



The Queen Elizabeth II Medical Centre Trust
Government of Western Australia

ANNUAL REPORT



30 June 2004

TABLE OF CONTENTS

STATEMENT OF COMPLIANCE.....	ERROR! BOOKMARK NOT DEFINED.
INTRODUCTION	5
ENABLING LEGISLATION	5
LAND RESERVES.....	5
MINISTERIAL DIRECTIVES	5
MEMBERSHIP OF THE TRUST AND TERMS OF APPOINTMENT	6
MEETINGS OF THE TRUST	6
OBJECTIVES.....	6
FUNCTIONS AND SERVICES	6
TRUST DELEGATE.....	7
SECRETARIAL SUPPORT.....	7
STATEMENT OF COMPLIANCE WITH PUBLIC SECTOR STANDARDS.....	7
ADVERTISING AND SPONSORSHIP	8
DISABILITIES SERVICES PLANNING	8
INFORMATION STATEMENT	9
OPERATIONAL PERFORMANCE.....	9
CAPITAL PROJECTS	11
OTHER MATTERS OF RELEVANCE TO THE TRUST'S OPERATIONS	12
PERFORMANCE INDICATORS 2003/2004	15

Intentional blank page

STATEMENT OF COMPLIANCE

**TO THE HONOURABLE JIM McGINTY MLA
MINISTER FOR HEALTH**

In accordance with Section 66 of the Financial Administration and Audit Act, 1985 and Section 15 of the Queen Elizabeth II Medical Centre Act, 1966 we hereby submit for your information and presentation to Parliament the Report of the Queen Elizabeth II Medical Centre Trust for the financial year ended 30th June 2004.

The Report has been prepared as far as practicable in accordance with the provisions of the Financial Administration and Audit Act, 1985.

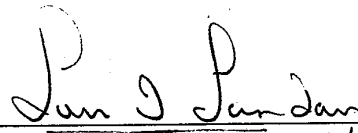
A copy of this Report is being furnished to the Senate of the University of Western Australia in accordance with Section 15(2) of the Queen Elizabeth II Medical Centre Act, 1966.



Judge VJ French

Chairperson

The Queen Elizabeth II Medical Centre Trust



Professor LI Landau AO

Member

The Queen Elizabeth II Medical Centre Trust

INTRODUCTION

The Queen Elizabeth II Medical Centre Trust is responsible for the development, control and management of the Queen Elizabeth II Medical Centre Reserve.

The establishment of the Queen Elizabeth II Medical Centre Trust (previously known as the Perth Medical Centre Trust), arose out of the need for an independent body to monitor and control the usage of land previously owned by the University of Western Australia, upon which the Government of the day wished to establish a medical centre.

The Medical Centre Reserve (or “site”) covers 28.4749 hectares and accommodates over 30 organisations in 25 buildings. The major site users are Sir Charles Gairdner Hospital, The University of Western Australia, The Western Australian Centre for Pathology and Medical Research (PathCentre), The Western Australian Institute for Medical Research, the Lions Eye Institute and “The Niche”.

The Trust plays no active part in the management of the respective facilities and operations of site users unless any activity is detrimental to the Reserve or adversely affects the facilities and/or operations of other site users.

ENABLING LEGISLATION

The Queen Elizabeth II Medical Centre Trust was established under Section 7 of the Queen Elizabeth II Medical Centre Act, 1966 to undertake the development, control and management of the Queen Elizabeth II Medical Centre Reserve established under Section 6 of the Act.

The Minister for Health is responsible for the Queen Elizabeth II Medical Centre Act, 1966 and consequently, the Queen Elizabeth II Medical Centre Trust.

LAND RESERVES

The land known as the Queen Elizabeth II Medical Centre is a Class A Reserve Number 33244, Swan Location 9075.

The Reserve is generally bounded by Aberdare Road to the North; Winthrop Avenue and Kings Park to the East, Monash Avenue to the South, and Hollywood Private Hospital and residential areas to the West.

A Water Corporation of Western Australia compensating / drainage area (Swan Location 8448) is landscaped and maintained in part by the Trust to form a useful adjunct amenity to the Reserve itself.

MINISTERIAL DIRECTIVES

There were no Ministerial Directives issued during the period covered by this report.

MEMBERSHIP OF THE TRUST AND TERMS OF APPOINTMENT

The Queen Elizabeth II Medical Centre Trust has 5 members being:

A person appointed by the Governor on the written nomination of the Minister for Health and the Senate of the University of WA, and holding office during the Governor's pleasure. The Act provides that this member shall be Chairman of the Trust.

Judge VJ French.

Two persons appointed by the Governor on the written nomination of the Minister for Health, and holding office during the Governor's pleasure.

Ms P Ford served as a member of the Trust from July 2000 until February 2004 and upon her resignation, Mr A Chuk was subsequently appointed in May 2004.

Mr A Chuk and Mr RHC Turner AM.

Two persons appointed by the Senate of the University of WA and holding office during the Senate's pleasure.

Professor A Robson served as a member of the Trust for 10 years until February 2004 and upon his resignation, Professor M Seares AO was subsequently appointed.

Professor M Seares AO and Professor LI Landau AO.

The strong personal commitment and outstanding contributions of Ms P Ford and Professor A Robson AM is gratefully acknowledged.

MEETINGS OF THE TRUST

The Trust met on five (5) occasions during the 2003 / 2004 financial year.

OBJECTIVES

The objectives of the Queen Elizabeth II Medical Centre Trust are to:

- Ensure the Queen Elizabeth II Medical Centre Reserve, as established under Section 6 of the Act, is developed within the existing geographic, environmental and functional constraints in a planned and methodical way and in accordance with the purposes of the Act as a Medical Centre of national and international repute.
- Ensure the development of the Medical Centre site is achieved through a cooperative approach between the Trust, site tenants, and the relevant academic and professional schools of learning providing teaching and research resources to the Medical Centre and the State.
- Ensure the provision of appropriate on-site facilities for the clinical teaching of undergraduates and graduates in medicine, nursing and allied health professions.

FUNCTIONS AND SERVICES

The Queen Elizabeth II Medical Centre Trust provides the means by which all existing and future facilities on the Reserve can be monitored and assessed so as to ensure compliance with the general objectives of the Act and with the intended utilisation of the Queen Elizabeth II Medical Centre Reserve.

TRUST DELEGATE

The Queen Elizabeth II Medical Centre Act, 1966 enables the Trust to appoint a Delegate to exercise most of its powers in relation to controlling and managing the site. A Delegation Instrument was published in the *Government Gazette* on 24 October 1986 in favour of the Board of Management of Sir Charles Gairdner Hospital.

The current Delegate is the Minister for Health as the Board of Management of Sir Charles Gairdner Hospital.

Under the instrument of delegation, Sir Charles Gairdner Hospital is the Accountable Authority for the day-to-day management of the Queen Elizabeth Medical Centre Reserve, including general administration, management and other statutory requirements in relation to the Reserve. All staff engaged in Trust activities are employed by the Minister for Health as the Board of the Sir Charles Gairdner Hospital under Section 7 of the Hospitals and Health Services Act, 1927.

The Trust has appointed Mr A Roberts, Area Director, Financial Services for the North Metropolitan Health Service as the Principal Accounting Officer for the Financial Statements of the Sir Charles Gairdner Hospital Delegate Account.

The business address and telephone number of the Queen Elizabeth II Medical Centre Trust are:

The Secretary
Queen Elizabeth II Medical Centre Trust
C/- Sir Charles Gairdner Hospital
Hospital Avenue
NEDLANDS WA 6009
Telephone : (08) 9346 3964

SECRETARIAL SUPPORT

The Trust wishes to express its gratitude to the Executive of Sir Charles Gairdner Hospital for continuing to provide it with secretarial support. The Trust has appointed Mr A Buckley, Area Director Facilities Management, North Metropolitan Health Service, as the honorary Secretary to the Trust. The Trust gratefully acknowledges the contribution of Mr P Hansen who served as honorary Secretary to the Trust from September 1998 until March 2003.

The Trust has also approved the establishment of the position of a full-time Finance and Business Officer due to the increasing complexity of managing the Trust's affairs. Mr I Stewart has been seconded to the new position since November 2003 and has established the office of the Finance and Business Officer, prior to a permanent appointment being made.

STATEMENT OF COMPLIANCE WITH PUBLIC SECTOR STANDARDS

- In relation to the Trust itself, members complied with the Code of Conduct that the Trust adopted on 27 July 2000.
- In relation to administrative / operational matters, staff engaged on Trust-related activities are employees of the Metropolitan Health Services and the compliance statement contained in the Metropolitan Health Services' Annual Report applies to these personnel and related activities.

ADVERTISING AND SPONSORSHIP

The Trust had no expenditure in the financial year ended 30 June 2004 on the areas mentioned in Section 175ZE of the Electoral Act, 1907.

DISABILITIES SERVICES PLANNING

The Trust and Sir Charles Gairdner Hospital recognise that people with disabilities are valued members of the community who make contributions to social, economic and cultural life.

Planning to improve access to and facilities for the disabled is largely the responsibility of Sir Charles Gairdner Hospital in its role as Delegate.

Specific disability service planning issues pertaining to the Trust's area of responsibility include :

- Parking facilities – the Trust provides a total of 36 disabled parking bays (compared to 33 in 2002/2003) at appropriate locations around the site. This revised figure does not include 6 disabled parking bays at “The Niche”, or any disabled parking bays at “Crawford Lodge”. These facilities are on ground leases and are not available for general public parking. Sir Charles Gairdner Hospital also provides an electric passenger vehicle to transport infirm, aged and health-compromised people from the car parks to various points within and around the buildings on the Reserve;
- A total of 7 TransPerth bus routes traverse the Queen Elizabeth II Medical Centre including the Circle Route (routes 98 and 99) and the Subiaco Shuttle (route 97). Most of the TransPerth bus fleet has special provision for disabled access. Tactile surfaces have been installed at the bus stops on Hospital Avenue to facilitate usage by passengers who are visually impaired. The new entry to the hospital's Emergency Department in “G” Block also has tactile surfaces; and
- Four hospital lifts have been fitted with disability access controls in “G”, “D” and “E” Blocks.

In January 2003, Sir Charles Gairdner Hospital published a document titled “Improving Access for People with Disabilities” which outlines the hospital's disability services policy and contains a Disability Services Plan. The Disability Services Plan is subject to ongoing review and may be amended and enhanced to meet changing priorities and needs.

INFORMATION STATEMENT

An Information Statement complying with the requirements of the Freedom of Information Act, 1992 is appended to this report.

OPERATIONAL PERFORMANCE

Principal Operations

The principal day-to-day operations undertaken by Sir Charles Gairdner Hospital on the Trust's behalf are:

- Maintenance of the Reserve (gardens & grounds);
- Provision of parking facilities and control of traffic movement on site;
- Management of tenancy agreements; and
- Security.

Financial aspects of these operations are contained in the financial statements attached to this report.

Parking fees apply to both staff and visitors bringing vehicles on to the Reserve. These fees are established under Delegate By-Laws and were unchanged in 2003/2004.

Rental levels for leaseholders are established by:

- (a) the Trust's property management contractor for the retail/commercial tenants (based on market prices); and
- (b) the Trust, based on indicative rental rates for representative areas as advised by the Valuer General's Office for non-commercial tenants such as research institutes.

Review of the Provisions of The Queen Elizabeth II Medical Centre Act, 1966

Section 21 of The Queen Elizabeth II Medical Centre Act, 1966 (the Act) requires the Minister for Health to review the operation and effectiveness of the Act every 5 years calculated from 1 January 1991, and to present the report before each House of Parliament. Checks of Hansard and of the Queen Elizabeth II Medical Centre Trust's records confirm that this requirement has not been met. The following information is provided as an interim report.

From 1997 – 2002, the (then) Chairman of the Trust the Hon. Geoffrey Kennedy OA QC attempted to initiate a legislative review of the Act. The planned review of the Act was superseded by a separate review process, following the establishment of the Machinery of Government Task Force.

The Machinery of Government Task Force Report recommended that all statutory authorities and government bodies established under specific legislation, be reviewed to determine if their continued existence was warranted or whether the function could be as effectively carried out by an existing Government department.

In May 2002, the Queen Elizabeth II Medical Centre Trust provided information to the Department of Health as part of this process.

In December 2002, the Legal & Legislative Services section at the Department of Health provided the Trust with a draft of proposed amendments to Section 16 of the Act. These amendments were intended to validate actions of the Metropolitan Health Service Board and the Minister for Health since mid-1997, when all metropolitan hospital boards were amalgamated. The Trust has recently received confirmation that the required amendments to Section 16 of the Act are being progressed as part of the Health Legislation Amendment Bill 2004.

The Health Reform Committee's recommendations relating to the establishment of a new northern tertiary hospital on either the Queen Elizabeth II Medical Centre site, or on the Royal Perth Hospital site could have a significant impact on the Trust's responsibilities and may require future amendments to the Act.

Car Parking and Promoting Sustainable Travel Behaviours

The Queen Elizabeth II Medical Centre Trust is acutely aware of staff concerns about the parking situation on site and has acted to improve the car-parking situation and encourage alternative means of accessing the site.

A number of short-term measures have been completed by the Trust, including converting grassed areas to parking areas and reconfiguring Car Parks 1 and 2 to increase the number of bays. A new 78 bay temporary car park was established following the demolition of Anstey House "S" Block. Further reconfiguration of existing car parks to improve efficiency will be progressively undertaken by the Queen Elizabeth II Medical Centre Trust, as funds become available.

The Queen Elizabeth II Medical Centre draft Structure Plan identifies two possible areas where multi-storey car parks could be constructed to more effectively address car parking pressures on the site.

Precinct Transport Planning

The Queen Elizabeth II Medical Centre Trust has encouraged the use of alternative transport options, such as the Subiaco Shuttle Bus Service, the Circle Route, and using bicycles to ride to work, where possible. The Trust has confirmed its ongoing contribution of 10% towards the cost of operating the Subiaco Shuttle Bus Service.

The Trust continues to work with the University of Western Australia, the Department for Planning and Infrastructure, City of Nedlands and City of Subiaco on transport planning. In September 2003, the Department for Planning and Infrastructure completed a review of UWA/QEII Medical Centre Precinct Access Plan. In October 2003, the Department for Planning and Infrastructure also coordinated a parking study of the Queen Elizabeth II Medical Centre site.

Health System Reforms

In March 2004, the report of the Health Reform Committee titled "A Healthy Future for Western Australians" was released. A number of the report's recommendations are likely to impact on services delivered from the Queen Elizabeth II Medical Centre site during the implementation phase.

Site Master Planning and Structure Planning

To be able to properly consider future development applications, the Western Australian Planning Commission required that the Trust review its 1998 Site Master Plan and produce a Structure Plan that adhered to the principles of the current planning environment. The Trust

engaged BSD Consultants to undertake this planning process which commenced in September 2001. The Trust lodged the draft Structure Plan with the Department for Planning and Infrastructure in November 2002. The draft Structure Plan had not been referred to the WA Planning Commission as at 30 June 2004.

Community and Site User Liaison

The Trust has continued to publish a quarterly Campus Bulletin. This bulletin which is distributed internally and externally, provides readers with an update of issues of interest on the Queen Elizabeth II Medical Centre site.

The Trust also arranges bi-monthly Site User Liaison Meetings to discuss site and hospital-related issues.

CAPITAL PROJECTS

Apart from a number of car parking initiatives, the Queen Elizabeth II Medical Centre Trust itself did not undertake any major capital projects on the Reserve during the year.

The demolition of the hospital's former nurses' quarters known as Anstey House ("S" Block) was also completed during the 2003/2004 financial year. The facility had been decommissioned in July 2001 due to significant and irreparable building defects. A 76 bay temporary car-park has been established on the site.

Temporary car parking areas to the western end of "L" and "M" Blocks (University of Western Australia) and the Consultant Car Park to east of "J" and "K" Blocks (PathCentre) have been retained. The emergency helicopter landing area remains at the rear of "R" Block, but will be relocated closer to the hospital's Emergency Department during the 2004/2005 financial year.

Construction of the hospital's new Emergency Department redevelopment in "G" Block was completed in June 2004.

The WA Positron Emission Tomography (PET) / Cyclotron Service was commissioned in August 2003 at the hospital.

In November 2003, the establishment of a Comprehensive Cancer Centre on the site was announced. Planning for Stage 1 of the centre is progressing with construction expected to commence during the 2004/2005 financial year.

OTHER MATTERS OF RELEVANCE TO THE TRUST'S OPERATIONS

Sir Charles Gairdner Hospital provides a range of services to other site tenants as an adjunct to its own operations. These services include gas, normal and essential electricity supplies, chilled water for air conditioning, high temperature hot water, steam as well as filtered water for laboratories using reverse osmosis.

Sir Charles Gairdner Hospital and the Trust have commenced a review of leasing and tenant charging arrangements. The aim of the review is to ensure that all site users have a formal lease with the Trust, and an accompanying tenant charging agreement with the Hospital. Currently, many site users do not have valid leases and agreements with the Trust and the Hospital.

PERFORMANCE INDICATORS

Performance indicator information is provided on pages 15 – 18.

PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2004

CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the accompanying Performance Indicators are based on proper records, are relevant and appropriate for assisting end users to assess the Queen Elizabeth II Medical Centre Trust's performance, and fairly represent the performance of the Trust for the year ended 30 June 2004.

Signed at Perth this: 27 August 2004



Judge VJ French

Chairperson

The Queen Elizabeth II Medical Centre Trust



Professor LI Landau AO

Member

The Queen Elizabeth II Medical Centre Trust



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of The Queen Elizabeth II Medical Centre Trust are relevant and appropriate to help users assess the Trust's performance and fairly represent the indicated performance for the year ended June 30, 2004.

Scope

The Trust's Role

The Trust is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON
AUDITOR GENERAL
September 28, 2004

PERFORMANCE INDICATORS 2003/2004

Outcome of the Trust (External)

Appropriate site facilities are provided for Queen Elizabeth II Medical Centre site users.

Service Plan (Site Facilities)

The Trust/Delegate provides the following services:

- *Construction, where required, and maintenance of roads, paths, parking areas, lighting, sewerage and drainage and like facilities;*
- *Landscaping and maintenance of gardens and grounds on the Reserve;*
- *Security of persons and property on and around the Reserve;*
- *Control of vehicular movement and parking on the Reserve;*
- *Control measures related to ingress to and egress from the Reserve.*

Indicators

Effectiveness Indicators

1. **The percentage of positive responses ('excellent', 'very good' and 'good') on the customer (Queen Elizabeth II Medical Centre site users) satisfaction survey covering:**

- *Standard of maintenance and repair of roads, paths, parking areas and grounds/gardens on Reserve;*
- *Timeliness of maintenance and repair of roads, paths, parking areas and grounds/gardens on Reserve;*
- *Standard of lighting on Reserve;*
- *Standard of Security control for vehicular movement on and around Reserve and illegal parking;*
- *Timeliness of Security response;*
- *Appropriateness of parking facilities provided to staff and visitors.*

As the outcome of the Trust is to provide appropriate facilities to site users (customers), a key measure of effectiveness needs to include the customers' views on the service provided. Performance Indicator 1 provides information on how well the Queen Elizabeth II Medical Centre Trust meets customer needs.

A Site Users' Satisfaction Survey was issued in June 2004 for the 2003/2004 financial year. To maximise coverage and ensure that customers could be followed up if a proportional response had not been received, particularly from the larger site user groups, the following process was used for the 2003/2004 survey:

- A spreadsheet was developed listing the 26 major site user groups and key contact details;
- Survey forms for each of the 26 major site user groups had different footers to enable the various response rates to be assessed;
- Where a proportional response rate had not been received, or where there had been a nil response, a follow-up email was sent to the key contacts requesting that more responses be encouraged from their respective groups;
- The questions used for the 2003/2004 Site User's Satisfaction Survey were unchanged from the 2002/2003 financial year to allow a direct comparison of Key Performance Indicators from the previous survey.

A total of 260 responses to the survey were received by the due date (compared to 376 in 2002/2003) with the results being recorded below.

Responses were received from 16 of the 26 major site user groups, giving a response rate of 61.5%.

The levels of satisfaction are recorded as the percentage of respondents indicating "fair" to "excellent" on the survey form.

The level of satisfaction with the standard of maintenance and repair of roads, paths, parking areas and grounds/gardens on the Reserve were:

Maintenance Area	2003/2004	2002/2003
Roads	93%	90%
Footpaths	94%	92%
Parking Areas	71%	50%
Grounds/Gardens	98%	96%

In relation to the timeliness of this maintenance repair, the satisfaction levels were:

Maintenance Area	2003/2004	2002/2003
Roads	90%	84%
Footpaths	92%	86%
Parking Areas	82%	63%
Grounds/Gardens	94%	91%

84% of respondents were satisfied with the standard of lighting on the Reserve compared with 83% in 2002/2003.

The standard of security control in relation to vehicular movement on and around the Reserve received a satisfaction level of 73% (72% the previous year). The management of illegal parking was rated as 56% (55% the previous year).

52% of respondents were satisfied with the timeliness of security response after requesting assistance compared with 55% in 2002/2003. This year 45% of respondents considered they were unable to respond to this indicator compared with 40% in the previous year, which still significantly affects the outcome of this response.

74% of respondents were satisfied with the staff parking facilities (54% in 2002/2003) and 60% with the parking facilities provided for patients/visitors (47% in 2002/2003).

The Trust and the Sir Charles Gairdner Hospital acknowledge that parking capacity is an issue on the site. While this is being addressed in various site-planning processes, provision of increased parking requires substantial capital investment and options for funding such developments need to be pursued. Alternative transit programs are also being considered to reduce the amount of traffic, especially single occupant vehicles, coming to the site.

2. The total number of Motor Vehicles stolen from car parks/year on the Reserve in comparison to the total number of car parking bays

An outcome of the Trust is to provide a security service to property on the Reserve. Performance Indicator 2 identifies the ratio of cars stolen from the site in relation to the number of car parking bays available. This provides a measure of the effectiveness of car park security over time.

In the financial year ended 30 June 2004, a total of 2 cars were stolen from Reserve car parks compared to 8 in the previous year. The total number of car bays on the Reserve is 3030. These figures exclude the significant oversubscription of parking on the site occurring at peak times.

The proportion of vehicles stolen to car bays is 0.66 vehicles per 1000 bays, compared with 2.89 vehicles per 1000 bays in 2002/2003 and 1.08 vehicles per 1000 bays in 2001/2002.

Efficiency Indicators

3. Overall Operating Expense per Hectare

The Trust incurs costs related to repairs and maintenance of the Queen Elizabeth II Medical Centre Reserve, site security, car parking management, legal costs, depreciation and general administrative/management functions. This performance indicator is a measure of the total costs incurred per hectare in developing, controlling and managing the Reserve. The notional Capital User Charge shown in the Financial Statements is excluded for the purposes of this indicator

For the 2003/2004 Financial Year the total operating expense per hectare was \$80,095 compared with \$73,268 in 2002/2003 and \$67,882 in 2001/2002.

The main contributing factors to the increase are the rising cost of labour and creation of temporary car parks.

3.1 Maintenance Cost per Hectare

An outcome of the Trust is to provide appropriate site facilities and a major component of the service is maintenance and repairs (roads, paths, car parks, lighting, grounds and gardens) on the Reserve. The expenses incurred are part of the overall operating expense but separately reported on for management purposes. This Performance Indicator is a measure of the cost per hectare directly related to provision of this maintenance service.

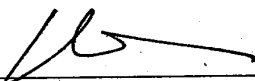
The total area of the Reserve is 28.4749ha. For the financial year 2003/2004, the cost per hectare was \$24,127 compared to \$20,625 in 2002/2003 and \$20,988 in 2001/2002.

The increase in this indicator is driven by increased expenditure on salaries and wages and on repairs and maintenance. This includes repairs to ageing surfaces on footpaths, roads and kerbing as well as catering for public safety and disabled access requirements.

OFFICE OF THE AUDITOR GENERAL
4TH FLOOR
DUMAS HOUSE
2 HAVELOCK STREET
WEST PERTH WA 6005

The accompanying financial statements of the Queen Elizabeth II Medical Centre Trust have been prepared in accordance with the provisions of the Financial Administration and Audit Act, 1985, from proper accounts and records to represent fairly the financial transactions for the financial year ending 30 June 2004 and the financial position as at 30 June 2004.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



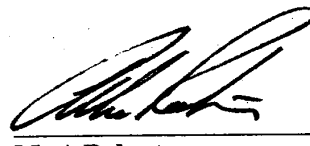
Judge VJ French

Chairperson
The Queen Elizabeth II
Medical Centre Trust



Professor LI Landau AO

Member
The Queen Elizabeth II
Medical Centre Trust



Mr A Roberts

Area Director Financial Services
North Metropolitan Health Service
Principal Accounting Officer
Queen Elizabeth II
Medical Centre Trust
Delegate Account



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

Audit Opinion

In my opinion,

- (i) the controls exercised by The Queen Elizabeth II Medical Centre Trust provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Trust at June 30, 2004 and its financial performance and cash flows for the year ended on that date.

Scope

The Trust's Role

The Trust is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON
AUDITOR GENERAL
September 28, 2004

The Queen Elizabeth II Medical Centre Trust
Statement of Financial Position
As At 30 June 2004

	Notes	2004 \$	2003 \$
Current Assets			
Cash assets	8	2,078,221	1,503,707
Receivables	9	182,726	173,344
Total Current Assets		2,260,947	1,677,051
Non-Current Assets			
Land	10	55,000,000	50,000,000
Site improvements	10	27,720,263	28,577,590
Plant and equipment	10	88,848	84,841
Computing equipment	10	-	1,609
Amounts receivable for outputs	11	1,700,000	-
Total Non-Current Assets		84,509,111	78,664,040
Total Assets		86,770,058	80,341,091
Current Liabilities			
Payables	12	52,719	8,186
Unearned revenue	13	33,503	33,641
Parking control card	18	61,286	61,326
Total Current Liabilities		147,508	103,153
Total Liabilities		147,508	103,153
NET ASSETS		86,622,550	80,237,938
Equity			
Asset revaluation reserve	15	59,630,872	54,630,872
Retained profits	15	26,991,678	25,607,066
TOTAL EQUITY		86,622,550	80,237,938

The Statement of Financial Position should be read in conjunction with the accompanying notes.

The Queen Elizabeth II Medical Centre Trust
Statement of Financial Performance
For The Year Ended 30 June 2004

	Notes	2004 \$	2003 \$
REVENUE			
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
Parking fees	2	1,453,095	1,400,405
Fines and penalties		5,558	14,062
Other revenue from ordinary activities	3	405,140	277,239
<i>Revenue from non-operating activities</i>			
Interest revenue		92,030	45,819
Total revenues from ordinary activities		1,955,823	1,737,525
EXPENSES			
Expenses from ordinary activities			
Labour expenses	4	747,238	724,365
Administration expenses	5	123,757	142,640
Repairs and maintenance expenses		438,472	319,794
Depreciation expense	6	872,143	899,504
Other expenses from ordinary activities	7	97,975	-
Capital User Charge	28	6,559,920	6,432,420
Costs of disposal of non-current assets	29	1,126	-
Total expenses from ordinary activities		8,840,631	8,518,723
Loss from ordinary activities before grants and subsidies from Government		(6,884,808)	(6,781,198)
GRANTS AND SUBSIDIES FROM GOVERNMENT			
Resources received free of charge	14	9,500	8,500
Output appropriations	30	8,259,920	6,432,420
Total revenues from Government		8,269,420	6,440,920
NET PROFIT/(LOSS)	15	1,384,612	(340,278)
Net increase in asset revaluation reserve	15	5,000,000	4,500,000
Total revenues, expenses and valuation adjustments recognised directly in equity		5,000,000	4,500,000
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS			
		6,384,612	4,159,722

The Statement of Financial Performance should be read in conjunction with the accompanying notes.

The Queen Elizabeth II Medical Centre Trust
Statement of Cash Flows
For The Year Ended 30 June 2004

	Notes	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from customers		1,624,902	1,575,876
Interest received		92,368	50,115
Other operating revenue		306,123	365,047
Payments			
Payments to suppliers		(727,080)	(626,399)
Payments for labour		(703,419)	(722,348)
Net cash provided by operating activities	16	592,894	642,291
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(18,340)	0
Net cash used in investing activities		(18,340)	0
CASH FLOWS FROM FINANCING ACTIVITIES			
Parking fee deposit increase/(decrease)	18	(40)	(459)
Net cash used in financing activities		(40)	(459)
Net increase in cash held		574,514	641,832
Cash at the beginning of the reporting period		1,503,707	861,875
Cash assets at the end of the financial year	17	2,078,221	1,503,707

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

**The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004**

NOTE 1

STATEMENT OF ACCOUNTING POLICIES

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The Financial Administration And Audit Act and The Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

Subject to the exceptions noted in paragraph 1(b) below dealing with valuation of fixed assets, the accounts have been drawn up on the basis of historical cost principles.

Salaries and wages expenses of the Trust are paid by Sir Charles Gairdner Hospital in the first instance (the Trust utilises hospital employees) and then recouped from the Trust. These are shown as "Labour expenses" in the financial statements.

(b) Revaluation of Land and Improvements

The Trust has a policy of valuing land and improvements at fair value. The annual revaluation of the Trust's land undertaken by the Valuer General's Office for the Government Property Register are recognised in the financial statements.

The valuation of land has moved from a "current use" valuation to "market value" as it is believed that this best represents the fair value of the land.

The valuation of land improvements (including car parks, pavements and landscaping) was carried out by the Department of Health's Facilities and Assets Branch during 2001/02.

The valuation was based on "Replacement Capital Value"(RCV). This is defined as the cost to replace buildings constructed at current building costs with current materials on a green-field site. All costs are Perth based and include elements of electrical, mechanical and hydraulic services.

(c) Revenue Recognition

Revenue from the rendering of services is recognised when the Trust has delivered the service to the customer.

(d) Depreciation of Non-current Assets

Property and plant and equipment are depreciated over their estimated useful lives using the reducing balance method.

Depreciation rates are:

Site Improvements	3%
Plant and equipment	15%
Computer equipment	30%

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

(e) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and subject to insignificant risk of changes in value.

(f) Receivables and Payables

Accounts Receivable are generally settled within 30 days and are carried at amounts due.

Accounts Payable, including accruals not yet billed, are recognised when the economic entity becomes obliged to make future payments as a result of a purchase of assets or services. Accounts payable are generally settled within 30 days.

(g) Investments

Investments are brought to account at the lower of cost and recoverable amount. Interest revenues are recognised as they are accrued.

(h) Net Fair Values of Financial Assets and Liabilities

Net fair values of financial instruments are determined on the following basis:

- * Monetary financial assets and liabilities not traded in an organised financial market - cost basis carrying amounts of accounts receivable, accounts payable and accruals (which approximates net market value).

(i) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

(j) Rounding

Amounts in the financial statements have been rounded to the nearest dollar.

(k) Comparative Figures

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented in the current financial year.

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$
NOTE 2		
PARKING FEES		
Staff parking fees	732,313	771,247
Other parking fees	720,782	629,158
	<u>1,453,095</u>	<u>1,400,405</u>

NOTE 3		
OTHER REVENUE		
Rental from mobile phone towers	53,339	35,617
Rental from retail centre	251,816	240,272
Rental from WA Pain Management Clinic	-	-
Replacement parking control cards	2,010	1,350
Other rental	97,975	-
	<u>405,140</u>	<u>277,239</u>

NOTE 4		
LABOUR EXPENSES		
Security	458,707	456,868
Gardens and grounds	248,531	267,497
Administration	40,000	-
	<u>747,238</u>	<u>724,365</u>

NOTE 5		
ADMINISTRATION EXPENSES		
Professional fees	10,000	13,839
Printing & stationery	15,491	20,225
Subiaco Shuttle	42,800	42,160
Workers compensation	21,218	27,585
Other	34,248	38,831
	<u>123,757</u>	<u>142,640</u>

NOTE 6		
DEPRECIATION		
Site improvements	857,327	883,843
Plant and equipment	14,333	14,972
Computing equipment	483	689
	<u>872,143</u>	<u>899,504</u>

NOTE 7		
OTHER EXPENSES FROM ORDINARY ACTIVITIES		
Doubtful debts expense	97,975	-
	<u>97,975</u>	<u>-</u>

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$
NOTE 8		
CASH ASSETS		
Cash at bank	88,194	57,725
Bank Bills/Term Deposits	1,990,027	1,445,982
Total Cash Assets	<u>2,078,221</u>	<u>1,503,707</u>

NOTE 9		
RECEIVABLES		
Parking revenue due	47,040	39,770
Fines revenue due	940	1,020
Interest due	4,400	4,738
Rental due	25,368	18,280
Rental from WA Pain Management Clinic	97,975	104,297
Refund of Pain Management Clinic from SCGH	97,975	
GST Receivable	7,003	5,239
	<u>280,701</u>	<u>173,344</u>
Less Provision for doubtful debts	(97,975)	-
Total Receivables	<u>182,726</u>	<u>173,344</u>

The WA Pain Management has been wound up and the final distribution of funds determined. Any shortfall in income due will be refunded by Sir Charles Gairdner Hospital.

NOTE 10		
FIXED ASSETS		
Land		
At Valuer General Valuation - (dated July 2003), Reserve 33244, Lot 9075		
Fair value	55,000,000	50,000,000
Site Improvements		
At Fair value	63,090,000	63,090,000
Less: restated accumulated depreciation	(35,369,737)	(34,512,410)
Depreciated replacement capital value	27,720,263	28,577,590
Carrying amount at year end	<u>27,720,263</u>	<u>28,577,590</u>
Plant & Equipment		
At cost	165,775	147,435
Less: accumulated depreciation	(76,927)	(62,594)
Net carrying amount of plant and equipment	<u>88,848</u>	<u>84,841</u>
Computing equipment		
At cost	-	12,356
Less: accumulated depreciation	-	(10,747)
Net carrying amount of plant and equipment	<u>-</u>	<u>1,609</u>
Total property, plant and equipment	118,255,775	113,249,791
Accumulated depreciation	(35,446,664)	(34,585,751)
Total fixed assets	<u>82,809,111</u>	<u>78,664,040</u>

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

- | | 2004 | 2003 |
|--|------|------|
| | \$ | \$ |
| (i) The valuation of freehold land was performed in 2003/04 in accordance with an independent valuation by the Valuer General's Office. Fair value has been determined on the basis of current land use. The valuation was made in accordance with a policy of periodic revaluation. | | |
| (ii) Site improvements have been shown as fair value. Fair value has been determined on the basis of replacement capital value. A revaluation of site improvements was undertaken by The Department of Health in 2002, by reference to the Building Cost Index (119.2) and Locality Index (100). | | |

Reconciliations

Land

Carrying amount at start of year	50,000,000	45,500,000
Additions	-	-
Disposals	-	-
Revaluation increments	5,000,000	4,500,000
Carrying amount at end of year	55,000,000	50,000,000

Site Improvements

Carrying amount at start of year	28,577,590	29,461,433
Additions	-	-
Disposals	-	-
Revaluation increments	-	-
Depreciation	(857,327)	(883,843)
Carrying amount at end of year	27,720,263	28,577,590

Plant and equipment

Carrying amount at start of year	84,841	99,813
Additions	18,340	-
Disposals	-	-
Revaluation increments	-	-
Depreciation	(14,333)	(14,972)
Carrying amount at end of year	88,848	84,841

Computing equipment

Carrying amount at start of year	1,609	2,298
Additions	-	-
Disposals	(1,126)	-
Revaluation increments	-	-
Depreciation	(483)	(689)
Carrying amount at end of year	-	1,609

Total Assets

Carrying amount at start of year	78,664,040	75,063,544
Additions	18,340	-
Disposals	(1,126)	-
Revaluation increments	5,000,000	4,500,000
Depreciation	(872,143)	(899,504)
Carrying amount at end of year	82,809,111	78,664,040

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$

NOTE 11

AMOUNTS RECEIVABLE FOR OUTPUTS	1,700,000	-
---------------------------------------	-----------	---

This asset represents the non-cash component of output appropriations which is held in a holding account at the Department of Treasury and Finance. It is restricted in that it can only be used for asset replacement or payment of leave liability.

The amount consists of the 2003/04 allocation of \$800,000 plus an adjustment of \$900,000 relating to 2002/03 which was not taken up in that year.

NOTE 12

PAYABLES

Payables represent liabilities for goods and services received, but as yet invoices have not been received. Payables at 30 June 2004 are comprised of:

Labour recoup	45,837	2,017
Workers compensation	175	60
GST Payable	6,707	6,109
	<u>52,719</u>	<u>8,186</u>

NOTE 13

UNEARNED REVENUE

Unearned revenue represents the portion of parking fees and mobile phone tower rentals paid in advance that will be earned after 30 June.	33,503	33,641
---	--------	--------

NOTE 14

RESOURCES RECEIVED FREE OF CHARGE

Resources received free of charge has been determined on the basis of the following estimates provided by agencies.

Office of the Auditor General - audit services	9,500	8,500
--	-------	-------

NOTE 15

EQUITY

Asset revaluation reserve:		
- Opening balance	54,630,872	50,130,872
- Net revaluation increments:		
Land	5,000,000	4,500,000
Site Improvements		
- Closing balance	<u>59,630,872</u>	<u>54,630,872</u>

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(b).

Retained profits:		
- Opening balance	25,607,066	25,947,344
- Net profit/(loss)	1,384,612	(340,278)
- Closing balance	<u>26,991,678</u>	<u>25,607,066</u>

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

2004 2003
\$ \$

NOTE 16

**RECONCILIATION OF NET CASH USED IN OPERATING
ACTIVITIES TO NET OPERATING PROFIT BEFORE GRANTS
AND SUBSIDIES FROM GOVERNMENT**

Operating profit before grants and subsidies from government	(6,884,808)	(6,781,198)
Depreciation	872,143	899,504
(Decrease)/ increase in unearned revenue	(138)	(4,980)
(Increase)/decrease in accrued interest	338	4,296
(Increase)/decrease in accounts receivable	(9,720)	89,899
(Decrease)/ increase in accounts payable	44,533	(6,150)
Loss on disposal of non-current assets	1,126	-
Resources received free of charge	9,500	8,500
Capital User Charge	6,559,920	6,432,420
Net cash (used in) from operating activities	<u>592,894</u>	<u>642,291</u>

NOTE 17

RECONCILIATION OF CASH

For the purpose of Statement of Cash Flows, cash includes cash at bank and investments in money market instruments. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash	88,194	57,725
Investments	<u>1,990,027</u>	<u>1,445,982</u>
	2,078,221	1,503,707

NOTE 18

RECONCILIATION OF PARKING CONTROL CARD DEPOSITS

Opening balance	61,326	61,785
Less refunds	(40)	(459)
Add new cards issued	-	-
Closing balance	<u>61,286</u>	<u>61,326</u>

NOTE 19

CAPITAL COMMITMENTS

Nil

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

2004	2003
\$	\$

NOTE 20

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Nil

NOTE 21

EVENTS OCCURRING AFTER REPORTING DATE

There were no material events which occurred after reporting date which will have an effect on these accounts.

NOTE 22

OUTPUT INFORMATION

This account has only one output and that is the development, control and management of the reserve as defined in the Queen Elizabeth II Medical Centre Trust Act 1966.

NOTE 23

RELATED BODIES

Nil

NOTE 24

AFFILIATED BODIES

Nil

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$

NOTE 25

COMPARISON OF RESULTS

(A) COMPARISON OF ACTUAL RESULTS WITH THOSE OF THE PRECEDING YEAR

Details and reasons for significant variations between actual revenue (income) and expenditure and the corresponding item of the preceding year are detailed below. Significant variations are considered to be those greater than 10% or \$50,000.

<u>Parking fees</u>	1,453,095	1,400,405
Variance \$52,690		

The increase in revenue for parking fees is the result of an increased demand for parking

<u>Other revenue</u>	405,140	277,239
Variance \$127,901		

Recognition of amounts due from Sir Charles Gairdner Hospital following the closure of the WA Pain Management Centre.

<u>Labour expenses</u>	747,238	724,365
Variance \$22,873		

<u>Administration expenses</u>	123,757	142,640
Variance -\$18,883		

Reduction in printing and stationery expense and reduced use of consultants.

<u>Repairs and maintenance</u>	438,472	319,794
Variance \$118,678		

Greater level of maintenance works than last year, including works following the restructure of the SCGH emergency department.

**The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004**

(B) COMPARISON OF ESTIMATES AND ACTUAL RESULTS

	Estimate \$	Actual \$
Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% or \$50,000.		
<u>Parking fees</u> Variance \$38,095	1,415,000	1,453,095
<u>Other revenue</u> Variance \$167,228	335,500	502,728
Increased revenue received from the rental of space for mobile phone towers, recognition of amounts due from SCGH, and increased interest received on investments.		
<u>Labour Expenses</u> Variance -\$30,762	778,000	747,238
<u>Other goods and services</u> Variance \$204	660,000	660,204
<u>Depreciation</u> Variance \$143	872,000	872,143

NOTE 26

A number of not-for-profit organisations lease space from the Queen Elizabeth II Medical Centre on a peppercorn rental basis.

Based on indicative rental rates from the Valuer General's Office this represents \$1.43 million per annum of foregone/subsidised rental.

Tenant	Area (sqm)	Annual Value \$
Allergy & Asthma Research Institute	103	10,000
Australian Neuromuscular Research Institute	3279	250,000
Cancer Foundation - Crawford Lodge (land)	6300	120,000
Heart Research Institute	491	120,000
Keogh Institute for Medical Research - 3rd floor A Block	705	65,000
Lions Ear & Hearing - 2nd floor A Block	2964	225,000
Lions Eye Institute - AA (land)	2600	75,000
State Head Injuries Unit	313	30,000
The Niche - Cystic Fibrosis WA (land)	6200	145,000
WA Institute for Medical Research	1508	365,000
WA Sleep Disorders Research Institute	281	27,500
		<u>1,432,500</u>

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$

NOTE 27

FINANCIAL INSTRUMENTS

The Trust's exposure to interest rate risk and the effective interest rates on financial instruments at the reporting date are:

	Weighted Average Rate		
Financial Assets			
<u>Cash resources</u>			
Floating		88,194	57,725
Fixed:			
- Less than 1 year	5.38%	1,990,027	1,445,982
- 1 to 5 years			
- More than 5 years			
<u>Accounts receivable</u>			
Fixed:			
- Less than 1 year		182,726	173,344
- 1 to 5 years			
- More than 5 years			
Total financial assets		<u>2,260,947</u>	<u>1,677,051</u>

Financial Liabilities

Accounts payable

Fixed:			
- Less than 1 year		52,719	8,186
- 1 to 5 years			
- More than 5 years			
Total financial liabilities		<u>52,719</u>	<u>8,186</u>

Credit risk

All financial assets are unsecured. Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets the carrying amounts represent the Accountable Authority's maximum exposure to credit risk in relation to those assets.

Net fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 1 to the financial statements.

NOTE 28

CAPITAL USER CHARGE

6,559,920	6,432,420
-----------	-----------

A capital user charge rate of 8% has been set by the Government for 2003/04 and represents the opportunity cost of capital invested in the net assets of the Trust. used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis by the Department of Health on behalf of the Trust.

The Queen Elizabeth II Medical Centre Trust
Notes To The Financial Statements
For the Year Ended 30 June 2004

	2004	2003
	\$	\$
NOTE 29		
NET LOSS ON DISPOSAL OF NON-CURRENT ASSETS		
Loss on disposal of non-current assets		
Computing equipment	1,126	-
Net Loss	<u>1,126</u>	<u>-</u>

NOTE 30

OUTPUT APPROPRIATIONS

8,259,920 6,432,420

Output appropriations are accrual amounts reflecting the full cost of outputs delivered. The appropriation revenue comprises revenue for the capital user charge and a receivable (asset). The receivable comprises the estimated depreciation expense for the year.

NOTE 31

IMPACT OF ADOPTING INTERNATIONAL ACCOUNTING STANDARDS

The Australian Accounting Standards Board is adopting the Standards of the International Accounting Standards Board for application to reporting periods beginning on or after 1 January 2005. Pending Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' prescribes transitional provisions for first-time adopters.

AASB 1047 'Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards' requires financial reports to disclose information about the impacts of any changes in accounting policies in the transition period leading up to the adoption date and will apply for June 2004 reporting.

The transition to the Australian equivalents to IFRS's is being managed through the Department of Health.

Queen Elizabeth II Medical Centre Trust

ESTIMATES OF FINANCIAL OPERATIONS 2004/2005

In accordance with Section 42 of the FAAA, the following estimates for 2004/05 are to be submitted to the Minister for approval.

	\$
Salaries and Wages	813,000
Other Goods & Services	660,000
Depreciation	846,000
Capital User Charge	<u>6,850,000</u>
Total Expenditure	9,169,000
Parking Fees	1,460,000
Other Revenue	416,500
Capital User Charge	<u>6,850,000</u>
Total Revenue	8,726,500
Net Operating Cost	<u>442,500</u>

STAFFING (FTE's)	Number
All Staff FTE's	17.0
