share their specific talents or knowledge are always welcome to come and see us.

Our Day Centre Holiday was at Barmera this year with 30 people joining us on Judy Saffin's Southern Coachline for the trip to the River Land. The weather was perfect for our visits to Rusten's Rose Garden and Vintage Cars, Frank Harding Gallery, Rocky's Country Music Hall of Fame, Loxton Historical Village & Irrigation Museum

Fiona Mulraney
Day Centre Co-Ordinator



Norm Parker and Ron Munn are regulars in The Men's Shed which runs two days per week.

Key Achievements

Aged Care

BADE WING NURSING HOME

Another year has ticked over in the Bade Wing and we have achieved another three years accreditation with the Aged Care Standards Agency from November 2007 until November 2010, having complied with all 44 outcomes. The goal posts are always shifting and naturally, the accreditors had some suggestions for improvement, but from conversations with staff, residents and relatives, they were able to see the high quality professional care, given in a warm friendly environment. We have had a couple of spot visits since the site audit and we are well on the way to fulfilling all recommendations.

The sliding doors in the Dining room have been changed as planned to allow easier access for outdoor activities for the residents. Repairs to the verandah are still underway and master planning has commenced for a new hospital, which will include a new nursing home, but of course we are at very early stages and this may take some time. It will be wonderful for residents to have their own rooms, or twin rooms with ensuites and much more room for activities but in the meantime, we are thankful for and managing well with what we have.

The respite service has become a permanent service in Bade Wing now that we have received full ongoing government approval, and while still dependant on bed availability, it has proven to be beneficial to families needing a rest, as well as getting residents used to the environment, other residents, staff and activities provided.

We have had a new funding instrument to learn and implement this year and very soon we will be using a computer based documentation program in the Bade Wing called iCare. There are always new challenges and learning opportunities to ensure we keep up with current trends, best practice and legislative requirements. We have monthly pharmacy lectures, aged care channel programs and other inservice lectures. We have had a physio and dietician visiting regularly from Hamilton to assess residents and have been lucky enough to attain their Speech Pathologist this year to help residents with swallowing problems and provide education to staff.

Two more Diversional Therapists have been appointed to the Bade Wing, so we now have a total of four people to provide



Bade Wing residents are entertained by Edenhope College students with a re-enactment of the Debutante Ball.

activities and therapies to our residents. Each has their own unique skills and areas of focus to offer the residents to ensure they never get bored and enable them to pursue the interests of their choice.

Mandy King
Bade Wing Unit Manager

THE LAKES HOSTEL

Another successful year has evolved with changes occurring as required. The most memorable moment for me was the unannounced visit from the Agency on April 1st. This was by no means a prank! The assessor focused on 'Leisure and Lifestyle' and 'Information Systems'. We were found to be compliant in both of these areas of Accreditation Outcomes due to the high quality of care delivered by all.

Improved services to the Resident care:

- Limestone Coast Podiatry visiting bi-monthly.
- Availability of Speech Pathologist.
- Physiotherapist and Dietician continue to visit.
- Introduction of Resident case study discussions at bi-monthly Staff meetings familiarises Staff with Residents' individual care needs.
- Introduction of regular Aged Care Managers meetings has been very beneficial allowing us to deal with any needs/concerns promptly.

Community events attended by Residents:

- EDMH Ladies Auxiliary Flower Show.
- Seniors Concert – Denise Drysdale.
- Mobile Electoral Polling booth.
- Grandparents Day at local kindergarten.

New purchases/developments:

- Refurbishment of office.
- Digital Camera.
- Laundry skips with lids.
- Fridge/Freezer.
- Mascerator installed in laundry.
- New folders for Residents' records.
- IXL Tastics heaters in Residents' bathrooms.
- 6 electric recliner chairs.
- 2 mother and child lamps.
- Nightlights for passages.
- Larger toaster.
- 42" HD Widescreen Plasma TV, courtesy of the EDMH Ladies Auxiliary. The TV was delivered and set up in time for the viewing of the running of the Melbourne Cup. Thanks to all for this item.

Staff training and education has been on various topics including:

- Elder Abuse – mandatory reporting.
- First Aid.
- Solutions to Difficult Behaviour.
- Better Practice seminar.
- Dietician/Nutrition in Elderly.
- No Lift.
- OH&S Deputy Training.
- iCare.
- Fire Training.
- Spark of Life.

Leisure interests and activities conducted:

- Tai Chi.
- In-house church services.
- Facial waxing.
- Hair care.
- Sing-a-longs thanks to local pianists.
- Great Gizmo performance.

Diversional Therapists continue to provide a good variety of activities with the Residents – exercises, outings, lunches, footy tipping etc.

We've been very fortunate to have several Duke of Edinburgh students offering to share their time with our Residents, enhancing their lives and gaining experience themselves.

We've seen the introduction of ACFI (Aged Care Funding Instrument) which replaces the RCS (Resident Classification Scale). Staff

"The Great Gizmo" entertains Lakes Hostel residents.



are currently being trained in order to use iCare – computerised clinical and care information management system. It has been a learning curve for all involved but it

will mean streamlining the ongoing assessment of Residents.

Annie Osborn
Hostel Team Leader

Lowan Rural Health Network

The Lowan Rural Health Network which is a joint program managed by West Wimmera Health Service and Edenhope & District Memorial Hospital has been providing a range of services for over five years to a broad range of clients in the Wimmera region in line with the identified key health requirements of physical fitness and nutrition.

On going support for the Lowan Community Health Programs is evidenced by high attendance rates and positive feedback. This indicates that we are addressing certain community needs, particularly in relation to providing opportunities for physical activity and social connectedness, which are important for good health and prevention of chronic illness.

Unfortunately Sharyn Cook the Nhill based Community Health Nurse resigned late in 2007 however we were fortunate to appoint Janine Clark in this position. Janine has many years experience working in the Acute section of Nhill Hospital, was the project coordinator with Hindmarsh Shire Council for the Men Outdoors project and is currently undertaking Certificate III in fitness. Janine commenced in late February 2008 and is developing/involved in programs to address local community needs. This includes working with Nhill College Gal's and Guy's Groups which were initiated to develop the mental health, physical activity and healthy habits of Year 5/6 students.



The Kinder Moves program in full swing.

A new program 'Kinder Moves' for kids was introduced to Harrow in February 2008 with a view to extending the program to Apsley in the new financial year. This program is an exercise and nutrition program aimed at 3-5 year olds.

Alex Hall, the West Wimmera Health Service coordinator resigned following a leave of absence. This coordinator role which is shared jointly between West Wimmera Health Service and Edenhope & District Memorial Hospital is now being undertaken by Jan Fisher, Executive Director of Aged Care, and Melanie Albrecht, Operations

Manager both from West Wimmera Health Service and the EDMH Chief Executive Officer.

The Lowan contract expires at the end of this financial year. Following a review of the services and submission of our application for ongoing funding we have been successful in securing a new contract. This contract will be for a one year period as the Department of Health and Aging has advised that all contracts will now be of one year duration.

Kathy Huett
Chief Executive Officer

Key Achievements

VMO Report

This past year has been a busy but challenging one for the doctors working at the Edenhope Medical Clinic and Edenhope & District Memorial Hospital, following a period of acute shortage of medical staff in the previous year.

After some intense recruiting efforts Dr Rajah Beejadhur joined the practice from Kalgoolie, WA last year and has now settled into the community, together with his wife, Kamini. Now, after spending over nine years in Edenhope, we have decided to move on to further our professional careers in Mansfield, Victoria, as well as overseas. We will look back with fond memories of our time in the Wimmera, especially the support and friendship of both the staff and Board members of the Hospital and the community.

There has been a long tradition of excellent cooperation and working together for the betterment of the community between the medical clinic and the hospital in Edenhope and it is hoped that this will continue in the future.

We would like to sincerely thank the nurses and ancillary staff for all their kind assistance to us over our period in Edenhope, without which we would not have coped with the workload. In particular it has been of great assistance to us in the performance of outpatient surgery and procedures in a sterile environment, especially for trauma cases and the removal of the skin cancers which so frequently affect the farming community in the West Wimmera. It is really appreciated that this assistance is afforded to us, even at the expense of interrupting your morning tea or even lunch time (when we had the operating theatre going!).



*Dr. Stephen Flew and Dr. Licenia Ihuaquai.
(Photography by Christine Bull)*

So thanks again everyone, we enjoyed working with you all and sharing a laugh now and then, amid the occasional drama.

Edenhope is indeed fortunate to have such a great team of highly skilled nurses working in different fields, such as chemo-therapy, haemodialysis, wound management, emergency medicine, community medicine, aged care, diabetic education and so on.

Hopefully the new rural medical school at Deakin will soon be graduating doctors selected from and trained predominantly in, a rural area, ideally including those who will be prepared to come back and work in isolated small rural communities such as Edenhope. It's certainly a privilege for doctors to work in such a close community, where we get to know our patients so well and are able to provide comprehensive medical care from "cradle to grave".

Likewise we have also enjoyed providing medical care for our patients in Harrow and Apsley during our branch clinics there, as well conducting preventive medicine clinics such as the PAP smear and skin cancer checks, Q fever vaccination campaigns etc.

We hope all these services will continue with community support in the future and that the community will make welcome the new doctors who will take our place in the near future.

We will miss you all, both staff and patients alike, and would like to wish each and every one of you all the very best for the future – we look forward to the opportunity to meet up with some of you again soon on the next Murray to Moyne!

**Dr Stephen Flew &
Dr Licenia Ihuaquai**

Maintenance

What a challenge the last year has been in the Maintenance Department with many upgrades to old equipment and the continuous daily repairs and maintenance occurring within the facility.

New air-conditioners for rooms in the acute wing, a new hot water service at ground level for the Bade Wing, removing the need for the units on the rooftop plant room which will make servicing much easier. Installation of the new cool-room shelving and a new Socamel food regeneration unit in the kitchen.

A major improvement in the rainwater collection from the front of the Hostel and the installation of four new rainwater tanks raising capacity by 100,000 litres will enable us to withstand the drier climate and maintain services without the need to buy in water as often.

We welcomed Ronnie Winter onto staff in January 2008. Ronnie comes to us with over 35 years experience as a builder and his expertise will no doubt be a great asset to the department and the hospital.

Anthony Clarke has moved into his final year as apprentice and continues to maintain the grounds and gardens in excellent condition and with some useful winter rain and plenty of mulch we will see another summer through without the need for excessive watering.

Management structural changes in the department in the coming year will see the formation of a General Services Manager position to oversee the Hotel Services Department and the Maintenance Department. The amalgamation of departments will see me take on this responsibility and head up the teams in Catering, Cleaning, Laundry and Maintenance.

I would like to thank all those who have supported me in the interim period over the last six months and I look forward to the challenges of the coming year.

Andrew Saunders
General Services Manager



Gardens & Grounds and Maintenance Team, from left, Anthony Clarke, Andrew Lloyd and Ron Winter.

Occupational Health & Safety (OH&S)

This financial year has seen some changes for OH&S with long term OH&S officer Darren Young resigning from his position. We would like to thank Darren for all his efforts and wish him well in his future endeavours. During the transition period from April-June 2008 I have been caretaking the OH&S Officer's role and will commence the role in a permanent position in early July.

TRAINING

Western District Health Service developed an online Fire Safety assessment which they modified for use by Edenhope & District Memorial Hospital. The self based assessment consisted of videos, descriptions and quizzes, subjects included:

- Introduction to emergency procedures.
- What to do on discovering smoke or fire.
- Understanding fire, fire extinguishers and protection equipment.

The majority of staff had successfully completed the online assessment by the end of June 2008.

Due to the introduction of the new building and construction regulations, staff who may be required to enter building and construction zones are required to have a Red Card. All of the relevant Edenhope & District Memorial Hospital staff who are required to have a Red Card have successfully completed the training.

The 5 day Occupational Health and Safety

course was successfully completed by all participating OH&S representatives.

EXTERNAL AUDITS

An OH&S external audit was conducted by the Department of Human Services, Grampians Region, Occupational Health and Safety Officer.

The audit identified a limited number of areas which needed improvement and we are currently working on the recommendations.

The positive aspects of the report were:

- Good overall OH&S policy in place and staff awareness.
- Good system for receiving and disseminating legislative updates.
- Structured OH&S consultation performed in every department.
- Positive staff response to involvement in hazard identification and control.
- Good OH&S document control.

A fire safety audit was undertaken by Lake Young and all recommendations will be completed throughout the 2008/2009 financial year.

Edenhope & District Memorial Hospital continues its very high standard of Occupational Health and Safety and staff awareness. To help maintain this very high level I have been awarded a scholarship to undertake Certificate IV in Occupational Health and Safety commencing Jan 09.

Kirily Ryan
OH&S Officer

Key Achievements

Hotel Services

The last year has been full of change with opportunities for staff to not only learn new skills but to have greater input into how they perform their duties.

Congratulations to all staff who completed the Certificate III, Hospitality (Operations) course through The University of Ballarat. The graduation and presentation ceremony was held on the 16th January in the EBCC. What an outstanding achievement for all those involved and one which makes me very proud of all Hotel Services staff.

The result of our external audit this year as reported to DHS was 97.8% which is an outstanding effort. Internal cleaning audits have shown an average score of 97.5%

This is an excellent result and one which reflects the excellent standard of cleaning that is performed by the Hotel Services staff.

A new ironing press has been purchased for the laundry and replaces the current 11 year old unit. The new press should prove and excellent addition to the equipment in the laundry and will help staff to continue to provide an excellent service.

An Ozone disinfection system has been installed in the laundry. This system uses Ozone gas as the disinfectant instead of heat and chemicals. Ozone offers a higher level of bacterial knockdown, whilst being more environmentally friendly as well as helping to maintain a more comfortable work environment.

Catering Services continues to provide high quality meals to clients and staff as well as external clients. We have two staff who are being trained as cooks assistants which is an asset to the organization and indicative of the way staff enjoy the challenge of learning new skills. We have replaced a Socamel Unit, which we use to heat the plated meals, with a new version which is lighter and more flexible in design and has proven very popular with those using it.

New easy clean shelving has made cleaning the cool room much easier as the shelving can be placed in the commercial dishwasher for cleaning. We have also installed a facility wide temperature monitoring system which records all refrigeration temperatures and stores them on a computer. Any temperatures



Hotel Services staff celebrate after successfully completing Certificate III Hospitality (Operation) Certificate through the University of Ballarat.

recorded outside the set parameters sends an alarm to a computer for investigation and action. This system replaces the paper recording method we currently use and will help free up some time so staff can attend to more important duties.

There will no doubt be plenty of challenges over the next year with the trialing of the new Picture Postcard Menu system that we have been developing, and the ongoing attention to quality and accreditation.

The Hotel Services team strive to maintain a clean environment with quality catering and laundry services, to make your stay here, as comfortable as possible.

Andrew Saunders
General Services Manager

Administration

The administration department has once again had a busy year. There have been many changes through out the year in relation to services provided by outside contractors for our public and inpatient clients. Staff have and continue to provide valuable information regularly sourced by the public regarding these great services.

During the year staff undertook several quality improvement activities. Process for managing damaged patient records, a

facility wide training plan, evaluate employee assistance program and an events form for Ladies Auxiliary. Several audits within the Human Resources and Accounts Payable areas were conducted throughout the year. Policy and procedure reviews were conducted on a monthly basis throughout the year.

New equipment was purchased during the year including:

- two chest of drawers.
- accounts payable trolley.
- filing cabinet.
- fax machine which was installed into the photo copier machine.

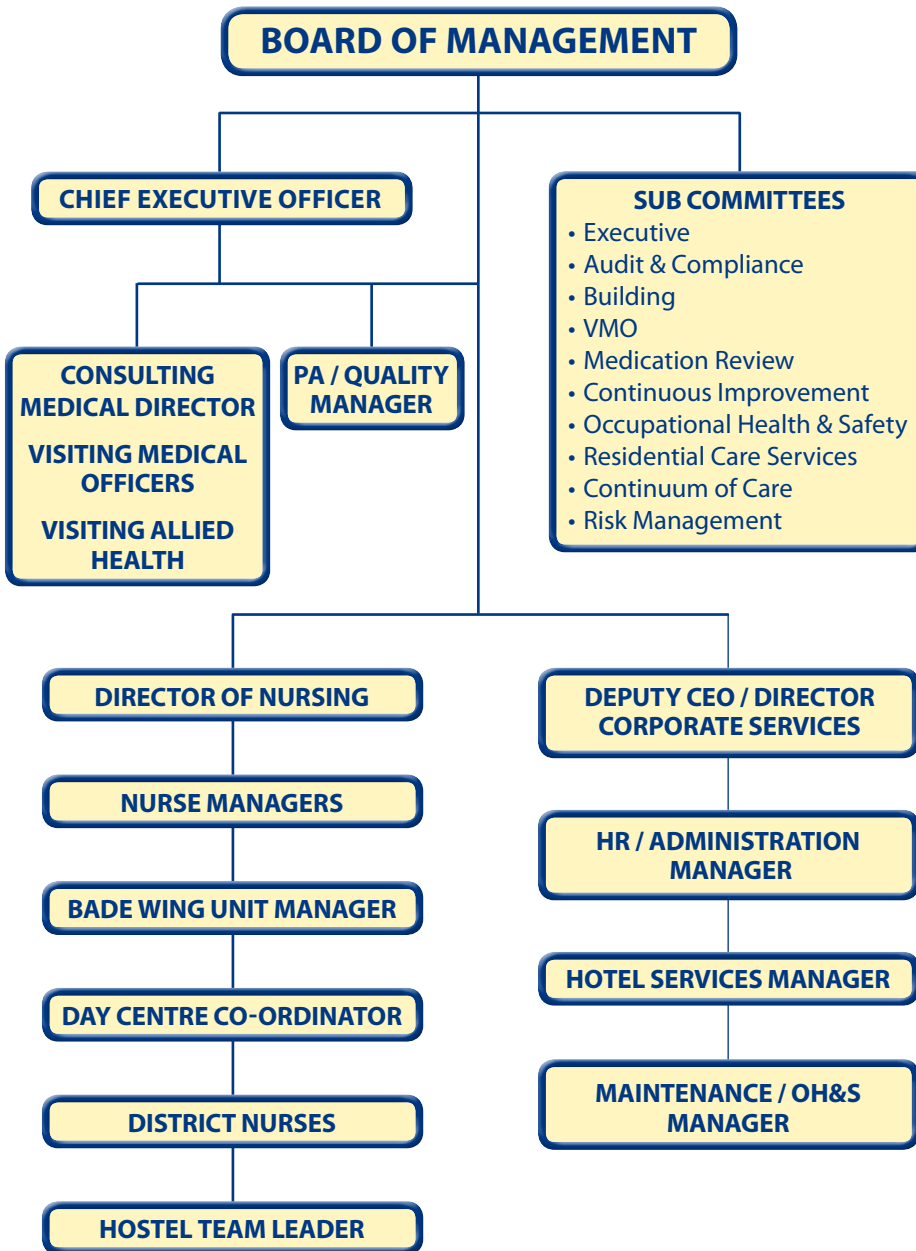
This equipment enhances all facets of office operations.

Staff attended various seminars, training and education programs throughout the year.

During the year we welcomed new staff member Fiona Baxter. Fiona is employed as a casual, providing relief in all areas of administration.

I would like to take this opportunity to thank all staff for their support and valuable contributions to the smooth operation of the Administration department during the year.

Liz Mulraney
HR/Administration Manager



EXECUTIVE MANAGEMENT

Board of Management

Refer to pages 5–6 of this Report

Chief Executive Officer

Mrs. Kathy Huett

Accountable Officer / Responsible for the overall management of EDMH

Deputy Chief Executive Officer / Director of Corporate Services

Mr. Neil Harvey

Responsible for Finance, Administration, Hotel Services and Maintenance

Director of Nursing

Mrs. Meredith Finnigan

Responsible for Nursing and Clinical Services

VISITING MEDICAL OFFICERS

Dr. Stephen Flew

Dr. Licensia Ihuarraqui de Flew

Dr. Rajah Beejadhur

Dr. Ronald Bade

VISITING SPECIALIST SERVICES

Dentist

Dr. T. Halloran

Geriatrician

Mr. J. Hurley

Physiotherapist

Mr. S. Casey

Western District Health Service
Medical Records Administration
Casterton Memorial Hospital

Podiatrist

Limestone Coast Podiatry

Optometrist

Mr. R. Liddy

Dietetics

Western District Health Service

Speech Pathology

Western District Health Service

Radiography

Bendigo Radiology Service

Biomedical Engineering

South West HealthCare

SOLICITORS

Russell Kennedy

AUDITORS

Victorian Auditor General

BANKERS

National Australia Bank

Bendigo Bank

Human Resources

Our staff continue to be one of our greatest assets. Edenhope & District Memorial Hospital recognise staff and are appreciative of the valuable contribution they make to the thriving operation of the health service.

Staff constantly demonstrate their eagerness to participate as a team, meeting challenges while providing excellent care and customer services.

The success of the health service is not only due to staff skills and knowledge but to the positive commitment and attitude they demonstrate.

Education & Training

During the year staff were encouraged to participate in education and training. Training can be either held onsite or at other venues which may require staff to travel long distances. We greatly appreciate staff's commitment and willingness, thus enabling them to update and enhance their skills.

Significant budget allocations are made to assist staff who wish to further their education.

The resource room has continued to develop with increasing additions of books, videos and other resource course material required on request. Staff have access to four computers which have recently been updated. A Staff Training Calendar has been developed which outlines topics which can be viewed via the Aged Care Satellite channel. HPS Pharmacies hold lectures on site on a monthly basis for our Nursing Staff.



Annie Osborn receiving her Leadership Wimmera Certificate.

Traineeships

During the year Linda Millard completed her Division 2 traineeship and Abbie McGlone commenced her traineeship as a Division 2 Nurse.

Service Awards

Each year we recognise those employees who have reached significant milestones in regard to years of service.

This year we would like to acknowledge the following staff members for their valuable contributions to the health service.

SERVICE AWARDS	
35 YEARS	Pam Cameron
20 YEARS	Liz Carter
	Jill McClure
15 YEARS	Wendy Cryer
	Margaret Dishon
10 YEARS	Jeanette Goodwin
	Liz Mulraney
	Susy Tuffnell

STAFFING PROFILE						
Department	EFT 02/03	EFT 03/04	EFT 04/05	EFT 05/06	EFT 06/07	EFT 07/08
Direct Nursing	32.59	32.91	32.48	31.41	30.74	29.99
Hostel Services	7.47	8.99	8.84	9.65	8.83	8.76
Community Health	1.33	1.39	1.92	2.05	1.38	1.67
District Nursing	1.53	1.72	1.25	1.25	1.48	1.20
Hotel Services	14.46	14.25	14.55	14.17	14.14	14.70
Administrative Services	5.03	5.87	6.49	6.68	6.85	7.05
Maintenance Services	3.00	4.43	3.00	2.47	2.00	2.42
Allied Health Services	0.25	0.18	0.00	0.00	0.00	0.00
Day Care Centre	1.82	1.86	2.35	2.44	2.96	2.44
TOTAL	67.48	71.60	70.88	70.12	68.35	68.23

EMPLOYEE ANALYSIS BY TENDER AND GENDER				
	F/T	P/T	Casual	Total
Males	7	2	0	9
Females	24	54	18	96
Total	31	56	18	105
F/T = Full Time		P/T = Part Time		

STAFF EMPLOYED DURING 2007-08

CHIEF EXECUTIVE OFFICER

Huett, Kathy

DEPUTY CHIEF EXECUTIVE OFFICER / DIRECTOR CORPORATE SERVICES

Harvey, Neil

DIRECTOR OF NURSING

Finnigan, Meredith

NURSING

Atchison, Darryl
Ballard, Sue
Barby, Sheree
Barclay, Christine*
Braune, Janice
Buckley, Marcia
Burgess, Therese
Caldow, Adrienne
Caldow, Pamela
Cameron, Pamela
Carter, Elizabeth
Clark, Barbara A.
Clarke, Gloria
Cryer, Sonya
Enright, Ruth
Farran, Janet
Forster, Mary
Fraser, Katrina
Goodwin, Jeanette
Hackwill, Ruth
Hempel, Kallie
Hobbs, Bronwyn
Holmes, Jodie
Jacobs, Oscar
King, Amanda
McCall, Christine
McClure, Jillian
McGlone, Abbie
McInnes, Tricia
McLeish, Debra
Middleton, Carolyn

Millard, Linda
Muegel, Barbara
Mulcahy, Linda
Obst, Janette
Page, Jessica*
Quinn, Margaret
Roberts, Susan
Sambell, Jessica
Sagasser, Patricia
Sayle, Marelle
Shields, Helen
Smith, Nanette
Smyth, Angela
Vanzini, Janis
Wheeler, Helen
Wilks, Nola
Wilson, Kathryn

DISTRICT NURSING

Grigg, Naomi
Jones, Shelley
McManus, Ainslee

ADMINISTRATION

Baxter, Fiona
Boag, Skye
Burns, Sharon
Cooper, Sheree
Mulraney, Elizabeth
Pretlove, Amanda
Stevenson, Sally

COMMUNITY HEALTH

Grummett, Helen
Kelly, Pauline
McDonald, Cathryn

HOTEL SERVICES

Burford, Aileen
Carman, Hazel
Caulfield, Sylvie
Cryer, Wendy
Dishon, Margaret
Dishon, Vicki
Elford, Grace
Gleeson, Ingrid
Grigg, Gail
Hempel, Narelle
Lambert, Jennifer*
Mibus, Jane
Saunders, Andrew
Schmidt, Shirley
Shrubsole, Karen
Skinner, Linda
Tansey, Marcia
Taylor, Naomi
Thomas, Jane
Tuffnell, Susan

MAINTENANCE/GROUNDS

Clarke, Anthony
Lloyd, Andrew
Winter, Ronnie
Young, Darren

DAY CENTRE

Colgate, Estelle
Colgate, Maria
Mulraney, Fiona
Norman, Kate*
Ryan, Kirily
Trenery, Margaret

PERSONAL CARE

ATTENDANTS

Bleakley, Cheryl *
Chaston, Kerry
Cochrane, Sophia
Cranage, Kate
Goldburg, Julie
Kelly, Margaret
Major, Marion
Matthews, Leigh
O'Bryan, Marilyn
Osborn, Christine
Roper, Jann
Rowe, Mary-Anne
Smith, Julie
Thomas, Helen
Warren, Margaret
Winter, Rhonda

**Indicates employees who have resigned during the year.*

Employee Recognition

The 'Employee of the Month' and 'Improvement Form of the Month' awards continued this year.

Last financial year winner of Employee of the Year for 2006/07 was Pauline Kelly. Pauline has contributed 30 years of dedicated services to Edenhope Hospital in the areas of Nursing and Community Health. She has been a great supporter of Murray to Moyne relay and other community activities relating to the hospital.

In line with the Employee of the Year we have changed our Improvement Form of

the year to coincide with the financial year.

Our Improvement Form of the year winner for 2006/07 was Sharon Burns. Sharon's nomination was for new x-ray storage within the administration area. This has now created a non OH&S issue with storage at a more convenient working level.

At the time of writing this report nominations were being sought for Employee of the Year and Improvement Form of the year for 2007/08. The winner will be announced at our Annual General Meeting on 24 November 2008 and reported in our next Annual Report.



Pauline Kelly has completed 30 years of service at Edenhope Hospital.

Community Support

Ladies Auxiliary

Another successful year for the Auxiliary raising some \$7,504.45 and spending \$12,229.59 (from reserves) on equipment for the Hospital.

Items purchased have included:

- Canon digital camera.
- 4 x Bedside cabinets.
- Linen trolleys.
- Kenz ECG machine.
- 42" Plasma television for Lakes Hostel.
- External Blinds for the Elsie Bennett Community Centre.
- Automatic blood pressure monitor.

It is pleasing to see the community support continuing for the hospital. Many thanks to our hard working committee. After 18 years serving on the Auxiliary Audrey Loft has retired as a member.

The following office bearers for 2007/08 elected in July 2007 were:

President, Pam Young;
Secretary, Cecily McFarlane;
Treasurer, Heather Parker.



Cecily McFarlane.

Congratulations to Cecily McFarlane on achieving 10 years of service with the Ladies Auxiliary.

New members are always welcome to our meetings which are held on the last Wednesday of the month at 8.00 pm in the Board Room of the Hospital.

Pam Young
President

The community supports Edenhope Hospital in many ways. Local resident and Lake Wallace Hotel publican John Boneham organised a "Poker Run" for car and motorcycle enthusiasts. Participants visited five different venues where they were given one playing card each. The best poker hand at the end of the day won. Edenhope Hospital was also dealt a winning hand when the two Johns presented CEO Kathy Huett with a cheque for \$420.

*Edenhope Ladies
Bowls secretary,
Sherry Simpson
(centre) presents a
cheque for \$469.30
to CEO Kathy Huett
and Ladies'
Auxiliary president,
Pam Young.*



Continuing Support

The community of Edenhope & District, through direct donation and support of fundraising bodies, donated in excess of \$41,975 during this financial year.

All donations and bequests are administered in strict accordance with the wishes of the donor.

The financial environment that public hospitals operate under has increased our reliance on community support to provide suitable equipment that ensures we can continue to offer the range and quality of services currently available.

Our local community have always responded through direct donations and support of associated fundraising events. This has enabled us to purchase much needed equipment and furnishings that enhance the quality of care we are able to provide.

We offer our sincere thanks to those fundraising bodies, service clubs, businesses and community members that have assisted us throughout the year.

Volunteers

It is a requirement that people who wish to become a volunteer at the Hospital undergo a formal application process which includes a police check.

We currently have 24 registered volunteers (excluding Board Members and Ladies Auxiliary Members).

Volunteers have assisted EDMH by:

- Visiting residents in the Lakes Hostel.
- Volunteering at the Day Centre.
- Assisting with some administrative duties.
- Taking cars to Naracoorte for scheduled services.

Being a volunteer can be very rewarding and we encourage any interested people to make contact with the Human Resources/Administration Manager for more information.

We sincerely thank all volunteers for their willing support.



Woody's Murray To Moyne Cycle Relay

A combination of fundraising personal achievement and comradeship.

Fundraising is the aim and we held a successful Big Breaky down the street using the Lions Club van thanks to Jim Farran.

Including sponsorship, we raised approximately \$10,000 and are looking at purchasing a shower bed for the Bade Wing.

The riders have also paid for the upgrading of the Family Room in the Acute section with blinds, furniture, flat screen, TV. We have spent \$6,000 of last year's money.

The 5th and 6th of April was the weekend it all happened. We had an enthusiastic group of riders and support crew it was good to meet the new riders – 3 in all – who rode and raised money for us.

Trevor Osborn, who drove all the way from Canberra, was met by Annie and Roger (proud parents). They drove his car to Port Fairy while he rode, then he drove

The Big Breaky held in Elizabeth Street.



back to Canberra. A great effort and we were very pleased to welcome him. Phil and Graham along with the local riders had an inspiring tiring weekend on the bike.

Riders for 2008 were:

1. Steve Flew
2. Dennis Sharkey
3. Josh Pahl
4. Emma Forster
5. Jane Bothe
6. Geoff Langsworth

7. Richard Wait
8. Jim Farran
9. Darryl Atchison
10. Carl Pahl
11. Phil Irvine
12. Trevor Osborn.

The Support Crew consisted of John Perry, Doug Huett, Pauline Kelly and Darc Penrose.

Pauline Kelly
Team Co-Ordinator (retired rider)



Murray To Moyne team members, from left, Carl Pahl, Darryl Atchison and Carolyn Middleton in the Family Room refurbished with funds raised through the cycle relay.

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for the Edenhope and District Memorial Hospital for the year ending 30th June 2008.



Cr Ronald Hawkins
Board President

Edenhope
04 September 2008

Attestation on Compliance with Australian/New Zealand Risk Management Standard

I, Kathy Huett certify that Edenhope and District Memorial Hospital has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executives to understand, manage and satisfactorily control risk exposures. the audit committee verifies this assurance and that the risk profile of Edenhope and district Memorial Hospital has been critically reviewed within the last 12 months.



Kathy Huett
Chief Executive Officer

Edenhope
04 September 2008



carving for the community

Finance and Compliance

Compliance Disclosure Index

The Annual Report of Edenhope & District Memorial Hospital is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Health Service's compliance with statutory disclosure requirements.

Legislation reference	Requirement	Page
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Ministerial Directions

Report of Operations – FRD Guidance

Charter and Purpose

FRD 22B	Manner of establishment and the relevant Ministers	1, 5 & 70
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Additional information (FRD 22B Appendix)

The following information is available upon request to the Chief Executive Officer by relevant Ministers, members of Parliament and the public:

1. A statement of pecuniary interest has been completed.
2. Details of shares held by senior officers as nominee or held beneficially.
3. Details of publications produced by the Health Service about the activities of the Board and where they can be obtained.
4. Details of changes in prices, fees, charges, rates and levies charged by the Board.
5. Details of any major external reviews carried out on the Board.
6. Details of major research and development activities undertaken by the Board that are not otherwise cover either in the Report of Operations or in a document that contains the Financial Report and Report of Operations.
7. Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
8. Details of major promotional, public relations and marketing activities undertaken by the Board to develop community awareness of the Board and its services.
9. Details of assessments and measures undertaken to improve the occupational health and safety of employees.
10. General statement on industrial relations within the Board and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations.
11. A list of major committees sponsored by the Board, the purpose of each committee and the extent to which the purpose had been achieved.

Performance Statistics

ANALYSIS OF OPERATING REVENUES & EXPENSES

	Total 2008'2007 \$	Total 2006'2007 \$
Revenue		
From Operating Activities		
Government Grants	3,862,691	3,418,021
Indirect Contributions by Human Services	66,043	159,472
Residential Aged Care Subsidy	1,330,807	1,270,406
Patient Fees	737,614	643,655
Other Revenue	405,674	383,306
Sub Total	6,402,829	5,874,860
Revenue		
From Non-Operating Activities		
Interest	168,099	114,091
Sub Total	168,099	114,091
Revenue		
From Capital Purpose Income		
State Government Capital Grants	337,225	46,339
Residential Accommodation Payments	56,514	60,402
Other Capital Income	2,512	0
Sub Total	396,251	106,741
Total Revenue	6,967,179	6,095,692
Expenditure		
Services Supported by Health Service Agreement		
Employee Benefits	4,239,362	4,165,148
Fees for Visiting Medical Officers	202,945	185,469
Supplies & Consumables	411,324	356,675
Other	973,807	763,582
Sub Total	5,827,438	5,470,874
Services Supported by Hospital & Community Initiatives		
Employee Benefits	124,547	103,825
Supplies & Consumables	23,862	22,286
Other Expenses	31,035	65,469
Sub Total	179,444	191,580
Depreciation	279,843	274,141
Total Expenditure	6,286,725	5,936,595
Net Result from Continuing Operations Before Capital & Specific Items	542,042	315,154
Net Result for the Year	680,454	159,097

COMPARISON OF FINANCIAL RESULTS

	07/08 \$000	06/07 \$000	05/06 \$000	04/05 \$000	03/04 \$000	02/03 \$000
Total Expenses	6,287	5,937	5,838	5,462	5,287	4,953
Total Revenue	6,967	6,096	5,850	5,654	5,691	5,090
Operating Surplus / Deficit	680	159	12	192	404	137
Retained Surplus / (Accumulated Deficit)	1,798	1,117	1,105	913	509	372
Total Assets	9,309	8,328	7,941	7,870	6,872	6,052
Total Liabilities	2,581	2,414	2,186	2,127	1,321	1,414
Net Assets	6,728	5,914	5,755	5,743	5,550	4,638
Total Equity	6,728	5,914	5,755	5,743	5,550	4,638

SERVICE ACTIVITY

ACUTE SERVICES

	07/08	06/07	05/06	04/05
Patient Separations				
Public	681	597	660	571
Private	59	43	53	48
DVA	56	49	42	39
TAC	4	2	2	3
Other	3	6	15	19
Renal	318	260	267	61
Total Patient Separations	1,121	957	1,037	738
Patient Bed days				
Acute	3,357	3,377	3,716	3,114
Nursing Home Type	0	106	277	400
Total Patient Bed days	3,357	3,483	3,993	3,514
Average Length of Stay				
Acute	9.2	9.3	5.6	4.6
Nursing Home Type	0.0	26.5	34.6	80.0
Occupancy	46%	48%	54%	48%

RESIDENTIAL SERVICES

	07/08	06/07	05/06	04/05
Nursing Home Bed days	6,237	6,291	6,234	6,222
Nursing Home Occupancy	94.9%	95.8%	94.9%	94.7%
Hostel Bed days	7,688	7,615	7,779	7,661
Hostel Occupancy	95.5%	94.8%	96.9%	95.4%

OTHER HEALTH RELATED SERVICES

	07/08	06/07	05/06	04/05
Occasions of Service	6,626	6,272	5,969	7,067

DEBTORS OUTSTANDING AS AT 30 JUNE 2008

	Under 30 days	31-60 days	61-90 days	Over 90 days	Total 30/6/08	Total 30/6/07
Private	5,288	3,720	15,295	9,268	34,201	16,420
TAC	-	-	-	-	-	-
VWA	-	-	-	-	-	-
Other Compensable	29,977	2,054	1,387	60	33,478	40,423
Psychiatric	-	-	-	-	-	-
Residential Aged Care	-	-	-	-	-	11,353

Abbreviations: TAC Transport Accident Commission
VWA Victorian WorkCover Authority

REVENUE INDICATORS

	Average Collection Days	
	2008	2007
Private	44.0	45.0
TAC	60.0	60.0
VWA	59.0	66.0
Other Compensable	38.5	39.0
Psychiatric	-	-
Residential Aged Care	35.3	35.6

ACTIVITY

Admitted Patient	Acute	Sub-Acute	Mental Health	Other	Total
Separations					
Same Day	331	-	-	-	331
Multi Day	472	-	-	-	472
Total Separations	803	-	-	-	803
Emergency	-	-	-	-	-
Elective	-	-	-	-	-
Other Inc. Maternity	1	-	-	-	1
Total Separations	804	-	-	-	804
Total WIES	580				
Total Bed Days	3357	-	-	-	3357

Non Admitted Patients	Acute	Sub-Acute	Mental Health	Other	Total
Emergency Department Presentations	1315	-	-	-	1315
Outpatient Services – occasions of services (VACS and Non VACS clinics)	-	-	-	-	-
Other Services – occasions of services	-	-	-	1832	1832
Total occasions of service	1315	-	-	1832	3147

Labour Category	JUNE Current Month FTE	JUNE YTD FTE	June Current Month Head Count
Nursing	29.5	30.0	53
Administration and Clerical	7.5	7.0	9
Medical Support	-	-	-
Hotel and Allied Services	32.8	32.4	43
Medical Officers	-	-	-
Hospital Medical Officers	-	-	-
Sessional Clinicians	-	-	-
Ancillary Staff (Allied Health)	-	-	-

Treasurer's Report

Edenhope & District Memorial Hospital has achieved another positive financial result for 2007/2008. A highlight of which was the provision of significant Capital funds by the Department of Human Services, compared to previous years. We have continued to provide high quality services to the Community, whilst keeping operating costs within budget.

There are continuing demands upon our resources which must be managed. This year's financial result was enhanced by sound financial management, provisioning for future years operations, as well as ensuring cost recoveries for services provided to external bodies were in line with or slightly above the Consumer Price Index.

OPERATING RESULT

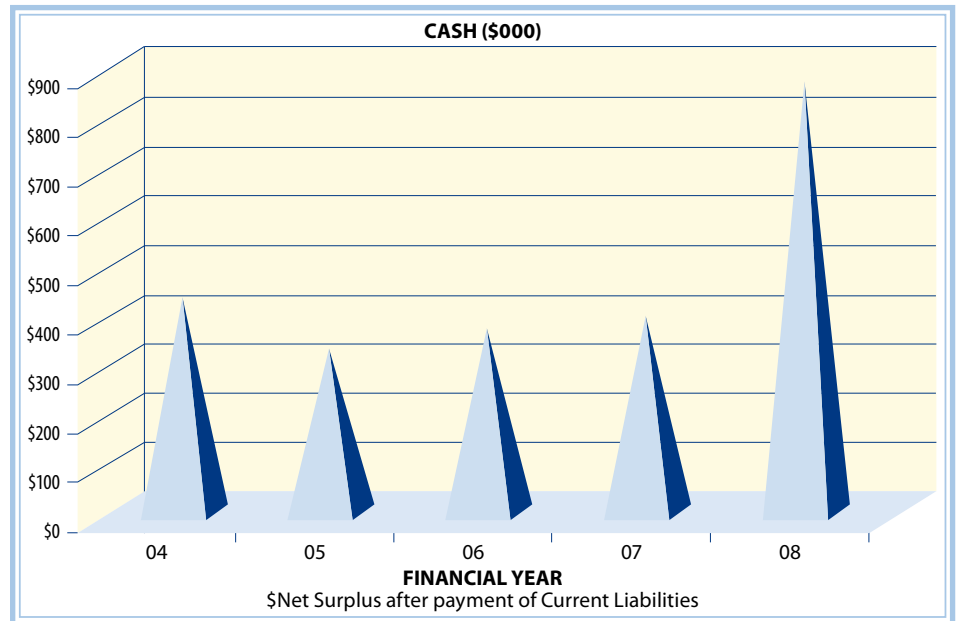
The operating result for 2007/2008 is an overall Surplus of \$542,042 before the application of capital purpose income and depreciation, compared to an operating surplus of \$315,154 in 2006/2007.

Some of the major expenditure increases from 2006/2007 to 2007/2008 were:

- Repairs & Maintenance: \$206,208 compared to \$148,292 in 2006/07 (a 39.1% increase).
- Administrative Expenditure (includes computer costs): \$380,496 compared to \$280,572 in 2006/07 (a 35.6% increase).
- Food Supplies: \$219,104 compared to \$183,077 in 2006/07 (a 19.7% increase).
- Medical Practitioner Services: \$202,945 compared to \$185,469 in 2006/07 (a 9.4% increase).
- Total Staff costs: \$4,363,909 compared to \$4,268,973 in 2006/07 (a 2.2% increase).

NET RESULT

The overall net result for 2007/2008 is a Surplus of \$680,454 compared to \$159,097 in 2006/2007. The major variances between last year and this year were within our Operating Result, are detailed above and included an additional \$298,331 in Capital Purpose Revenue above that received in 2006/2007. For the first time in a number of years the Capital Purpose Revenue received exceeded the amount booked for depreciation.



DHS CAPITAL GRANTS

During the year we received \$337,225 in capital grants as detailed below:

Digital X-Ray Machine (2008/2009 purchase)	\$140,000
Masterplan Costs (to May 2008)	\$42,240
Air-Conditioning – Kitchen (2008/2009 purchase)	\$38,000
Laundry Ozone System	\$29,700
Temperature Monitoring	\$29,000
Laundry Ironer (2008/2009 purchase)	\$20,000
Low Level Electric Beds & mattresses	\$13,000
5 x Split System Air-conditioning units	\$9,000
Hot Water Service – Kowree Nursing Home	\$8,000
Laundry Air conditioner	\$6,000
Minor Capital	\$2,285

CASH POSITION

Our net cash position (after meeting all of our current payment obligations) at the end of the 2007/2008 financial year is \$877,509. This is an increase of \$487,357 compared to 2006/2007.

ASSET REPLACEMENT

The Hospital allocates funds from its surpluses and/or donations for asset replacement each year. The major acquisitions for 2007/2008 are detailed below:

Hospital Funded Capital Purchases

Socamel Food Regeneration Unit	\$28,776
VE Commodore Motor Vehicle	\$16,330
Toyota Aurion Motor Vehicle	\$13,590
Rainwater Tanks	\$10,802
Mortuary Chiller	\$9,400
HP Compaq Notebook Computer	\$2,429
Fax Kit for Digital Copier	\$2,335
Toshiba Notebook Computer	\$2,123
2 x Dell Computers	\$2,100
Air conditioner (Barkala Flats)	\$1,800
HP LaserJet Printer	\$1,772
Air conditioner (Acute)	\$1,541
LCD Television (Doctor's house)	\$1,363
Total	\$94,361

Ladies Auxiliary

Kenz ECG Machine	\$3,870
Plasma Television (Lakes Hostel)	\$2,000
Total	\$5,870

Murray to Moyne

SX 3 Treatment Bed (Physio)	\$2,600
Total	\$2,600

THE FUTURE

The State Government introduced the Small Rural Health Service funding some five years ago and as a result funding for the Hospital is no longer directly influenced by the number or type of public patients treated within our hospital. Although we treated 14.1% more public patients (the length of stay in the hospital decreased by 0.1%) in 2007/2008, our funding from the Department of Human Services increased by only 13.0. It is essential we actively pursue other sources of funding to ensure our Hospital continues to provide the high level of health coverage this community has come to expect and deserves.

ACKNOWLEDGEMENT

I would like to acknowledge Kathy Huett and her staff for the support and assistance over the past year and commend them all for their hard work and commitment to our community.

I would also like to thank our Donors, Volunteers, Ladies Auxiliary, the Murray to Moyne Cycle Relay Team, and the Community for their continued support and donations, and their time so freely and generously given to the Hospital throughout the past year.

Finally, I would like to thank my fellow Board members for their support over the past year and look forward with them to what promises to be a bright and exciting future for our Hospital.

Jim McKay
Treasurer

BUILDINGS AND MAINTENANCE

Edenhope & District Memorial Hospital complies with the Building Act 1994 under the guidelines for publicly owned buildings issued by the Minister for Finance 1994 in all redevelopment and maintenance issues.

All maintenance and renovations to existing buildings complied with regulations at the time of works.

COMPETITIVE NEUTRALITY

All competitive neutrality requirements were met in accordance with Government costing policies for public hospitals.

Competitive Neutrality Policies for Public Hospitals were observed for all tender applications.

CONSULTANCIES

- Over \$100,000 - Nil.
- Under \$100,000 - Two (2) Consultants were engaged at a total cost of \$42,240.

EX-GRATIA PAYMENTS

No ex-gratia payments were made during 2007-2008.

FEES

Fees charged by Edenhope & District Memorial Hospital are regulated by the Commonwealth Department of Health and Aged Care and in accordance with the Department of Human Services Victoria directives.

FINANCIAL MANAGEMENT ACT 1994

In accordance with the Direction of the Minister for Finance information requirements have been prepared and are available to the relevant Minister, Members of Parliament and the public on request to the Chief Executive Officer.

FREEDOM OF INFORMATION

There were two (2) requests under the Freedom of Information Act 1982 regulations and access to information was granted on each occasion. A total of \$42.00 was collected in related fees.

F.O.I. Requests should be in writing and addressed to:

Freedom of Information Officer
Edenhope & District Memorial Hospital
PO Box 75
EDENHOPE Vic. 3318

HUMAN RESOURCE MANAGEMENT

There have been no significant changes in the staffing policy or human resources during the year. There was no lost time due to industrial disputes or accidents.

MERIT AND EQUITY

EDMH must comply with a number of rules and regulations when employing new staff in order to ensure that the employment process is conducted in a fair, equitable and transparent manner.

In complying EDMH ensures open competition in recruitment, selection, transfer and promotion. It bases its employment decisions on merit, treats employees fairly and reasonably; provides employees with an avenue of redress against unfair or unreasonable treatment and does not discriminate, directly or indirectly on the basis of various individual proclivities, personal characteristics, beliefs or social activities.

OCCUPATIONAL HEALTH AND SAFETY

EDMH has a responsibility to ensure the provision of a safe environment for all staff, patients, residents and visitors.

During the 2007-2008 financial year there were no serious injuries, diseases or workplace deaths.

PECUNIARY INTEREST

There were no instances in this reporting period when a declaration of Pecuniary Interest was required.

PUBLICATIONS

- Edenhope & District Memorial Hospital Annual and Quality of Care Report
- Patient Information Booklet
- Brochures describing services

REPORTING COMPLIANCE

This Annual Report is prepared in accordance with the Financial Management Act 1994, the Directions of the Minister for Finance and the Australasian Annual Reporting Awards for open disclosure about this Service to our communities, Government and other stakeholders.

VICTORIAN INDUSTRY PARTICIPATION POLICY ACT 2003

There were no disclosures in relation to contracts commenced or completed under this Act for 2007-2008.

WHISTLEBLOWERS PROTECTION ACT 2001

The Whistleblowers Protection Act came into effect on 1 January 2002. The Act is designed to protect people who disclose information about serious wrongdoings within the Victorian Public Sector and to provide a framework for the investigation of these matters.

Disclosures of improper conduct by Edenhope & District Memorial Hospital or its employees may be made to:

The Protected Disclosure Officer,
Mandy Pretlove,
Telephone 03 5585 9806
Email mandyp@edmh.org.au

or
The Ombudsman Victoria
Level 22,
459 Collins Street,
Melbourne, 3000
Telephone 03 9613 6222
Toll Free 1800 806 314

Website:
<http://www.ombudsman.vic.gov.au>

No disclosures under the Act were received during 2007/08.

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Edenhope & District Memorial Hospital

Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration

We certify that the attached financial report for Edenhope & District Memorial Hospital has been prepared in accordance with the Standing Direction 4.2 of the *Financial Management Act 1994*, applicable *Financial Reporting Directions*, Australia Accounting Standards, interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 30 June 2008 and the financial position of the Edenhope & District Memorial Hospital as at 30 June 2008.

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 report for issue on this day.



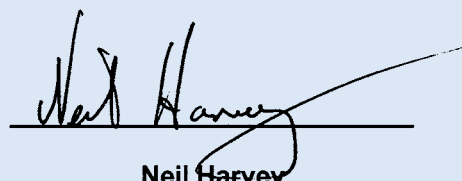
Ron Hawkins
**President &
Member of Board**

Edenhope
04 September 2008



Kathy Huett
Chief Executive Officer

Edenhope
04 September 2008



Neil Harvey
**Chief Finance & Accounting
Officer**

Edenhope
04 September 2008

INDEPENDENT AUDITOR'S REPORT

To the Board Members of Edenhope and District Memorial Hospital

The Financial Report

The accompanying financial report for the year ended 30 June 2008 of Edenhope and District Memorial Hospital which comprises operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the board member's accountable officer's and chief finance and accounting officer's declaration has been audited.

The Board Members Responsibility for the Financial Report

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

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to 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 obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial statements published in both the annual report and on the website of Edenhope and District Memorial Hospital for the year ended 30 June 2008. The Board Members of Edenhope and District Memorial Hospital are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Edenhope and District Memorial Hospital web site.

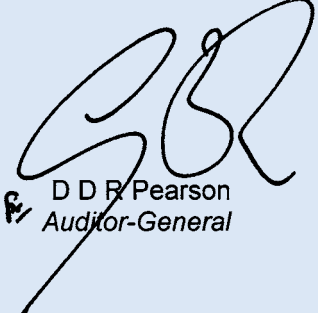
Independence

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

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Edenhope and District Memorial Hospital as at 30 June 2008 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act* 1994.

MELBOURNE
4 September 2008



D D R Pearson
Auditor-General

Edenhope & District Memorial Hospital

Operating Statement

For the Year Ended 30 June 2008

	Note	Total 2008 \$	Total 2007 \$
Revenue from Operating Activities	2	6,323,291	5,814,475
Revenue from Non-operating Activities	2	222,966	158,626
Employee Benefits	3	(4,363,909)	(4,268,973)
Non Salary Labour Costs	3	(202,945)	(185,469)
Supplies & Consumables	3	(435,186)	(378,961)
Other Expenses From Continuing Operations	3	(1,002,175)	(824,544)
Net Result Before Capital & Specific Items		542,042	315,154
Capital Purpose Income	2	420,922	122,591
Depreciation	4	(279,843)	(274,141)
Expenditure using Capital Purpose Income	3	(2,667)	(4,507)
NET RESULT FOR THE PERIOD		680,454	159,097

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

Edenhope & District Memorial Hospital
Balance Sheet
For the Year Ended 30 June 2008

	Note	Total	Total
		2008	2007
		\$	\$
Current Assets			
Cash and Cash Equivalents	5	3,532,193	2,599,993
Receivables	6	135,000	112,316
Inventories	7	25,188	32,038
Prepayments		15,263	3,447
Total Current Assets		3,707,644	2,747,794
Non-Current Assets			
Receivables	6	66,365	23,830
Property, Plant & Equipment	8	5,534,749	5,556,418
Total Non-Current Assets		5,601,114	5,580,248
TOTAL ASSETS		9,308,758	8,328,042
Current Liabilities			
Payables	9	769,076	524,771
Provisions	10	1,037,924	960,260
Other Liabilities	11	547,651	684,097
Total Current Liabilities		2,354,651	2,169,128
Non-Current Liabilities			
Provisions	10	225,890	244,594
Total Non-Current Liabilities		225,890	244,594
TOTAL LIABILITIES		2,580,541	2,413,722
NET ASSETS		6,728,217	5,914,320
EQUITY			
Asset Revaluation Reserve	12	672,328	607,328
Restricted Specific Purpose Reserve	12	276,268	276,268
Contributed Capital	12	3,981,684	3,913,243
Accumulated Surpluses/(Deficits)	12	1,797,937	1,117,481
TOTAL EQUITY	12	6,728,217	5,914,320
Contingent Liabilities and Contingent Assets	16		
Commitments fro Expenditure	15		

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

Edenhope & District Memorial Hospital
Cash Flow Statement
For the Year Ended 30 June 2008

	Note	Total 2008 \$	Total 2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		5,543,154	5,056,034
Patient and Resident Fees Received		737,614	643,655
Donations and Bequests Received		41,975	15,850
GST Received from/(paid to) ATO		120,253	(250,878)
Recoupment from private practice for use of hospital facilities		-	3,300
Interest Received		168,099	114,091
Other Receipts		50,676	122,320
Employee Benefits Paid		(4,226,220)	(3,903,838)
Non Salary Labour Costs		(228,660)	(169,604)
Payments for Supplies & Consumables		(527,741)	(308,961)
Other Payments		(882,022)	(511,130)
Cash Generated from Operations		797,128	810,839
Capital Grants from Government		337,225	46,339
Capital Donations and Bequests Received		56,515	60,402
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	13	1,190,868	917,580
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(254,163)	(180,104)
Proceeds from Sale of Fixed Assets		63,500	-
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(190,663)	(180,104)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributed Capital from Government		68,441	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		68,441	-
NET INCREASE/(DECREASE) IN CASH HELD CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		1,068,646	737,476
		1,915,896	1,178,420
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5	2,984,542	1,915,896

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

Statement of Changes in Equity

For the Year Ended 30 June 2008

	Note	Total 2008 \$	Total 2007 \$
Total equity at beginning of financial year		5,914,320	5,755,223
Restated total equity at beginning of financial year		5,914,320	5,755,223
Revaluation of Land Increment	12a	65,000	-
NET INCOME RECOGNISED DIRECTLY IN EQUITY		65,000	-
Net result for the year		680,454	159,097
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR		680,454	159,097
Transactions with the State in its capacity as owner	12b	68,441	-
Total Equity at the End of the Financial Year		6,728,215	5,914,320

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

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

Note 1: Statement of Significant Accounting Policies

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards (AAS), which includes the Australian accounting standards issued by the *Australian Accounting Standards Board (AASB)*, Interpretations and other mandatory professional requirements.

(b) Basis of preparation

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

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

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

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

The accounting policies set out below have been applied in preparing the financial report for the year ended 30 June 2008, and the comparative information presented in these financial statements for the year ended 30 June 2007.

(c) Reporting Entity

The financial report includes all the controlled activities of the Hospital. The Hospital is a not-for profit entity and therefore applies the additional Aus paragraphs applicable to “not-for-profit” entities under the AAS's.

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(d) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 12 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

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

(e) Receivables

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

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

(f) Inventories

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

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.

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

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(g) Property, Plant and Equipment

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

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

Plant, Equipment and Vehicles are measured at cost less accumulated depreciation and impairment.

(h) Revaluations of Non-current Physical Assets

Non-current physical assets measured at fair value are revalued in accordance with FRD 103C. This revaluation process normally occurs every five years, as dictated by timelines in FRD103C which sets the next revaluation to occur on 30 June 2009, or earlier should there be an indication that fair values are materially different from the carrying value. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

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

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

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes. Revaluation reserves are not transferred to accumulated funds on derecognition of the relevant asset.

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(i) Depreciation

Assets with a cost in excess of \$1,000 (2006-7 and 2007-8) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost—or valuation—over their estimated useful lives using the straight-line method. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually. This depreciation charge is not funded by the Department of Human Services.

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

	2008	2007
Buildings	30 to 40 Years	30 to 40 Years
Plant & Equipment	8 to 10 Years	8 to 10 Years
Medical Equipment	7 to 9 Years	4 to 5 Years
Computers & Communications	3 to 5 Years	3 to 5 Years
Furniture & Fittings	3 to 5 Years	3 to 5 Years
Motor Vehicles	2 to 3 Years	2 to 3 Years

(j) Impairment of Assets

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

- inventories;

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 by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

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

(k) Payables

These amounts consist predominantly of liabilities for goods and services.

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

The normal credit terms are usually Nett 30 days.

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(l) Provisions

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

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

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

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

(n) Functional and Presentation Currency

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

(o) Goods and Services Tax

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

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

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

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(p) Employee Benefits

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

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

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

Long Service Leave

Current Liability – unconditional LSL (representing 10 or more years of continuous service) is disclosed as a current liability even where the Hospital does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

present value – component that the Hospital does not expect to settle within 12 months; and

nominal value – component that the Hospital expects to settle within 12 months.

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

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

Superannuation

Defined contribution plans

Contributions to defined contribution superannuation plans are expenses when incurred.

Defined benefit plans

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

Employees of the Hospital are entitled to receive superannuation benefits and the Hospital 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 Hospital are as follows:

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(p) Employee Benefits (continued)

Defined benefit plans (continued)

Fund	Contributions Paid or Payable for the year	
	2008	2007
	\$	\$
Defined benefit plans:		
Health Super	24,515	24,027
Defined contribution plans:		
Health Super	322,720	328,551
HESTA	19,809	20,201
Total	367,044	372,779

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

Termination Benefits

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

On-Costs

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

(q) Residential Aged Care Service

The Edenhope Nursing Home's operations are an integral part of the Hospital 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.

The Edenhope Lakes Hostel's operations are an integral part of the Hospital 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.

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(r) Intersegment Transactions

Transactions between segments within the Hospital have been eliminated to reflect the extent of the Hospital's operations as a group.

(s) Income Recognition

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

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

Government Grants

Grants are recognised as income when the entity gains control of the underlying assets in accordance with *AASB 1004 Contributions*. For reciprocal grants, Hospital is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, Hospital is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Indirect Contributions

- Insurance is recognised as revenue following advice from the Department of Human Services.
- Long Service Leave (LSL) – Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Acute Health Division Hospital Circular 13/2008.

Patient Fees

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

Donations and Other Bequests

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

(t) Fund Accounting

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

(u) Services Supported By Health Services Agreement and Services Supported By Hospital And Community Initiatives

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

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(v) Comparative Information

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

(w) Asset Revaluation Reserve

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

(x) Specific Restricted Purpose Reserve

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

(y) Contributed Capital

Consistent with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 2A *Contributions by Owners*, appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions, have also been designated as contributed capital are also treated as contributed capital.

(z) Net Result Before Capital & Specific Items

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

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

- ❖ Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer note 1 (m)). 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.
- ❖ Depreciation and amortisation, as described in note 1 (i)
- ❖ Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold (note 1 (i)), or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(aa) Category Groups

The Hospital 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.

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.

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 DHS under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health-funded community care units (CCSs) 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.

(ab) Information Technology and Communication Technology Alliance

In June 2008, the Department of Human Services issued circular number 17/2008, which outlines government requirements for the operation of rural health information and communication technology (ICT) alliances.

The policy outlines the accepted governance model for the operation of the (ICT) alliances. The policy requires public hospitals, public health services, multipurpose services and community health centres which are declared or established under the Health Services Act 1988, to enter into the alliance for the region in which they operate, in accordance with a Joint Venture Agreement (JVA). Consistent with this policy, upon the commencement of the JVA, another health service in the JVA will assume certain rights and obligations, as the lead member of the joint venture.

Edenhope and District Memorial Hospital

Notes To and Forming Part of the Financial Statements

As at 30 June 2008

(ac) Financial Instruments – Risk Management Policies

Credit Risk

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

Financial instruments particular to the Hospital which would be subject to credit risk include:

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

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

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

Trade creditors and accruals are generally paid within trading terms. It is the Hospital's policy to monitor and review the capabilities and creditworthiness of counterparties on a regular basis. The Hospital maintains a list of approved suppliers and overlays a delegation of authority for supplies over certain monetary thresholds.

Monies held in trust and Aged Care Bonds are paid in accordance with the terms or conditions stipulated under the relevant legislation applying to them i.e. the Federal Aged Care Act for the refunding of Aged Care Bonds.

The Hospital does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, other than the Department of Human Services as the material provider of funds for the Hospital's operations.

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(ac) Financial Instruments – Risk Management Policies (continued)

Liquidity Risk

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

The Hospital is a statutory corporation that is primarily funded by the Department of Human Services Victoria (“DHS”). Whilst DHS can issue letters of support for this and past years which offer continued DHS financial support of the Hospital, it’s the Board’s policy to manage the organisation under the Financial Management Act to ensure that it meets its financial obligations as and when they fall due.

The Board also recognise that, where obligated by specific legislation to quarantine financial assets to meet future financial liabilities such as aged care bonds, that it does so without using these financial assets to meet day to day liquidity needs.

Market Risk

In the Hospital’s context, market risk is defined as the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Generally, market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Hospital is only generally subject to interest rate risk on investments. The Hospital is not empowered to borrow funds subject to interest on the principal and is therefore not subject to market risk on financial liabilities.

Very infrequently, the Hospital will purchase supplies from overseas suppliers. Liabilities are recognised and paid at the spot rate prevalent at that time. Overseas purchases and currency risk generally is immaterial to the Hospital.

(ad) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting period. As at 30 June 2008, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2008. Hospital has not and does not intend to adopt these standards early.

Standard / Interpretation	Summary	Applicable for reporting periods beginning on or ending on	Impact on Entities Annual Statements
AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12.	Amendments arise from the release in February 2007 of Interpretation 12 Service Concession Arrangements.	Beginning 1 July 2008	The impact of any changes that may be required cannot be reliably estimated and is not disclosed in the financial report.
AASB 8 Operating Segments.	Supersedes AASB 114 Segment Reporting.	Beginning 1 January 2009	Not applicable
AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038]	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1 January 2009	Impact expected to be not significant.

Edenhope and District Memorial Hospital
Notes To and Forming Part of the Financial Statements
As at 30 June 2008

(ad) New Accounting Standards and Interpretations (continued)

Standard / Interpretation	Summary	Applicable for reporting periods beginning on or ending on	Impact on Entities Annual Statements
AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	Option to expense borrowing cost related to a qualifying asset had been removed. Entities are now required to capitalise borrowing costs relevant to qualifying assets.	Beginning 1 January 2009	All Australian government jurisdictions are currently still actively pursuing an exemption for government from capitalising borrowing costs.
AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101	Editorial amendments to Australian Accounting Standards to align with IFRS terminology	Beginning 1 January 2009	Impact expected to be not significant.
Interpretation 12 Service Concession Agreements	Amendments arising from the release of AASB 2007-6	Beginning 1 January 2009	Impact expected to be not significant.
AASB 1004 (Revised) Contributions	Relocation of requirements on contributions from AASs 27, 29 and 31, into AASB 1004.	Beginning 1 July 2008	Impact expected to be not significant.
AASB 1050 Administered Items	Relocation of the requirements for the disclosure of administered items from AAS 29 into a new topic-based Standard.	Beginning 1 July 2008	Impact expected to be not significant.

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 2: Revenue

	HSA	HSA	Non HSA	Non HSA	Total	Total
	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$
Revenue from Operating Activities						
Government Grants						
- Department of Human Services	3,823,696	3,378,730	-	-	3,823,696	3,378,730
- Dental Health Services Victoria	38,995	39,291	-	-	38,995	39,291
- Commonwealth Government						
- Residential Aged Care Subsidy	1,330,807	1,270,406	-	-	1,330,807	1,270,406
Total Government Grants	5,193,498	4,688,427	-	-	5,193,498	4,688,427
Indirect Contributions by Department of Human Services						
- Insurance	66,043	80,612	-	-	66,043	80,612
- Long Service Leave	-	78,860	-	-	-	78,860
Total Indirect Contributions by Department of Human Services	66,043	159,472	-	-	66,043	159,472
Patient and Resident Fees						
- Acute (Inpatient & Outpatient) (refer note 2b)	245,717	180,651	-	-	245,717	180,651
- Residential Aged Care (refer note 2b)	491,897	463,004	-	-	491,897	463,004
Total Patient & Resident Fees	737,614	643,655	-	-	737,614	643,655
Internal and Restricted Specific Purpose Fund						
- Catering	-	-	64,821	63,103	64,821	63,103
- Laundry	-	-	5,713	7,659	5,713	7,659
- Property Income	-	-	54,867	44,535	54,867	44,535
Total Business Units & Specific Purpose Funds	-	-	125,401	115,297	125,401	115,297
Donations and Bequests	-	-	24,671	15,850	24,671	15,850
Other Revenue from Operating Activities	-	-	255,602	252,159	255,602	252,159
Sub-Total Revenue from Operating Activities	5,997,155	5,491,554	405,674	383,306	6,402,829	5,874,860
Revenue from Non-Operating Activities						
Interest	168,099	114,091	-	-	168,099	114,091
Sub-Total Revenue from Non-Operating Activities	168,099	114,091	-	-	168,099	114,091
Revenue from Capital Purpose Income						
State Government Capital Grants						
- Targeted Capital Works and Equipment	337,225	46,339	-	-	337,225	46,339
Residential Accommodation Payments (refer note 2b)	-	-	56,514	60,402	56,514	60,402
Net(Gain/Loss) from Disposal of Non Current Assets (refer note 2c)	-	-	2,512	-	2,512	-
Sub-Total Revenue from Capital Purpose Income	337,225	46,339	59,026	60,402	396,251	106,741
Total Revenue (refer to note 2a)	6,502,479	5,651,984	464,700	443,708	6,967,179	6,095,692

Indirect contributions by Department of Human Services

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

Note 2a: Analysis of Revenue by Source

	Admitted Patients	Aged Care	Residential Aged Care	Primary Health	Other	Total
	2008	2008	2008	2008	2008	2008
	\$	\$	\$	\$	\$	\$
Revenue from Services Supported by Health Services Agreement						
Government Grants	2,966,284	1,049,743	738,567	299,795	139,109	5,193,498
Indirect contributions by Department of Human Services	34,335	15,183	15,183	1,342	-	66,043
Patient and Resident Fees (refer note 2b)	201,356	232,892	259,005	44,361	-	737,614
Interest and Dividends	-	-	-	-	168,099	168,099
Capital Purpose Income (refer note 2)	281,225	35,000	21,000	-	-	337,225
Sub-Total Revenue from Services Supported by Health Services Agreement	3,483,200	1,332,818	1,033,755	345,498	307,208	6,502,479
Revenue from Services Supported by Hospital and Community Initiatives						
Donations & Requests	-	-	-	-	24,671	24,671
Business Units & Specific Purpose Funds	-	-	-	-	125,401	125,401
Other Revenue from Operating Activities	-	-	-	-	255,602	255,602
Capital Purpose Income (refer note 2)	-	38,636	17,878	-	-	56,514
Net Gain/(Loss) from Disposal of Non Current Assets (refer note 2c)	-	-	-	-	2,512	2,512
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	38,636	17,878	-	408,186	464,700
Total Revenue	3,483,200	1,371,454	1,051,633	345,498	715,394	6,967,179

	Admitted Patients	Aged Care	Residential Aged Care	Primary Health	Other	Total
	2007	2007	2007	2007	2007	2007
	\$	\$	\$	\$	\$	\$
Revenue from Services Supported by Health Services Agreement						
Government Grants	2,584,583	1,045,067	683,088	303,048	72,641	4,688,427
Indirect contributions by Department of Human Services	41,918	18,540	18,540	1,614	78,860	159,472
Patient and Resident Fees (refer note 2b)	161,582	209,561	253,443	19,069	-	643,655
Interest and Dividends	-	-	-	-	114,091	114,091
Capital Purpose Income (refer note 2)	42,884	3,455	-	-	-	46,339
Sub-Total Revenue from Services Supported by Health Services Agreement	2,830,967	1,276,623	955,071	323,731	265,592	5,651,984
Revenue from Services Supported by Hospital and Community Initiatives						
Donations & Requests	-	-	-	-	15,850	15,850
Business Units & Specific Purpose Funds	-	-	-	-	115,297	115,297
Other Revenue from Operating Activities	-	-	-	-	252,159	252,159
Capital Purpose Income (refer note 2)	-	7,565	52,837	-	-	60,402
Net Gain/(Loss) from Disposal of Non Current Assets (refer note 2c)	-	-	-	-	-	-
Sub-Total Revenue from Services Supported by Hospital and Community Initiatives	-	7,565	52,837	-	383,306	443,708
Total Revenue	2,830,967	1,284,188	1,007,908	323,731	648,898	6,095,692

Indirect contributions by Department of Human Services:

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

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 2b: Patient and Resident Fees

	Total 2008 \$	Total 2007 \$
Patient and Resident Fees Raised		
Recurrent:		
Acute		
– Inpatients	201,356	161,582
– Outpatients	44,361	19,069
Residential Aged Care		
– Nursing Home (*)	232,892	209,561
– Residential Accommodation Payments(*)	259,005	253,443
Total Recurrent	737,614	643,655
Capital Purpose:		
Residential Accommodation Payments(**)	56,514	60,402
Total Capital	56,514	60,402

(*) This includes accommodation charges

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

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

	Total 2008 \$	Total 2007 \$
Proceeds from Disposals of Non-Current Assets		
Motor Vehicles	63,500	-
Total Proceeds from Disposal of Non-Current Assets	63,500	-
Less: Written Down Value of Non-Current Assets Sold		
Motor Vehicles	60,988	-
Total Written Down Value of Non-Current Assets Sold	60,988	-
Net gains/(losses) on Disposal of Non-Current Assets	2,512	-

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 3: Expenses

	HSA 2008 \$	HSA 2007 \$	Non HSA 2008 \$	Non HSA 2007 \$	Total 2008 \$	Total 2007 \$
Employee Benefits						
Salaries & Wages	3,799,017	3,613,568	109,486	91,719	3,908,503	3,705,287
Workcover Premium	47,346	45,446	1,401	1,165	48,747	46,611
Long Service Leave	35,366	140,181	4,249	4,115	39,615	144,296
Superannuation	357,633	365,953	9,411	6,826	367,044	372,779
Total Employee Benefits	4,239,362	4,165,148	124,547	103,825	4,363,909	4,268,973
Non Salary Labour Costs						
Fees for Visiting Medical Officers	202,945	185,469	-	-	202,945	185,469
Supplies and Consumables						
Drug Supplies	44,862	31,938	-	-	44,862	31,938
Medical, Surgical Supplies and Prosthesis	76,737	74,059	-	-	76,737	74,059
Medical Support Services	94,483	89,887	-	-	94,483	89,887
Food Supplies	195,242	160,791	23,862	22,286	219,104	183,077
Total Supplies and Consumables	411,324	356,675	23,862	22,286	435,186	378,961
Expenditure using Capital Purpose Income						
Other Expenses	-	-	2,667	4,507	2,667	4,507
Total Expenditure using Capital Purpose Income	-	-	2,667	4,507	2,667	4,507
Other Expenses from Continuing Operations						
Domestic Services & Supplies	47,444	46,374	-	-	47,444	46,374
Fuel, Light, Power and Water	122,388	120,172	11,883	11,666	134,271	131,838
Insurance costs funded by DHS	66,043	80,612	-	-	66,043	80,612
Motor Vehicle Expenses	30,754	22,459	10,560	6,143	41,314	28,602
Repairs & Maintenance	203,393	142,379	2,815	5,913	206,208	148,292
Maintenance Contracts	16,787	22,957	-	-	16,787	22,957
Patient Transport	50,506	31,724	-	-	50,506	31,724
Other Administrative Expenses	377,386	248,971	3,110	31,601	380,496	280,572
Other	50,506	35,405	-	5,639	50,506	41,044
Audit Fees						
- VAGO - Audit of Financial Statements	8,600	8,300	-	-	8,600	8,300
- Internal Audit fees	-	4,229	-	-	-	4,229
Total Other Expenses from Continuing Operations	973,807	763,582	28,368	60,962	1,002,175	824,544
Depreciation and Amortisation (note 4)	279,843	274,141	-	-	279,843	274,141
Total	279,843	274,141	-	-	279,843	274,141
Total Expenses	6,107,281	5,745,015	179,444	191,580	6,286,725	5,936,595

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 3a: Analysis of Expenses by Source

	Admitted Patients	Aged Care	Residential Aged Care	Primary Health	Other	Total
	2008	2008	2008	2008	2008	2008
	\$	\$	\$	\$	\$	\$
Services Supported by Health Services Agreement						
Employee Benefits	1,432,715	807,650	498,382	212,965	1,287,650	4,239,362
Non Salary Labour Costs	202,945	-	-	-	-	202,945
Supplies & Consumables	63,178	13,600	6,333	5,492	322,721	411,324
Other Expenses from Continuing Operations	220,407	17,640	37,902	23,005	674,853	973,807
Depreciation (refer note 4)	-	-	-	-	279,843	279,843
Sub-Total Expenses from Services Supported by Health Services Agreement	1,919,245	838,890	542,617	241,462	2,565,067	6,107,281
Services Supported by Hospital and Community Initiatives						
Employee Benefits	-	-	-	-	124,547	124,547
Supplies & Consumables	-	-	-	-	23,862	23,862
Other Expenses from Continuing Operations	-	-	-	-	28,368	28,368
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	-	-	-	-	176,777	176,777
Services Supported by Capital Sources						
Other Expenses	-	-	-	-	2,667	2,667
Sub-Total Expenses from Services Supported by Capital Resources	-	-	-	-	2,667	2,667
Total Expenses	1,919,245	838,890	542,617	241,462	2,744,511	6,286,725

	Admitted Patients	Aged Care	Residential Aged Care	Primary Health	Other	Total
	2007	2007	2007	2007	2007	2007
	\$	\$	\$	\$	\$	\$
Services Supported by Health Services Agreement						
Employee Benefits	1,259,847	769,447	569,011	224,385	1,342,458	4,165,148
Non Salary Labour Costs	185,469	-	-	-	-	185,469
Supplies & Consumables	125,641	6,218	5,481	4,088	215,247	356,675
Other Expenses from Continuing Operations	152,116	49,419	47,217	33,962	480,868	763,582
Depreciation (refer note 4)	-	-	-	-	274,141	274,141
Sub-Total Expenses from Services Supported by Health Services Agreement	1,723,073	825,084	621,709	262,435	2,312,714	5,745,015
Services Supported by Hospital and Community Initiatives						
Employee Benefits	-	-	-	-	103,825	103,825
Supplies & Consumables	-	-	-	-	22,286	22,286
Other Expenses from Continuing Operations	-	-	-	-	60,962	60,962
Sub-Total Expense from Services Supported by Hospital and Community Initiatives	-	-	-	-	187,073	187,073
Services Supported by Capital Sources						
Other Expenses from Continuing Operations	-	-	-	-	4,507	4,507
Sub-Total Expenses from Services Supported by Capital Resources	-	-	-	-	4,507	4,507
Total Expenses	1,723,073	825,084	621,709	262,435	2,504,294	5,936,595

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 4: Depreciation

	Total 2008 \$	Total 2007 \$
Depreciation		
Buildings	109,883	112,540
Plant & Equipment	46,145	42,330
Medical Equipment	44,696	44,737
Computers and Communication	14,670	16,677
Furniture and Equipment	15,239	14,298
Motor Vehicles	49,210	43,559
Total Depreciation	279,843	274,141

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.

	Total 2008 \$	Total 2007 \$
Cash on Hand	687	675
Cash at Bank	1,829,145	1,782,116
Deposits at Call	1,702,361	817,202
TOTAL	3,532,193	2,599,993
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	2,984,542	1,915,896
Cash for Monies Held in Trust		
- Cash at Bank	24,855	57,869
- Deposits at Call	522,796	626,228
TOTAL	3,532,193	2,599,993

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 6: Receivables

	Total 2008 \$	Total 2007 \$
CURRENT		
Trade Debtors	33,478	40,423
Patient Fees	56,128	13,395
Accrued Revenue - DHSV	3,933	-
Accrued Revenue - DHS	5,200	-
GST Receivable	36,261	-
DHS – Long Service Leave	-	58,498
TOTAL	135,000	112,316
LESS Provision for Doubtful Debts		
Patient Fees	-	-
TOTAL CURRENT RECEIVABLES	135,000	112,316
NON CURRENT		
DHS – Long Service Leave	66,365	23,830
TOTAL NON-CURRENT RECEIVABLES	66,365	23,830
TOTAL RECEIVABLES	201,365	136,146

(a) Ageing analysis of receivables

Please refer to note 14(c) for the ageing analysis of receivables

(b) Nature and extent of risk arising from receivables

Please refer to note 14(c) for the nature and extent of credit risk arising from receivables

Note 7: Inventories

	Total 2008 \$	Total 2007 \$
CURRENT		
Pharmaceuticals - at cost	9,765	17,756
Catering Supplies - at cost	3,745	3,589
Housekeeping Supplies - at cost	2,695	2,778
Medical and Surgical Lines - at cost	8,983	7,915
TOTAL INVENTORIES	25,188	32,038

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 8: Property, Plant & Equipment

	Total 2008 \$	Total 2007 \$
Land		
- Land at Cost	34,433	34,433
- Land at Valuation	465,000	400,000
Total Land	499,433	434,433
Buildings		
- Buildings Under Construction	42,240	-
- Buildings at Cost	361,192	350,391
Less Accumulated Depreciation	(29,329)	(21,172)
	331,863	329,219
- Buildings at Valuation	4,386,795	4,386,795
Less Accumulated Depreciation	(419,473)	(317,747)
	3,967,322	4,069,048
Total Buildings	4,341,425	4,398,267
Plant and Equipment at Cost		
- Plant and Equipment	770,152	678,395
Less Accumulated Depreciation	(489,237)	(471,723)
Total Plant and Equipment	280,915	206,672
Medical Equipment at Cost		
- Medical Equipment	822,951	819,081
Less Accumulated Depreciation	(647,792)	(603,096)
Total Medical Equipment	175,159	215,985
Computers and Communication at Cost		
- Computers and Communication	275,426	264,667
Less Accumulated Depreciation	(248,172)	(233,502)
Total Computers and Communications	27,254	31,165
Furniture and Fittings at Cost		
- Furniture and Fittings	204,189	198,408
Less Accumulated Depreciation	(136,703)	(121,464)
Total Furniture and Fittings	67,486	76,944
Motor Vehicles at Cost		
- Motor Vehicles	230,018	260,835
Less Accumulated Depreciation	(86,941)	(67,883)
Total Motor Vehicles	143,077	192,952
TOTAL	5,534,749	5,556,418

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

	Land \$	Buildings \$	Plant & Equipment \$	Medical Equipment \$	Computers & Communications \$	Furniture & Fittings \$	Motor Vehicles \$	Total \$
Balance at 30 June 2007	434,433	4,488,281	155,102	250,449	27,487	87,060	207,643	5,650,455
Additions	-	22,526	93,900	10,273	20,355	4,182	28,868	180,104
Disposals	-	-	-	-	-	-	-	-
Depreciation (note 4)	-	(112,540)	(42,330)	(44,737)	(16,677)	(14,298)	(43,559)	(274,141)
Balance at 1 July 2007	434,433	4,398,267	206,672	215,985	31,165	76,944	192,952	5,556,418
Additions	-	53,042	120,387	3,870	10,759	5,781	60,324	254,163
Disposals	-	-	-	-	-	-	(60,989)	(60,989)
Revaluation	65,000	-	-	-	-	-	-	65,000
Depreciation (note 4)	-	(109,883)	(46,145)	(44,696)	(14,670)	(15,239)	(49,210)	(279,843)
Balance at 30 June 2008	499,433	4,341,426	280,914	175,159	27,254	67,486	143,077	5,534,749

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by Graham Gerlach AAPI (Val) 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 June 2004.

A Managerial revaluation was completed on land with an effective date of 30 June 2008, using the indices of the Victorian Valuer-General

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 9: Payables

	Total 2008 \$	Total 2007 \$
CURRENT		
Trade Creditors	576,763	323,961
Accrued Expenses	187,147	117,701
GST Payable	5,166	66,607
Salary Packaging	-	16,502
TOTAL CURRENT	769,076	524,771

(a) Maturity analysis of payables

Please refer to Note 14d for the ageing analysis of payables

(b) Nature and extent of risk arising from payables

Please refer to note 14d for the nature and extent of risks arising from payables

Note 10: Provisions

	Total 2008 \$	Total 2007 \$
CURRENT		
Employee Benefits (refer Note 10a)		
- unconditional and expected to be settled within 12 months	528,515	521,313
- unconditional and expected to be settled after 12 months	509,409	438,947
TOTAL	1,037,924	960,260
NON-CURRENT		
Employee Benefits (refer Note 10a)	225,890	244,594
TOTAL	225,890	244,594

Movements in Provisions

Carrying amount at start of the year	1,204,854	1,004,767
Additional provisions recognised	432,943	608,779
Amounts incurred during the year (including estimates)	(373,983)	(408,692)
Carrying amount at end of the year	1,263,814	1,204,854

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 10a: Employee Benefits

	Total 2008 \$	Total 2007 \$
CURRENT (refer note 1(p))		
Unconditional long service leave entitlements	501,945	488,947
Annual leave entitlements	364,864	340,096
Accrued Wages and Salaries	151,920	117,240
Accrued Days Off	19,195	13,977
TOTAL	1,037,924	960,260
Current Employee benefits that:		
Expected to be utilised within 12 months (nominal value)	528,515	521,313
Expected to be utilised after 12 months (present value)	509,409	438,947
TOTAL	1,037,924	960,260
NON-CURRENT (refer note 1(p))		
Conditional long service leave entitlements (present value)	225,890	244,594
TOTAL	225,890	244,594
Movement in Long Service Leave:		
Balance at start of year	733,541	656,379
Provision made during the year	(51,027)	28,197
Settlement made during the year	45,321	48,965
Balance at end of year	727,835	733,541

Note 11: Other Liabilities

	Total 2008 \$	Total 2007 \$
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust*	24,855	24,387
- Accommodation Bonds (Refundable Entrance Fees)*	522,796	653,737
- Other Monies Held in Trust*	-	5,973
Total Current	547,651	684,097
Total Other Liabilities	547,651	684,097
* Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer to Note 5)	547,651	684,097
TOTAL	547,651	684,097

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 12: Equity & Reserves

	Total 2008 \$	Total 2007 \$
(a) Reserves		
Land and Buildings Asset Revaluation Reserve		
Balance at the beginning of the reporting period	607,328	607,328
Revaluation Increments/(Decrements)	65,000	-
Balance at the end of the reporting period	672,328	607,328
Represented by:		
- Land	155,000	90,000
- Buildings	517,328	517,328
Total Asset Revaluation Reserve	672,328	607,328
Restricted Specific Purpose Reserve		
Balance at the beginning of the reporting period	276,268	247,200
Transfer to and from Restricted Specific Purpose Reserve	-	29,068
Balance at the end of the reporting period	276,268	276,268
Total Reserves	948,596	883,596
(b) Contributed Capital		
Balance at the beginning of the reporting period	3,913,243	3,913,243
Capital contribution received from Victorian Government	68,441	-
Balance at the end of the reporting period	3,981,684	3,913,243
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	1,117,483	987,454
Net Result for the Year	680,454	159,097
Transfers to and from Reserve	-	(29,068)
Balance at the end of the reporting period	1,797,937	1,117,483
(d) Total Equity at end of financial year	6,728,217	5,914,322

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 13: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	Total 2007 \$	Total 2006 \$
Net Result for the Period	680,454	159,097
Depreciation	279,843	274,141
Change in Inventories	6,851	(7,962)
Net (Gain)/Loss from Sale of Plant and Equipment	(2,512)	-
Change in Operating Assets & Liabilities		
Increase/(Decrease) in Payables	244,306	350,117
Increase/(Decrease) in Employee Benefits	58,960	68,081
(Increase)/Decrease in Receivables	(65,219)	75,113
(Increase)/Decrease in Prepayments	(11,815)	(1,007)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,190,868	917,580

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 14: Financial Instruments

(a) Significant accounting policies

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

(b) Categorisation of financial instruments

Details of each categories in accordance with AASB 139, are disclosed either on the face of the balance sheet or in the notes.

	Note	Category	Carrying Amount 2008 \$	Carrying Amount 2007 \$
Financial Assets				
Cash and cash equivalents	5	N/A	3,532,193	2,599,993
Receivables	6	Loans and Receivables	165,104	136,146
Financial Liabilities				
Payables	9	Financial liabilities measured at amortised cost	763,910	458,164
Accommodation Bonds	11	Financial liabilities measured at amortised cost	522,796	653,737
Other Liabilities	11	Financial liabilities measured at amortised cost	24,855	30,360

Note 14: Financial Instruments (continued)

(c) Credit Risk

The Hospitals 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.

Interest rate exposure and ageing analysis of financial asset as at 30/06/2008

2008	Weighted Average Effective Interest Rates (%)	Carrying Amount \$	Interest Rate Exposure		Not Past Due and Not Impaired \$'000	Past Due But Not Impaired			Impaired Financial Assets \$'000
			Fixed Interest Rate \$	Variable Interest Rate \$		Less than 1 Month \$'000	1-3 Months \$'000	3 months - 1 Year \$'000	
Financial Assets									
Cash and Cash Equivalents	6.00	3,532,193	1,172,992	2,358,514	3,532,193	-	-	-	-
Receivables	-	165,104	-	-	109,461	51,777	30,799	9,328	-
Total Financial Assets		3,697,297	1,172,992	2,358,514	3,641,654	51,777	30,799	9,328	-
2007									
Financial Assets									
Cash and Cash Equivalents	5.50	2,599,993	161,906	2,437,412	2,599,993	-	-	-	-
Receivables	-	136,146	-	-	67,951	50,176	9,036	8,983	-
Total Financial Assets		2,736,139	161,906	2,437,412	2,667,944	50,176	9,036	8,983	-

(d) Liquidity Risk

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

2008	Carrying Amount \$	Interest Rate Exposure		*Weighted Average Effective Interest Rates (%)	Contractual Cash Flows \$	Maturity Dates		
		Fixed Interest Rate \$	Variable Interest Rate \$			Less than 1 Month \$	1-3 Months \$	3 months - 1 Year \$
Payables:								
Trade creditors and accruals	763,910	-	763,910	-	763,910	-	-	-
Patient Trust Account	24,855	-	24,855	-	24,855	-	-	-
Accommodation Bonds	522,796	522,796	-	5.50	522,796	522,796	2,770	-
Other Financial Liabilities	-	-	-	-	-	-	-	-
Total Financial Liabilities	1,311,561	522,796	788,765		1,311,561	788,765	522,796	2,770
2007								
Payables:								
Trade creditors and accruals	458,164	-	458,164	-	458,164	1,470	-	-
Patient Trust Account	24,387	-	24,387	-	24,387	24,387	-	-
Accommodation Bonds	653,737	653,737	-	5.00	653,737	653,737	-	-
Other Financial Liabilities	5,973	-	5,973	-	5,973	5,973	-	-
Total Financial Liabilities	1,142,261	653,737	488,524		1,142,261	487,054	655,207	-

Note 14: Financial Instruments (continued)

(e) Market Risk Currency Risk

The Hospital is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because all purchases in the financial year 2007/2008 and 2006/2007 were from suppliers who quoted fixed prices in \$AUD.

Interest Rate Risk

Exposure to interest rate risk might arise primarily through the Hospital's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the Hospital mainly undertakes those liabilities with relative even maturity profiles.

Other Price Risk

The Hospital is not exposed to Other Price Risks.

Sensitivity Disclosure Analysis

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

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

- A parallel shift of +1% and -1% in inflation rate from year-end rates of 2%

The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Hospital 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% Profit \$	-1% Equity \$	+1% Profit \$	+1% Equity \$	-1% Profit \$	+1% Equity \$
2008							
Financial Assets							
Cash and Cash Equivalents	3,532,193	(23,592)	(23,592)	23,592	23,592	-	-
Receivables	201,365	-	-	-	-	-	-
Financial Liabilities							
Trade creditors and accruals	854,111	-	-	-	-	-	-
Patient Trust Account	24,855	249	249	(249)	(249)	-	-
Accommodation Bonds	522,796	5,228	5,228	(5,228)	(5,228)	-	-
Other Liabilities	-	-	-	-	-	-	-
2007							
Financial Assets							
Cash and Cash Equivalents	2,599,993	(26,000)	(26,000)	26,000	26,000	-	-
Receivables	136,146	-	-	-	-	-	-
Financial Liabilities							
Trade creditors and accruals	524,771	-	-	-	-	-	-
Patient Trust Account	24,387	244	244	(244)	(244)	-	-
Accommodation Bonds	653,737	6,537	6,537	(6,537)	(6,537)	-	-
Other Liabilities	5,973	-	-	-	-	-	-

(i) eg. Sensitivity of cash and cash equivalents to a +1% movement in interest rates: $[\$2,599,993 \times 0.07] - [\$2,599,993 \times 0.06] = \$26,000$. Similar for a -1% movement in interest rate, impact = $[\$26,000]$.

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 15: Commitments

	Total 2008 \$	Total 2007 \$
Capital Expenditure Commitments		
Plant and Equipment	198,000	-
Total Capital Commitments	198,000	-
Other Operating Expenditure Commitments		
Payable:		
Alliance JV commitment	33,950	-
iPM Computer Software Implementation commitment	44,562	-
Total Other Expenditure Commitments	78,512	-
Total Commitments for Expenditure (exclusive of GST)	276,512	-

Note 16: Contingent Liabilities & Contingent Assets

As at 30 June 2008 there were no known Contingent Liabilities and Contingent Assets for the Hospital. (2007 Nil).

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 17: Segment Reporting

	Acute		Nursing Home		Hostel		Others		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
External Segment Revenue	3,483,200	2,831,347	1,371,454	1,513,062	1,051,633	780,017	890,371	971,266	6,796,658	6,095,692
Total Revenue	3,483,200	2,831,347	1,371,454	1,513,062	1,051,633	780,017	890,371	971,266	6,796,658	6,095,692
EXPENDITURE										
Allocated Expense	3,412,826	2,811,851	1,299,944	1,494,938	977,987	761,912	593,546	981,985	6,284,303	6,050,686
Net Result from ordinary activities	70,374	19,496	71,510	18,124	73,646	18,105	296,825	(10,719)	512,355	45,006
Interest Income	-	-	-	-	-	-	168,099	114,091	168,099	114,091
Net Result for Year	70,374	19,496	71,510	18,124	73,646	18,105	464,924	103,372	680,454	159,097
OTHER INFORMATION										
Segment Assets	3,888,844	3,747,619	1,001,053	966,053	2,219,603	2,198,603	2,199,258	1,415,767	9,308,758	8,328,042
Total Assets	3,888,844	3,747,619	1,001,053	966,053	2,219,603	2,198,603	2,199,258	1,415,767	9,308,758	8,328,042
Unallocated Liabilities	1,574,763	1,399,958	285,135	260,498	717,998	638,238	2,645	115,028	2,580,541	2,413,722
Total Liabilities	1,574,763	1,399,958	285,135	260,498	717,998	638,238	2,645	115,028	2,580,541	2,413,722
Acquisition of property, plant and equipment and intangible assets	111,073	47,302	35,000	13,346	21,000	7,103	87,090	112,353	254,163	180,104
Depreciation & amortisation expense	112,049	109,772	24,710	24,186	35,988	35,263	107,096	104,920	279,843	274,141

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

Business Segments	Services
Residential Aged Care Services (RACS)	Bade Wing Nursing Home & The Lakes Hostel
Acute Services	Edenhope & District Memorial Hospital
Other	The Elsie Bennett Centre (Community Health & District Nursing), Domestic Services, Catering, Laundry & Administration

Geographical Segment

Edenhope & District Memorial Hospital operates predominantly in the West Wimmera Shire, Victoria. More than 90% of the revenue and net surplus from ordinary activities and segment assets relate to operations in the West Wimmera Shire, Victoria.

Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2008

Note 18: Responsible Persons and Executive Officer Disclosures

(a) Responsible Persons

	Period
Responsible Minister	
The Hon. Bronwyn Pike M.P.	01/07/2007 - 03/08/2007
The Hon. Daniel Andrews M.P.	03/08/2007 - 30/06/2008
Governing Board	
Mr. R. Carberry	01/07/2007 - 30/06/2008
Mr. J Farran	01/07/2007 - 30/06/2008
Mrs. J. Grigg	01/07/2007 - 30/06/2008
Mr. R. R. Hawkins	01/07/2007 - 30/06/2008
Mr. M. Holland	01/07/2007 - 30/06/2008
Mr. J.G. McKay	01/07/2007 - 30/06/2008
Mrs. A. Newton	01/07/2007 - 21/05/2008
Mrs. V. Penrose	01/07/2007 - 30/06/2008
Mrs. W. Reed	01/07/2007 - 30/06/2008
Mr. J.S. Warner	01/07/2007 - 30/06/2008
Accountable Officer	
Mrs. K Huett	

(b) Remuneration of Responsible Persons

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

	Total Remuneration	
	2008	2007
	No.	No.
\$0 - \$9,999	10	11
\$120,000 - \$129,999	-	1
\$130,000 - \$139,999	1	-
Total Numbers	12	12

(c) Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:

	2008	2007
	\$	\$
	131,884	123,289

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

(d) Other Transactions of Responsible Persons and their Related Parties.

Board member, Mr. J.G. McKay is the CEO of West Wimmera Shire Council. West Wimmera Shire Council, provides services to and uses services provided by Edenhope & District Memorial Hospital. The aggregate amounts for 2008 & 2007 were:

	2008	2007
	\$	\$
	60,189	43,179

(e) Other Receivables from and Payables to Responsible Persons and their Related Parties.

Aggregate amounts payable at balance date:

West Wimmera Shire Council

	Nil	Nil
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Aggregate amounts receivable at balance date:

West Wimmera Shire Council

	5,408	20,653
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Edenhope & District Memorial Hospital

Notes To and Forming Part of the Financial Statements for the Year Ended 30June 2008

Note 19: Events Occurring after the Balance Sheet Date

There were no events that have occurred between June 30th 2008 and as of the date of signing the Certification Certificate which would materially affect the result for the 12 months ending June 30th 2008.

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