

QUADRIPLEGIC CENTRE
10 SELBY STREET
SHENTON PARK WA 6008

QUADRIPLEGIC CENTRE BOARD OF MANAGEMENT

Annual Report

2006 – 2007

Excellence in Spinal Injury Management, Care and Rehabilitation

QUADRIPLEGIC CENTRE

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10 SELBY STREET
SHENTON PARK WA 6008

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***Providing Excellence
In
Spinal Injury Management, Care and Rehabilitation***

QUADRIPLLEGIC CENTRE BOARD ANNUAL REPORT

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10 SELBY STREET
SHENTON PARK WA 6008

FIRST MEMORANDUM OF TRANSMITTAL AND STATEMENT OF COMPLIANCE

TO HON J. McGINTY, MLA,
MINISTER FOR HEALTH

In accordance with the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament the Report of the Quadriplegic Centre Board for the financial year ending 30 June, 2007.

The Annual Report has been prepared in accordance with the provisions of the:

Financial Management Act 2006
Disability Services Act 1993
Public Sector Management Act 1994,
Equal Opportunity Act 1984
Freedom of Information Act 1992
Government and Ministerial Annual Reporting Policies; and
Electoral Act 1907
State Records Act 2000



Mr R. Dunn, FCA, FAIM, CD
Chairperson
Quadriplegic Centre
Board of Management

Date:



Mrs E.B. Greville-Collins
Member of the Board
Quadriplegic Centre
Board of Management

Date:

QUADRIPLLEGIC CENTRE BOARD ANNUAL REPORT

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1. OVERVIEW OF AGENCY

1.1 EXECUTIVE SUMMARY

The Quadriplegic Centre is a 100 bed hospital for the specialist management of people with high spinal cord injuries and spinal cord disease, and is an integral part of the Western Australian health system.

The Centre is classified as a Public Hospital under the Hospitals Act 1927, and is funded by the Health Department of Western Australia. The hospital is managed by a Board of Management appointed by the Minister for Health.

The Centre provides a comprehensive range of services including medical, nursing, physiotherapy, occupational therapy, psychology, recreational and community outreach and support services.

In 2006/2007 the Centre introduced a Ventilator Dependent support program and planning for a sub-acute category of patient to provide more comprehensive service capacity in support of the acute hospital sector.

The Centre is vital to the needs of spinal paralysed persons unable to live independently due to their medical, nursing, and general care needs and is an essential resource for the acute hospitals in providing an alternative facility, at lower cost, freeing up beds in that sector.

A number of residents with psychiatric illness, dementias, concurrent medical conditions and cancer continue to form a sub-group of residents receiving post-acute care, rehabilitation or long term care through the Quadriplegic Centre. The impact of psychiatric problems presents major clinical management issues, however, the Quadriplegic Centre is the only facility in Perth that can manage this category of patient.

The Centre is committed to providing ongoing services relevant to the needs of people with spinal cord injuries and critical discussions regarding the upgrade of Quadriplegic Centre care facilities with the North Metropolitan Area Health Services on behalf of the Health Department are continuing.

A continued focus on education, training, and research has allowed many employees to acquire qualifications in disability work and post-graduate rehabilitation nursing.

The Quadriplegic Centre has a strong focus on quality assurance and has accreditation from SAI Global under the AS/NZS ISO 9001:2000. The Centre has

achieved good results in decreasing lost time through work place injury with a sixty percent decrease in lost time accidents during 2006 / 2007 and zero recorded medical treatment accidents. Extensive review of the fire safety procedures in 2007 allowed for many changes to the evacuation and training processes.

The Centre provided 28062 occupied bed days in 2006 / 2007 including 915 days of respite care. Community Support Service nurses made a total of 4246 client related visits and provided valuable support and advice to paralysed persons living independently in the community.

The Quadriplegic Centre provides a workplace that is fully accessible and conducive to the needs of people with disabilities and provides employment for a number of staff with supported care needs. All recruitment processes comply with Public Sector Standards and there is transparency in Human Resource decision making.

1.2 OPERATIONAL STRUCTURE

Legal Name: Quadriplegic Centre Board of Management

Postal Address: Quadriplegic Centre
PO Box 257, SUBIACO WA 6904

Street Address: 10 Selby Street, SHENTON PARK WA 6008

Telephone Number: (08) 9381 0144

Facsimile Number: (08) 9381 5097

1.2.1 Enabling Legislation

The Quadriplegic Centre Board of Management is incorporated under the Hospitals and Health Services Act (1927), which provides for the establishment, maintenance and management of Public Hospitals and for incidental and other purposes.

The Quadriplegic Centre is managed and controlled by a Board of Management constituted under Section 15 of the Hospitals and Health Services Act (1927).

The Board of Management, as the Accountable Authority for the Statutory Authority, is responsible to the Minister for Health, Hon. J. McGinty MLA, for the general administration of the Health Service.

1.2.2 Directions Statement

VISION

The Quadriplegic Centre vision is the creation of a Centre of Excellence in the provision of spinal injury management, care and rehabilitation in Western Australia.

MISSION

The mission of the Quadriplegic Centre is to provide a Centre of best practice in the provision of spinal cord injury rehabilitation that is both innovative and responsive in the services it provides for the community.

LEADERSHIP IN SERVICE

The Quadriplegic Centre demonstrates leadership by:

- The provision of evidence based clinical services;
- Achieving excellence in education and training;
- Providing consultancy, network development and support to the acute care sector and community care providers;
- Involvement in clinical research.

PRINCIPLES

Quality Care

The Quadriplegic Centre is committed to excellence in service development and provision, and is a quality endorsed and accredited organisation. This ensures a program of continuous improvement to both clients and the community in spinal injury rehabilitation.

Continuity of Care

The Quadriplegic Centre supports co-ordination and integration of service delivery by working in partnership with acute care services and community care providers.

Accountability

The Quadriplegic Centre uses its resources efficiently through quality management practices and ensures services are monitored and evaluated.

Equity and Access

The Quadriplegic Centre respects the interest and views of clients and professional groups, and adheres to the principles of social justice in response to customer and client needs.

1.3 MANAGEMENT STRUCTURE

1.3.1 Accountable Authority

CHAIRPERSON Mr. R. Dunn, FCA, FAIM, CD

MEMBERS Professor S. A. Dunlop, BSc (Hons), PhD *(from 01/01/2007)*

Associate Professor S.J. Edmondston, Dip Physio, Adv Dip Physio, PhD *(from 01/01/2007)*

Mr J.V. Fisher, AM, BA, Dip Fine Arts, Dip Ed, Cit WA *(retired 01/08/2006)*

Mrs. E. B. Greville-Collins

Mrs M. H. Kuhne BA *(from 01/01/2007)*

Ms M. MacLeod BA

Ms H.M McNee BA (Hons), MA. (Quadriplegic Centre Resident) *(from 01/01/2007)*

Mr I.C. Rogerson (Quadriplegic Centre Resident) *(from 01/01/2007)*

Mrs E. Smith (Quadriplegic Centre Resident) *(to 31/12/2006)*

Mr. J. W. Thornton, ASA

Mrs L.A. Whittingham, B App Sc (Nsg), FRCNA, Cit WA *(to 31/12/2006)*

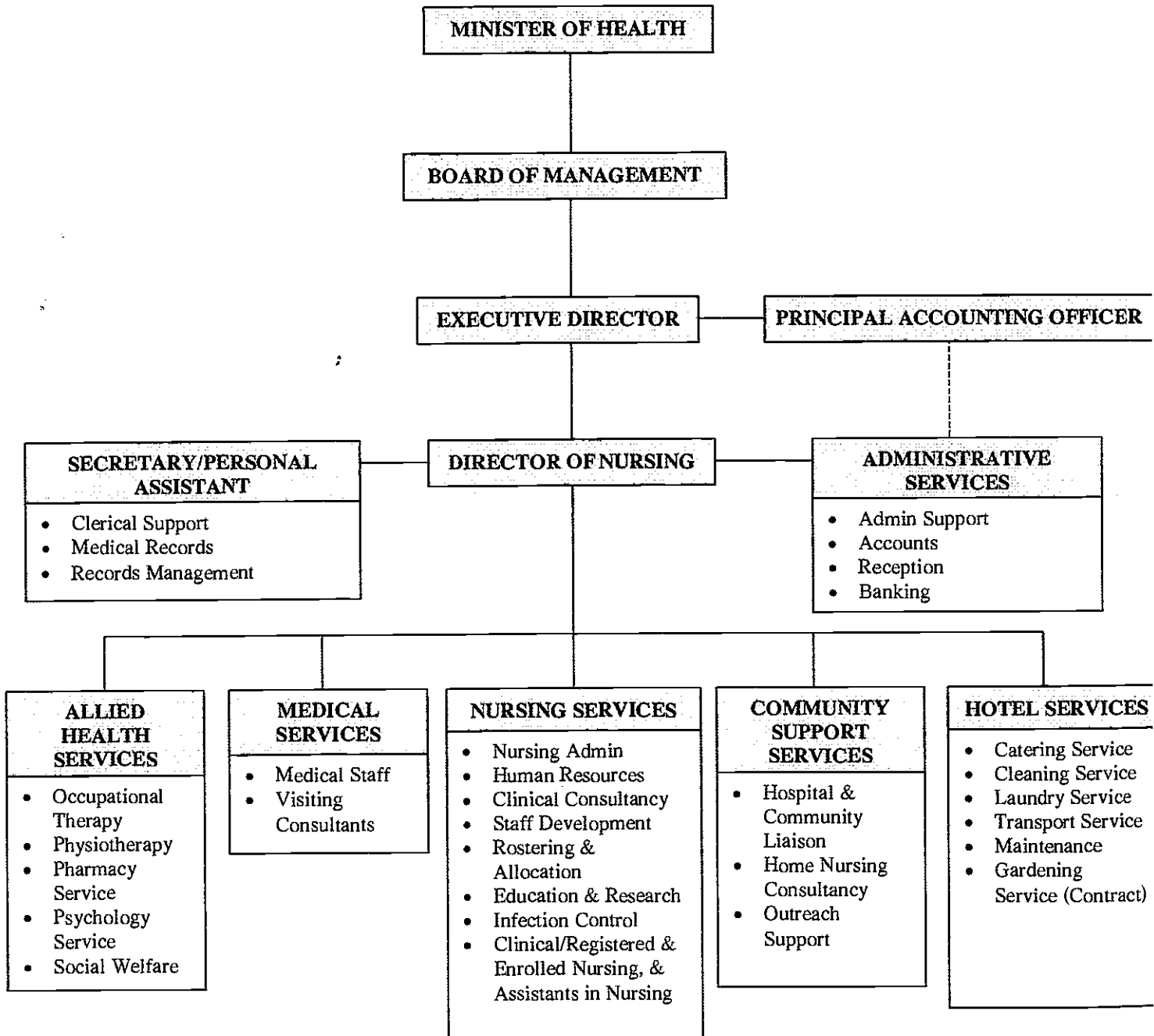
Mr. P.R. Woodland, MBBS (WA), FRACS, FAOrth.A.

Board Members are appointed by the Governor in Executive Council. The term of appointment for each member of the Board commenced on 01/01/2007 and expires on 31/12/2009.

1.3.2 Table 1 Senior Officers

Area of Responsibility	Title	Name	Basis of Appointment
Corporate Management	Executive Director	Mr P.N.M. Glass	Permanent
Nursing Services	Director of Nursing	Mr C. Baldwin	Permanent
Medical Services	General Practitioner	Dr W. Quarles	Permanent
Financial Services	Executive Officer, Finance	Mr S. Yensch	Permanent

1.3.3 Organisational Structure



1.4 SERVICES PROVIDED

1.4.1 Functions and Services

Direct Resident Services

Medical Services
Nursing Services
Recreation Services (PQA)
Resident Liaison Service (Social Welfare)

Allied Health Services

Physiotherapy
Occupational Therapy
Pharmacy
Psychological Services

Other Support Services

Corporate Services
Maintenance
Hotel Services
Financial Services
Medical Records ,
Supply

Community Support Services

Hospital & Community Liaison
Home Nursing Consultancy
Outreach Support

1.4.2 Changes to Functions and Services

No significant changes to the functions and services provided by the Quadriplegic Centre have been made other than the provision of full quadriplegic ventilator dependent nursing services.

1.5 PERFORMANCE MANAGEMENT FRAMEWORK

The Quadriplegic Centre is funded through the Health Department of Western Australia. The Centre accepts appropriate transfers from all WA hospitals and health care institutions.

Disability Services Commission of WA has designated two (2) places that allow for the admission of patients without loss of community funding eligibility. These beds are often filled by the same patient for up to twelve months at a time. An increase in designated places is required to facilitate the transition from acute care to the community.

The Centre's Community Support Nurses receive annual funding from the Home and Community Care Program (HACC) to assist in providing services to clients living in the community with spinal cord injury.

2. AGENCY PERFORMANCE

The Quadriplegic Centre has a focus on providing services to a primary population who are quadriplegic through spinal cord injury and, to a lesser extent, those whose quadriplegia is due to spinal disease. The Centre provides a capacity to manage clients for respite care, short term rehabilitation, and longer, complex management requiring extended care services. The following sections relate to services provided and performance in key areas.

2.1 ADMISSIONS

One hundred and eleven (111) persons meeting the admission criteria received ongoing rehabilitation and health care support. The average bed occupancy for the year was 76.33.

Sixty one (61) applications for admission were received during the year. Fifty clients were admitted (37 respite admissions by 26 residents; 12 short stay; 1 long term). Of the 11 applications received but not admitted, 4 were withdrawn and 7 were refused admission due to not meeting admission criteria. No other applicant meeting the selection criteria was refused admission, although there were several enquiries from people with conditions other than a spinal injury who did not submit applications due to not meeting the admission criteria.

Total Occupied Bed Days provided by the Centre were 28062 for 2006/2007 compared to 29470 in 2005/2006. The highest monthly number of bed days for the year was provided in August 2006 with 2470 bed days.

Table 2 - Bed Occupancy

Year	Bed Occupancy (total occupied bed days)
2006/2007	28062
2005/2006	29470
2004/2005	30864
2003/2004	30086

2.2 REHABILITATION/COMMUNITY

During 2006/2007 nine (9) residents were assisted to reside in the community including one (1) who returned overseas after being involved in formal rehabilitation programs. Of these nine, one returned after less than four weeks due to lack of

personal care and social support and one returned after four months with community acquired pressure ulcers.

2.3 RESPITE CARE

During 2006/2007 respite care was provided to twenty six (26) persons for a total of 915 days over thirty seven (37) admissions compared to 2005/2006 when respite care was provided to eighteen (18) persons for a total of 482 days over twenty seven (27) admissions. Respite care enables clients living in the community to receive short term medical and allied health support essential to prevent inappropriate acute hospitalisation, and enabling carers to enjoy a period of care relief. The Centre continues to provide an important venue for country clients to facilitate outpatient appointments and to have care relevant to their health needs.

2.4 CLINICAL CARE

A number of residents with psychiatric illness, dementias, concurrent medical conditions and cancer continue to form a sub-group of residents receiving post-acute care, rehabilitation or long term care through the Quadriplegic Centre. The impact of psychiatric problems presents major clinical management issues, however, the Quadriplegic Centre is the only facility in Perth that can manage this category of patient.

Complimentary to the provision of medical and nursing services, physiotherapy, occupational therapy, psychological counselling, social and recreational support services are also available through the Centre and continue to successfully enhance activities of daily living, independent living and personal goals of residents.

2.5 VENTILATOR DEPENDENT PROGRAM

The Centre provides for the management of quadriplegic people who require ventilation to maintain their breathing. This was initially for patients who were managed on CPAP ventilators but could, for various lengths of time, breath independently.

Funding has now been made available to the Centre to fulfil its role in the management of ventilator dependent quadriplegics. Care provided under this agreement reduces the need for acute care services to provide for the long term management of these persons with the attendant high costs. The first resident in this program was admitted on 1st May 2007 with staff undergoing extensive training in the months leading up to this date. Thirty five (35) nurses undertook training in March

and April to care for this type of resident and another eight staff participated in the training after admission.

In recent discussions with the community ventilator program managers and Royal Perth Hospital, it has been agreed that the Quadriplegic Centre will provide respite/short stay services to community clients of this new program. This will further reduce the impact on the acute care service and provide a more cost effective option delivered through the Quadriplegic Centre

2.6 SUBACUTE PATIENT CATEGORY

The Centre is active in promoting the management of subacute patients at the Centre. This category of patient would include those with pressure ulcers requiring bed rest and increased care; ongoing rehabilitation; management of post acute fractures; and newly injured persons awaiting suitable housing or care packages following acute treatment.

The Centre has already accepted a trial of patients under the care of Royal Perth Hospital plastic surgeon, Mr James Savundra.

2.7 COMMUNITY SUPPORT SERVICES

The 'Home Visiting Nursing Service' has changed its name in the past year to 'Community Support Service' to more accurately reflect the nature of the role. The Service lodges quarterly activity statements in the form of a Minimal Data Set to the HACC National Data Repository and HACC WA.

The Community Support Service covers all metropolitan areas. Country clients are visited during the year with visits extending north to Geraldton and south to Albany. The Service has 515 current clients on its database and this is continually updated as new clients are referred and older clients discontinue their need. This financial year the Service responded to 3275 requests for service (an increase of 75 since 2005 / 2006). In total, 4246 client related visits were undertaken (an increase of 310 since the last reporting period). In the last financial year 77 new pressure sores or burns were identified compared to 87 in 2005/2006. Of these, 62 were treated successfully in the client's home.

The Service observed a number of ongoing issues impacting on clients in the community. These include shortage of carer resources and health issues related to an ageing client population, which significantly affects the level of independence and in some cases their ability to remain at home. These and other problems are reflected in an increasing need for respite services for community clients.

2.8 RESEARCH

The Centre is providing assistance to a company developing a natural based cream to promote wound healing in chronic pressure wounds. An international clinical trial involving the Centre and one other hospital in Australia is under consideration. The proposal is to be reviewed by the Centre's Ethics Committee and Executive Director prior to commitment.

The Centre is also participating in a joint study on the management of pressure ulcers with the Rehabilitation Engineering Department at Royal Perth Hospital. This study is awaiting State Health Research Advisory Council funding.

2.9 PHARMACY

A review of pharmacy operations in early 2007 and an audit of the Centre in May 2007 prompted changes to the management of medications. In consultation with the Pharmacist it was decided to move to Webster Packs to store and distribute resident medications. This change allowed for the discontinuation of dosette boxes and dispensing of individual pills which was time consuming for Registered Nurses and took them away from more important duties. The transition to the Webster system took place over two months with education sessions provided for all levels of staff. Apart from minor setup problems the change was accepted well and staff and residents are now comfortable with this system. The Webster packs are produced and distributed on-site. The Pharmacist currently dispenses one hundred and six (106) Webster Packs each week.

As part of the new procedures the pharmacy was moved to slightly larger premises within the Administration Building.

2.10 STAFF DEVELOPMENT

A strong commitment to continuous improvement underpins the Quadriplegic Centre's staff development programme.

An accredited Certificate III and IV training course in disability work was offered to new and existing Assistants in Nursing and the cost of this was met by the Centre with incentive payments from Australian Apprenticeships. In 2006/2007 fifteen (15) staff completed the course requirements with the majority remaining employed by the Centre on completion. This is compared to twelve (12) in 2005/2006 and eight (8)

in 2004/2005. The Centre will continue to offer this course as an incentive to attracting and retaining good staff.

As well as the in-service education for staff in the Ventilator Support Program, training was conducted for Webster Pack medications, fire safety and evacuation, CPR, and infection control. Guest speakers provided sessions on diabetes education, flu vaccinations, suicide prevention, swallowing difficulties, alcohol hand gels, alternative hoists and various wound dressing products.

In previous years the Centre has provided support to undergraduate and re-registration nursing students from Curtin University School of Nursing. There have been no student placements over the past twelve months. The Centre has negotiated to accommodate migrant bridging students in the last half of 2007. Undergraduate placements will commence, where appropriate, in 2008. The allied health staff also provide placements for physiotherapy students from Curtin and Notre Dame universities and TAFE therapy assistant students.

2.11 INFECTION CONTROL

The Quadriplegic Centre maintains strict guidelines relating to managing infection control issues. An Infection Control Nurse is employed two days per week and provides education to staff, screening of patients and review of nosocomial infection rates and care. This nurse obtained post graduate qualifications in Infection Control in 2006 and is proactive in reducing infection rates among the Centre's population.

People with high spinal cord injury and disease are at significantly increased risk of infections involving the urinary tract (UTI), respiratory system, gastrointestinal tract, and skin. Some infection control achievements for the past year include:

- UTI surveillance revealed trends of *E.coli* and *S.marcsens* in February 2007 and effective monitoring and precautions resolved this by mid March 2007.
- Overuse of antibiotics was identified as an issue in April 2007 and this was discussed with senior nurses. A review by nursing staff and the physician saw changes to diagnosis and prophylactic treatments and there was improvement in May 2007 surveillance.
- A review of urinary drainage devices is ongoing to determine if there is any link to recurrent UTI's and some appliances.
- Protocols have been regularly reviewed as per the Centre's continuous quality improvement program.

The Centre also trialled a number of alcohol based hand gels and has now introduced a suitable gel in all patient areas. This has reduced the potential for cross infection, especially in times of heavy workload.

2.12 EQUIPMENT UPGRADING

During the year the Centre undertook all prescribed preventative maintenance of equipment such as fire protection equipment, paging systems, and patient care equipment. There was also a need to purchase or upgrade equipment related to the introduction of the Ventilator Program. This included a new blood pressure and oxygen saturation monitoring machine, intravenous pump, in-exsufflator, and automated defibrillator.

2.13 QUALITY ASSURANCE

The Quadriplegic Centre is committed to providing quality services to people with significant paralysis. The Centre is accredited with SAI Global under the AS/NZS ISO 9001:2000 standards and was reaccredited for three (3) years from 18th January 2007. A surveillance audit was carried out on 1st May 2007 and the next surveillance audit is scheduled for November 2007. All recommendations from the May audit have been addressed.

Monthly scheduled internal audits continue and a review of the officers responsible for auditing will take place in September 2007 to provide further training and eliminate any potential bias.

2.14 RISK MANAGEMENT

The Centre is continuing to reduce potential for risk within the organisation. Planning is in place to implement an institution wide risk management plan that provides a global view of risk at all levels. This plan will build on the current risk management strategies in place and is scheduled for completion in mid 2008.

There is a comprehensive Food Safety Plan in place that provides continuous data on all food stuffs that come into the Centre, including a temperature trail that is kept for seven (7) years.

A review of all chemical usage in the Centre was carried out in late 2006. Following this review a number of chemicals not currently used were removed from stocks. Material Safety Data Sheets are accessible for stock chemicals.

2.15 FACILITY UPGRADING MASTER PLAN

The Board has commissioned and received a feasibility study and master planning submission making recommendations on current and future accommodation requirements for the Centre. The report confirmed the Board's concerns to address fire safety requirements and the need to progressively address contemporary accommodation responses to ensure continuity of care consistent with best practice.

An external review of fire safety systems was conducted by ARUP Engineering in 2007 and funding to upgrade systems has been approved consistent with ARUP recommendations. The Executive Director is in ongoing discussions with the North Metropolitan Area Health Service to further document clinical issues and progress the business plan to redevelop the Centre. The Board is of the view that the proposed refurbishment and partial redevelopment is essential to the continuing requirement for best practice options for the care of spinal paralysed persons unable to be cared for in the community, and where acute care is inappropriate and a misuse of resources. •

3. SIGNIFICANT TRENDS & ISSUES

There is an identified population of around one thousand five hundred and fifty (1,550) persons with spinal cord injury or disease residing in Western Australia. Royal Perth Hospital's Sir George Bedbrook Spinal Unit managed sixty three (63) new spinal cord injuries in 2005 and sixty five (65) in 2006. Residents of Western Australia have a three year annual average rate of spinal cord injury significantly higher than the national average (22.7 cases per million population versus 15.4 cases per million population). *Spinal Cord Injury, Australia 2005-05, RA Cripps*

There is a further significant population of persons with paralysis from other disease processes, which is estimated to be of at least similar size to the spinal injured population. Persons very severely disabled by Multiple Sclerosis, Motor Neurone Disease and Post Polio Syndrome, often combined with other chronic diseases such as diabetes, lung disease, cancer or mental illness also make up a proportion of the Quadriplegic Centre population. There is increasing pressure from tertiary hospitals and community organisations to accept these types of people for both long and short term care at the Quadriplegic Centre. Support to this group of disease processes is problematic and not within the primary care role of the Centre.

The demand from the acute care sector to admit post acute spinal injuries for transitional rehabilitation / subacute management remains at high levels. The Centre

has the capacity to respond to these requests, however, the major impediment rests with current policies of the Disability Services Commission which have the effect of causing longer stays than necessary in the acute environment. Access to community care packages is effectively lost if patients transfer to the Quadriplegic Centre. The consequent impact on the acute care service is that patients who would be more appropriately managed in a step-down facility such as the Quadriplegic Centre lose that option. The Board expresses concern regarding this issue.

As with the greater population, there is an increasing demand to assist older spinal paralysed persons, either living independently in the community or as residents of the Centre. The ageing process impacts greatly on those who are already significantly physically disabled and the care requirements increase disproportionately when compared to the normal ageing population. These issues are impacted by failing family/social support structures and referral to the Centre often occurs when older clients are in crisis.

Future care planning within the Centre is mindful of the need to care for an ageing patient population. :

4. DISCLOSURES & LEGAL COMPLIANCE

4.1 FINANCIAL STATEMENTS

See part III of this report for all financial declarations and disclosures.

4.2 OTHER FINANCIAL DISCLOSURES

See part III of this report for all financial declarations and disclosures.

4.3 HUMAN RESOURCES

4.3.1 Recruitment and Retention

Recruitment of appropriate staff and retention of current staff has been a major focus for the Centre. The senior nursing positions of DON, Nurse Manager, and Clinical

Nurse Specialist were all vacated and successfully filled over the period between November 2006 and February 2007.

Recruitment practices are in accordance with equal opportunity in employment requirements and public sector standards. The nursing management team ensured that there was a fair mix on all interview panels and all appointments were on individual merit.

A recruitment drive in early 2007 to increase the numbers of Assistants in Nursing was successful and this category of staff is fully represented in most wards. Assistant in Nursing Full Time Equivalents (FTE) is 47.25.

Recruitment of Registered and Enrolled Nurses continues to be difficult due to industry wide shortages. The retirement of several Registered Nurses, each with more than 20 years service, significantly compounded the difficulty in recruiting equally qualified staff. Registered Nurse FTE is now 18.00. Enrolled Nurse FTE is now 20.21, the increase of 3.24 in the last financial year is due to introduction of the Ventilator program which is staffed by EN's.

Whilst overall staff numbers have been maintained, the staff mix in nursing has changed in response to this industry wide shortage necessitating increases in Assistant in Nursing numbers.

Significant improvements have been made in the retention of staff due to a number of strategies implemented in the first half of 2007. These include:

- Offers to increase the hours worked for part time employees who require more time.
- Increasing the level of management support for staff working on the floor
- Improving the satisfaction of staff by promoting a sense of pride and belonging within the organisation through activities such as monthly staff barbecues and morning teas to celebrate special occasions.
- Encouraging staff to be involved in decision making that directly affects their environments.
- Improved salary outcomes

Improvements in retention following the above strategies have had a significant stabilising effect on the Centre staff and this is reflected in the decreased turnover of Assistants in Nursing (31.48% in 2006/2007 compared to 66.10% in 2005/2006).

4.3.2 Full Time Equivalent (FTE)

Table 3 - Breakdown of actual FTE by major employee category

CATEGORY	2006/07	2005/06	2004/05	2003/04	2002/03
Nursing	85.46*	77.77	78.61	79.37	82.63
Administration	2.00	2.00	2.00	2.00	2.00
Medical Support	4.87	4.85	4.39	4.07	4.02
Hotel Services	21.00	24.98	25.28	26.21	25.35
Maintenance	1.0	0.97	1.13	0.98	0.96
Medical (Sessional)	0.40	0.40	0.40	0.40	0.40
Other (Home Visiting Nursing Service)	2.00	1.92	2.01	1.94	1.91
TOTAL	116.73	112.89	113.82	114.97	117.27

*Increases in nursing numbers are a reflection of the complex care needs of an ageing patient population.

4.3.3 Table 4 - Turnover Rate Percentage

CATEGORY	2006/07	2005/06	2004/05	2003/04	2002/03
Registered Nurse	47.62	32.27	24.35	8.00	21.71
Enrolled Nurse	34.78	32.78	45.29	61.44	64.83
Assistants in Nursing	31.48	66.10	69.82	43.47	76.28
Hotel Services	7.14	27.51	65.37	13.36	37.14
Allied Health	22.22	22.22	37.90	45.24	59.52
Total Percentage	42.68%	48.93%	60.40%	35.89%	62.31%

4.4 INDUSTRIAL RELATIONS

The Quadriplegic Centre manages industrial relations issues in accordance with the conditions contained in relevant Industrial Awards and Industry best practice. The Centre regularly consults with the Australian Nursing Federation and the Chamber of Commerce and Industry regarding conditions and awards for employees.

4.5 OCCUPATIONAL SAFETY AND HEALTH

The Quadriplegic Centre is one of the heaviest nursing care environments within the State Health System. Each resident without exception requires direct assistance with physical transfers continuously with each major specific activity of daily living.

Approximately 400 hoist transfers are performed each day. The implications of this in regard to Occupational Health and Safety are significant. The Centre continues to strive for best practice outcomes and preventative activities. Commitment to Occupational Safety and Health is a priority. Each ward area has OH&S Representatives and the team meet every two months to review current issues.

For 2006/2007 five (5) lost time accidents and zero (0) medical treatment accidents were recorded. The Centre worked a total of 203531 hours with a Lost Time Accident (LTA) frequency rate of 25, compared to 2005/2006 where 196235 hours were worked with a LTA frequency rate of 61.15.

Table 5 - Claims Profile

MTA = Medical Treatment Accident LTA = Lost Time Accident

Category	2006/2007		2005/2006		2004/2005		2003/2004	
	MTA	LTA	MTA	LTA	MTA	LTA	MTA	LTA
Nursing	0	4	1	5	-	7	-	-
Administration	0	0	-	1	-	-	-	-
Medical	0	0	-	-	-	-	-	1
Support	0	0	-	-	-	-	-	-
Hotel Services	0	1	1	6	-	-	1	1
Maintenance	0	0	1	-	1	-	-	-
Other	0	0	-	-	-	-	-	-
TOTAL	0	5	3	12	1	7	1	2

The Quadriplegic Centre is committed to ensuring the highest possible standard of occupational safety and health for all personnel in accordance with the policies and procedures contained in the Centre's Occupational Safety and Health Manual. Every accident resulting in loss of time (LTA), or medical treatment (MTA) is investigated and an Accident Investigation Report completed. All potential injury or first aid treatment incidents are also reported and are subject to investigation and recommendation. The involvement of treating Medical Practitioners in the Centre's step by step approach to an early return to work on alternative duties is particularly beneficial in work injury management, where such participation is available.

4.6 FIRE SAFETY

The Centre conducted a major review of fire safety processes in early 2007 and a number of new initiatives were implemented as a result of this review and included:

- New fire plans for all areas.

- Fire wardens' files for all areas.
- Fire evacuation blankets have been placed on all residents' beds.
- Fire drills and training were conducted for all staff in June and further sessions are scheduled for July 2007.
- A comprehensive Workplace Inspection List has been developed and monthly workplace inspections are undertaken.

4.7 GOVERNANCE DISCLOSURES

4.7.1 Ministerial Directives

The Minister for Health did not issue any directives to the Quadriplegic Centre operations during the 2006/2007 year.

4.7.2 Potential Conflicts of Interest

No senior officer at the Quadriplegic Centre:

1. held any shares as beneficiary or nominee in a subsidiary body of the Quadriplegic Centre;
2. Mr. P. N. Glass, in his capacity as Executive Director of the Paraplegic-Quadriplegic Association of WA (Inc) has a related interest in administrative staffing of the Centre and a grounds maintenance contract undertaken for the Centre by Para-Quad Industries.
3. Mr. R. Dunn and Mr. J. W. Thornton as Board members of the Paraplegic Quadriplegic Association have a related interest in administrative staffing of the Centre and a grounds maintenance contract undertaken by Para Quad Industries.
4. Board members and senior officers of the Quadriplegic Centre declare that, other than the information declared above and that reported in the Financial Statements, they have no pecuniary interest.

4.8 OTHER LEGAL REQUIREMENTS

4.8.1 Advertising

This information is published in accordance with Section 175ZE, Electoral Act 1907.

Table 6 Advertising expenditure 2006/2007

Class of Expenditure	2006/07 \$	2005/06 \$	2004/05 \$	2003/04 \$	2002/03 \$
<i>Advertising Agencies</i>					
Marketforce Publications	43,436.75	16,359.69	6,695.47	6,893.07	7,698.0..04
Nursing Careers & Allied Health (Seabreeze Communications)	2,049.30	0.00	0.00	0.00	0.00
Australian Physiotherapy Assoc.	110.00	630.00	0.00	0.00	0.00
Quokka	175.56				
Seek	495.00				
Pelican Graphics	480.00				
Telstra Directory	0.00	326.00	294.00	102.66	595.82
Total Expenditure	46,746.61	17,315.69	6,989.47	6,995.73	8,293.86

The increase in advertising costs is associated with increased need to advertise and fill all levels of staff, particularly Director of Nursing, Nurse Manager, and Clinical Nurse Specialist. Of the total expenditure \$6,359.17 was used to advertise for staff to cover the Ventilator Program and the increased staffing associated with this.

4.8.2 Disability Access & Inclusion Plan Outcomes

Under the Disability Services Act (1993) and the Disability Services Standards Regulations (1994), the Quadriplegic Centre is currently exempted from the requirements to develop and implement a Disability Services Plan. It should be

noted that the Quadriplegic Centre is a fully accessible facility designed to meet the requirements of spinal paralysed persons with multiple disabilities.

The Centre has in place a complaints policy and procedure that is published in the residents handbook provided to clients on admission and discussed during induction.

The Quadriplegic Centre's Quality Assurance Programme incorporates the Disability Service Standards, which are subject to external audits.

4.8.3 Equal Employment Opportunity Outcomes

Outcome 1 – The Centre values EEO and diversity and the work environment is free from racial and sexual harassment.

The Centre's policies demonstrate a commitment to EEO, diversity, prevention and management of racial and sexual harassment. There was one (1) case where a resident was racially abusive to a staff member and that staff member reported it through the appropriate internal channels. The resident was counselled about his behaviour and was made aware of the seriousness of the allegations, the case was resolved mutually by both parties.

Outcome 2 – The workplace is free from employment practices that are biased or discriminate unlawfully against employees or potential employees.

The Centre has received no complaints related to this outcome and human resource policies and practices are consistent with the Public Sector Standards.

Outcome 3 – Employment programs and practices recognise and include strategies for EEO groups to achieve workforce diversity.

The Centre's workforce is diverse, with staff of all races and a multiplicity of ethnic groups, as well as staff with physical and intellectual disabilities, with employment programs and practices being free of gender bias.

Equity and Diversity Indicators:

INDICATOR	LEVEL OF ACHIEVEMENT
EEO Management Plan	Implemented
Organisational Plans Reflect EEO	Implemented
Policies & Procedures Encompass EEO	Implemented
Requirements	Implemented
Established EEO contact officer	Implemented
Training & Staff Awareness Programmes	Implemented
Diversity	

KEY EEO ACHIEVEMENTS

Integration of EEO Outcomes

The Quadriplegic Centre is committed to enhancing and promoting equal employment opportunities and in that context employment decisions are considered on merit and without prejudice. In March 2007 the Federal Department of Equal Opportunity for Women in the Workplace waived the reporting process for the Centre and it is not required to lodge a compliance report until 31 March 2008.

Elimination of Discrimination and Harassment

A comprehensive policy and attendant procedures are in place to eliminate discrimination and harassment. Grievances relating to discrimination and harassment will be addressed in accordance with the circumstances of the grievance and the policy, should any be received.

The Attainment of a Workplace Free of Bias

The Quadriplegic Centre has a predominately female workforce. The Centre remains cognisant of all equal employment opportunity factors in relation to sexual harassment, disability and related key issues.

4.8.4 Compliance with Public Sector Standards & Ethical Codes

The Quadriplegic Centre's human resource processes comply with the Public Sector Management Act. The Recruitment and Selection processes for promotional positions meet the requirements of the Public Sector Standards. Performance Management is consistently and fairly applied for all levels of staff and is open to

review. All staff have equal opportunity to access training and are encouraged to do so.

A Grievance Procedure is in place and is promoted in Orientation and In-service Education programs. A Code of Conduct devised from the WA Public Sector Code of Ethics relevant to the Quadriplegic is in place. It is available in all policy manuals located in the care units and is promoted during orientation programs.

No complaints were made to the Public Sector Standards Commissioner related to the conduct of Management or staff and there is no evidence of any breach activity related to the Public Sector Standards, the WA Public Sector Code of Ethics or the Quadriplegic Centre's Code of Conduct.

4.8.5 Recordkeeping Plans

The Quadriplegic Centre has a Record Keeping Policy that covers all levels of hard copy and electronic records. The policy covers management, storage, and archiving of staff records, medical records, and administrative documents. The Centre auditors, SAI Global, regularly conduct reviews of the efficiency of Centre records and the record keeping process. Review of the storage of archived records was conducted in April 2007 and consequently all archived records were moved to a storage area on site that complies with necessary requirements. This allowed for archived records to be held in one place rather than having multiple storage areas. Employee orientation addresses record keeping responsibilities relevant to the level of employee.

The introduction of a server to network Centre computers in August 2007 will also allow for the safe backup and storage of electronic records and databases. This will allow for the practice of backing up to CD's and discs to be discontinued and alleviate the subsequent security issues this produces.

4.9 GOVERNMENT POLICY REQUIREMENTS

4.9.1 Corruption Prevention

Prevention of corruption has been an area of focus for the Centre and there are policies in place to manage potential risks. All new staff are given information and education on corruption at relevant levels and the consequences of misconduct. The surveillance audit of May 2007 identified a potential for improper reporting of monthly audits as many were completed by the officers responsible for the area. It is difficult

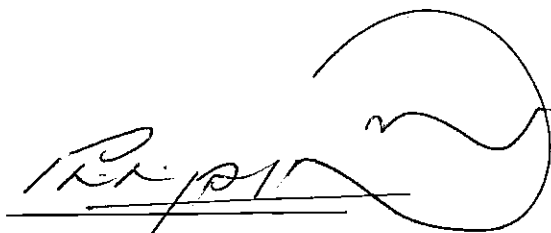
to fully overcome this due to the small size of many departments but the Centre is arranging for staff to undergo education on independent auditing to alleviate any bias.

4.9.2 Sustainability

The Quadriplegic Centre has a continued commitment and awareness of the need to provide a service with minimal impact on resources. This is particularly relevant in Food Services where there are often high levels of waste. The implementation of menu planning, standardised recipes, and specialist catering software have allowed for accurate calculating of ingredient requirements and significant decrease in waste.

Hotel Services also use a fat recycling service to remove and recycle used cooking oils.

The Centre continues to recycle paper, aluminium cans (with proceeds going to the Residents Committee) and monitoring usage of utilities.

A handwritten signature in black ink, appearing to read 'P. N. Glass', followed by a large, stylized circular flourish.

P. N. (Nigel) Glass, AM
Executive Director
Quadriplegic Centre
Date: 31 August 07

Annual Report

➤ PART II ➤

Performance Indicators




PITCHER PARTNERS



QUADRIPLAGIC CENTRE BOARD

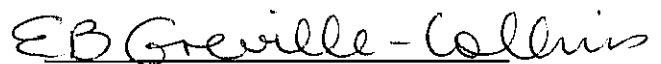
CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Quadriplegic Centre Board's performance and fairly represent the performance of the Board for the financial year ended 30th June, 2007



Mr. R. Dunn, FCA, FAIM, CD
Chairperson
Quadriplegic Centre Board

Date: 31 AUGUST 2007



Mrs E.B. Greville-Collins
Member of the Board
Quadriplegic Centre Board

Date: 31 AUGUST 2007



Quadriplegic Centre Board

5.2 EFFECTIVENESS INDICATORS

Outcome

1. *To provide care for severely physically disabled persons paralysed through spinal cord injury or disease.*
 2. *To provide respite care for severely physically disabled persons paralysed through spinal cord injury or disease.*
 3. *To provide ongoing rehabilitation for severely physically disabled persons paralysed through spinal cord injury or disease as they move through the transitional stage from acute care to community living.*
- a) One hundred and eleven (111) persons meeting the admission criteria received ongoing rehabilitation and health care support in the residential service in 2006/2007. Sixty one (61) applications for admission were received in the year. Fifty (50) clients were admitted (37 respite admissions by 26 residents; 12 short stay; 1 long term). In 2006/2007 81.96% of applications were accepted.

	<u>2006/07</u>	<u>2005/06</u>	<u>2004/05</u>	<u>2003/04</u>	<u>2002/03</u>
Number of Admission Applications Received	61	49	62	48	67
Number of Applications Approved	50	37	56	46	58
Number of Applicants not meeting the Admission Criteria	7	6	6	2	1
Number of Withdrawn Applications	4	1	3	3	

The Effectiveness Indicator of access (admissions) reflects the capacity of the Centre to admit clients who meet the admissions criteria, subject to bed availability and within the provisions of the Funding Agreement for the Provision of Health Services between the Centre and the Health Department.

- b) There were 3275 requests from Community Clients for primary care assistance over the year, compared to 3200 in 2005/2006. All requests were made by clients or families. 100% of requests were met.



4. *To assist in the prevention of inappropriate hospitalisation of community clients through the provision of primary care, where practicable.*

- a) In 2006/2007 seventy seven (77) community clients treated for pressure areas and burns did not require hospitalisation (This represents a significant saving to the State Hospital Service as demonstrated below.)

Year	<u>Total No. Pressure Areas/Burns</u>	<u>No. Pressure Areas/Burns not requiring hospitalisation</u>	<u>% of Treated Pressure Areas/Burns not requiring hospitalisation</u>
2006/07	77	62	80.52%
2005/06	87	80	91.95%
2004/05	91	67	73.63%
2003/04	64	54	84.38%
2002/03	105	78	74.28%

The average length of stay in tertiary hospitals over the past five years for treatment of pressure areas has been sixty four (64) days per admission with the five year average cost per bed day in this type of facility being \$916.40. The cost of treating the seventy-seven (77) community clients for 2006/07 would equate to \$4,516,019 in an acute hospital or forty seven percent of the Quadriplegic Centre's total operating budget.

5. *To provide services according to recognised standards in best practice and in a manner acceptable to residents and clients.*

- a) Review of compliance audits of the Quadriplegic Centre's Quality System were undertaken in October 2006 and May 2007 resulting in recommendations that the Centre continue to be registered as a Quality Endorsed Company under International Quality Standard ISO AS/NZS 9001:2000.
- b) The next formal audit of resident satisfaction is due in the first half of 2008 (the last was in May 2006 with results reported in the 2005/2006 Annual Report).
- c) During 2006/2007 the Centre received four (4) formal complaints from one (1) resident compared to twenty three (23) formal complaints from six (6) residents or family members in 2005/2006. All complaints were resolved. During the same period two (2) formal compliments were received by the Centre compared to fifteen (15) in 2005/2006.
- d) No formal complaints concerning the Community Support Service were received from Community Support Service clients.



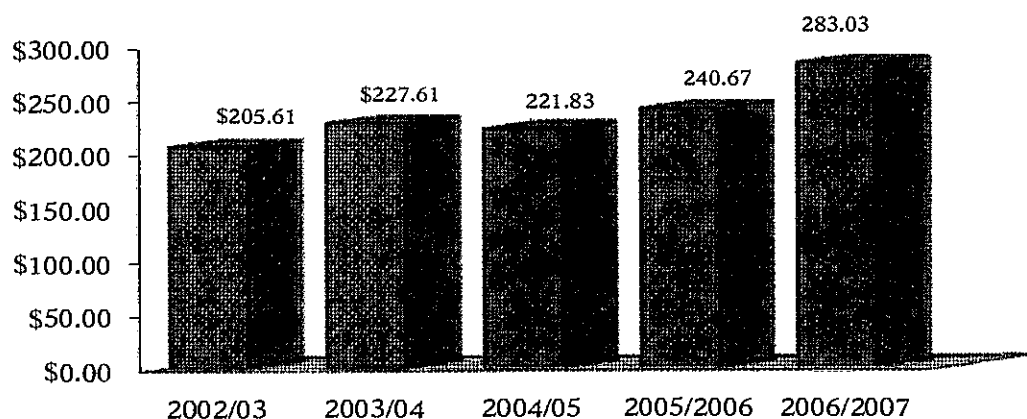
5.3 EFFICIENCY INDICATORS

RESIDENTIAL CARE COST PER BED DAY

Continuing Care Services

1. *To provide services according to recognised standards in best practice and in a manner acceptable to residents and clients.*

There is no mechanism within the Quadriplegic Centre to distinguish between the cost per bed day for long term, short term, or respite clients. Respite and short term care however, does not generally require greater resources than long term care and is likely to have the effect of marginally reducing overall costs per bed day.



The cost per bed day is calculated on the total operating expenditure for the Quadriplegic Centre.

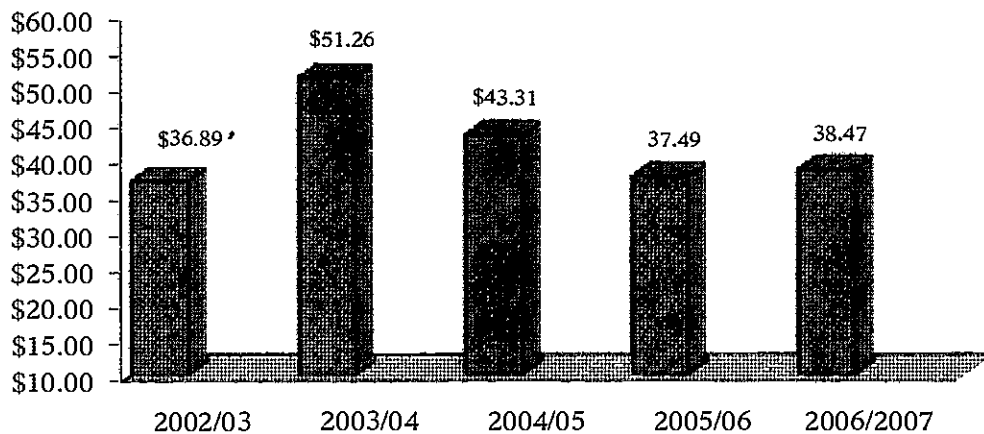
The increase in 2003/2004 can be attributed to increases in Registered Nurses wages and payments of accumulated entitlements to a long term staff member on retirement. The 2006/2007 increase in cost per bed day also reflects alignment of staff salaries to the current Public Hospital EBA.



5.4 COMMUNITY SUPPORT SERVICE

COST PER CLIENT AND CLIENT RELATED VISITS

2. To provide services according to recognised standards in best practice and in a manner acceptable to residents and clients.



The Efficiency Indicator for Cost per Client and Client Related Visits is calculated on the total operating expenditure for the Community Support Service.

The increase in 2003/2004 can be attributed to increases in Registered Nurses wages and payments of accumulated entitlements to a long term staff member on retirement.



Annual Report

~ PART III ~

Financial Statements



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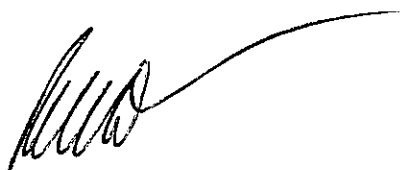


Quadriplegic Centre Board

Certification of financial statements
For the year ended 30 June 2007

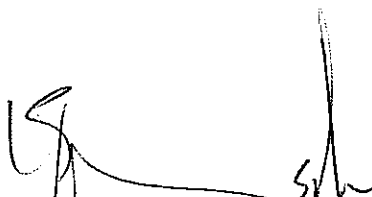
The accompanying financial statements of the Quadriplegic Centre Board have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2007 and the financial position as at 30 June 2007.

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.



Mr R Dunn, FCA, FAIM, CD
Chairman
Quadriplegic Centre Board

Date: 31 AUGUST 2007



S M Yensch CPA
Chief Finance Officer
Quadriplegic Centre Board

Date: 31 AUGUST 2007



Mrs E Greville-Collins
Board Member
Quadriplegic Centre Board

Date: 31 AUGUST 2007



PITCHER PARTNERS



Quadruplegic Centre Board

Income Statement

For the year ended 30th June 2007

	Note	2007 \$	2006 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	7	6,677,873	5,808,270
Fees for visiting medical practitioners		56,914	57,451
Patient support costs	8	790,661	781,702
Depreciation and amortisation expense	9	68,030	69,971
Capital user charge	10	-	5,437
Other expenses	11	512,317	384,599
Total cost of services		8,105,795	7,107,430
INCOME			
Revenue			
Patient charges	12	1,448,862	1,430,682
Interest revenue		76,093	47,657
Other revenues	13	159,588	89,075
Total income other than income from State Government		1,684,543	1,567,414
NET COST OF SERVICES		6,421,252	5,540,016
INCOME FROM STATE GOVERNMENT			
Service appropriations	14	6,505,456	5,981,732
Total income from State Government		6,505,456	5,981,732
SURPLUS FOR THE YEAR		84,204	441,716

The Income Statement should be read in conjunction with the notes to the financial statements.



PITCHER PARTNERS



Quadriplegic Centre Board

Balance Sheet
As at 30th June 2007

	Note	2007 \$	2006 \$
ASSETS			
Current Assets			
Cash and cash equivalents	15	1,329,002	1,028,320
Receivables	16	39,509	203,921
Amounts receivable for services	17	252,301	158,647
Inventories	18	25,833	23,148
Other current assets	19	4,739	-
Total Current Assets		1,651,384	1,414,036
Non-Current Assets			
Property, plant and equipment	20	414,824	425,735
Intangible assets	22	511	919
Total Non-Current Assets		415,335	426,654
Total Assets		2,066,719	1,840,690
LIABILITIES			
Current Liabilities			
Payables	23	182,043	202,105
Provisions	24	944,297	848,626
Other current liabilities	25	225,488	169,948
Total Current Liabilities		1,351,828	1,220,679
Non-Current Liabilities			
Provisions	24	121,001	110,325
Total Non-Current Liabilities		121,001	110,325
Total Liabilities		1,472,829	1,331,004
NET ASSETS		593,890	509,686
EQUITY			
Contributed equity	26	156,000	156,000
Accumulated surplus	27	437,890	353,686
TOTAL EQUITY		593,890	509,686

The Balance Sheet should be read in conjunction with the notes to the financial statements.

Quadriplegic Centre Board

Statement of Changes in Equity

For the year ended 30th June 2007

	Note	2007 \$	2006 \$
Balance of equity at start of year		509,687	67,970
CONTRIBUTED EQUITY	26		
Balance at start of year		156,000	156,000
Balance at end of year		<u>156,000</u>	<u>156,000</u>
ACCUMULATED SURPLUS	27		
Balance at start of year		353,687	(88,029)
Surplus for the year		84,204	441,716
Balance at end of year		<u>437,891</u>	<u>353,687</u>
Balance of equity at end of year		<u>593,891</u>	<u>509,687</u>
Total income and expense for the year (a)		<u>84,204</u>	<u>441,716</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$84,204 (2006: surplus \$441,716).

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.



PITCHER PARTNERS



Quadriplegic Centre Board

Cash Flow Statement

For the year ended 30th June 2007

	Note	2007 \$ Inflows (Outflows)	2006 \$ Inflows (Outflows)
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriations		6,411,802	5,901,085
Net cash provided by State Government	28(c)	<u>6,411,802</u>	<u>5,901,085</u>
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		(1,289,450)	(1,137,017)
Employee benefits		(6,514,971)	(5,851,636)
GST payments on purchases		(149,019)	(143,754)
Receipts			
Receipts from customers		1,582,859	1,426,178
Interest received		76,093	47,657
GST receipts on sales		19,577	5,911
GST refunds from taxation authority		143,909	149,178
Other receipts		76,592	35,347
Net cash used in operating activities	28(b)	<u>(6,054,410)</u>	<u>(5,468,136)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of non-current physical assets		(56,711)	(54,885)
Net cash used in investing activities		<u>(56,711)</u>	<u>(54,885)</u>
Net increase in cash and cash equivalents		300,681	378,064
Cash and cash equivalents at the beginning of year		1,028,320	650,256
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	28(a)	<u>1,329,001</u>	<u>1,028,320</u>

The Cash Flow Statement should be read in conjunction with the notes to the financial statements.



PITCHER PARTNERS



Quadriplegic Centre Board

Notes to the Financial Statements

For the year ended 30th June 2007

Note 1 Australian equivalents to International Financial Reporting Standards

General

The Quadriplegic Centre Board's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Quadriplegic Centre Board has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the Australian Accounting Standards Board (AASB) and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Quadriplegic Centre Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Quadriplegic Centre Board for the annual reporting period ended 30 June 2007.

Note 2 Summary of significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board 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 Management Act and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land and buildings which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

The judgements that have been made in the process of applying the Quadriplegic Centre Board's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed at note 4 'Key sources of estimation uncertainty'.

(c) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

(d) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of services

Revenue is recognised on delivery of the service to the client.



PITCHER PARTNERS



Notes to the Financial Statements

For the year ended 30th June 2007

(d) Income (continued)

Interest

Revenue is recognised as the interest accrues. The effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset, is used where applicable.

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Quadriplegic Centre Board gains control of the appropriated funds. The Quadriplegic Centre Board gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury. (See note 14 'Service Appropriations')

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Quadriplegic Centre Board obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(e) Property, Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$1,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$1,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost. The Quadriplegic Centre is built on land at 10 Selby Street Shanteton Park, owned by the Paraplegic Quadriplegic Association of WA. The Buildings at Shenton Park are owned by the Paraplegic Quadriplegic Association of WA.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

After recognition as an asset, the revaluation model is used for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

The assets' useful lives are reviewed annually. Expected useful lives for each class of depreciable asset are:

Computer equipment	5 to 15 years
Furniture and fittings	5 to 50 years
Motor vehicles	4 to 10 years
Other plant and equipment	5 to 50 years

(f) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$1,000 or more and internally generated intangible assets costing \$1,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the reducing balance basis using rates which are reviewed annually. All intangible assets controlled by the Quadriplegic Centre Board have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Computer Software	5 years
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Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset.



Notes to the Financial Statements

For the year ended 30th June 2007

(g) Impairment of Assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Quadriplegic Centre Board is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at each balance sheet date.

Refer note 21 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(n) 'Receivables' and note 16 'Receivables' for impairment of receivables.

(h) Financial Instruments

The Quadriplegic Centre Board has two categories of financial instruments:

- Receivables (cash and cash equivalents, receivables); and
- Non trading financial liabilities (payables).

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(i) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(j) Accrued Salaries

Accrued salaries (refer note 25) represent the amount due to employees but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Quadriplegic Centre Board considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(k) Amounts Receivable for Services (Holding Account)

The Quadriplegic Centre Board receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement.

See also note 14 'Service appropriations' and note 17 'Amounts receivable for services'.

(m) Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories not held for resale are valued at cost unless they are no longer required in which case they are valued at net realisable value. (See Note 18 'Inventories')

(n) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Quadriplegic Centre Board will not be able to collect the debts.

The carrying amount is equivalent to fair value as it is due for settlement within 30 days from the date of recognition. (See note 2(h) 'Financial instruments' and note 16 'Receivables')

(o) Payables

Payables are recognised at the amounts payable when the Quadriplegic Centre Board becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as they are generally settled within 30 days. See note 2(h) 'Financial instruments' and note 23 'Payables'.



Notes to the Financial Statements
For the year ended 30th June 2007

(p) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See note 24 'Provisions'.

Provisions - Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Quadriplegic Centre Board does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Sick Leave

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Income Statement for this leave as it is taken.

Superannuation

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

The Quadriplegic Centre Board has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Quadriplegic Centre Board to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who are not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Quadriplegic Centre Board makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

(See also note 2 (q) 'Superannuation expense')

Provisions - Other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment oncosts are included as part of 'Other expenses' and are not included as part of the Quadriplegic Centre Board's 'Employee benefits expense'. Any related liability is included in 'Employment on-costs provision'. (See note 11 'Other expenses' and note 24 'Provisions'.)

(q) Superannuation Expense

The following elements are included in calculating the superannuation expense in the Income Statement:

Defined contribution plans - Employer contributions paid to the GSS, the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

(u) Comparative Figures

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

Notes to the Financial Statements

For the year ended 30th June 2007

Note 3 Judgements made by management in applying accounting policies

Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No judgements have been made in the process of applying accounting policies that have a significant effect on the amounts recognised in the financial statements.

Note 4 Key sources of estimation uncertainty

The key estimates and assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Employee benefits provision

In estimating the non-current long service leave liabilities, employees are assumed to leave the Quadriplegic Centre Board each year on account of resignation or retirement at 51%. This assumption was based on an analysis of the turnover rates exhibited by employees over the past five years. Employees with leave benefits to which they are fully entitled are assumed to take all available leave uniformly over the following five years or to age 65 if earlier.

Note 5 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Quadriplegic Centre Board has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2006:

1) AASB 2005-9 'Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an "insurance contract" under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The Quadriplegic Centre Board does not currently undertake these types of transactions, resulting in no financial impact in applying the Standard.

2) UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease' as issued in June 2005. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At balance sheet date, the Quadriplegic Centre Board has not entered into any arrangements as specified in the Interpretation, resulting in no impact in applying the Interpretation.

3) UIG Interpretation 9 'Reassessment of Embedded Derivatives'. This Interpretation requires an embedded derivative that has been combined with a non-derivative to be separated from the host contract and accounted for as a derivative in certain circumstances. At balance sheet date, the Quadriplegic Centre Board has not entered into any contracts as specified in the Interpretation, resulting in no impact in applying the Interpretation.

The following Australian Accounting Standards and Interpretations are not applicable to the Quadriplegic Centre Board as they have no impact or do not apply to not-for-profit entities:

AASB Standards and Interpretation

AASB 2005-1	'Amendments to Australian Accounting Standard' (AASB 139 – Cash flow hedge accounting of forecast intragroup transactions)
AASB 2005-5	'Amendments to Australian Accounting Standards [AASB 1 & AASB 139]'
AASB 2006-1	'Amendments to Australian Accounting Standards [AASB 121]'
AASB 2006-3	'Amendments to Australian Accounting Standards [AASB 1045]'
AASB 2006-4	'Amendments to Australian Accounting Standards [AASB 134]'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraph 9
UIG 5	'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'
UIG 6	'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment'
UIG 7	'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'
UIG 8	'Scope of AASB 2'

Future impact of Australian Accounting Standards not yet operative

The Quadriplegic Centre Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Quadriplegic Centre Board has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1) AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Quadriplegic Centre Board's exposure to risks, enhanced disclosure regarding components of the Quadriplegic Centre Board's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The Quadriplegic Centre Board does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.



Notes to the Financial Statements

For the year ended 30th June 2007

2) AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023, & AASB 1038)'. The amendments are as a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the financial instrument disclosure requirements in these standards. The Quadriplegic Centre Board does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

3) AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The Quadriplegic Centre Board is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

4) AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. This will result in no impact as a consequence of application of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

5) AASB 2007-5 'Amendment to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities (AASB 102)'. This amendment changes AASB 102 'Inventories' so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The Quadriplegic Centre Board does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

6) AASB Interpretation 4 'Determining whether an Arrangement Contains a Lease [revised]'. This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007, it would not be within the scope of Interpretation 4. At balance sheet date, the Quadriplegic Centre Board has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

7) AASB Interpretation 12 'Service Concession Arrangements'. This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the Quadriplegic Centre Board if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the Quadriplegic Centre Board has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

8) AASB Interpretation 129 'Service Concession Arrangements: Disclosures [revised]'. This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the Quadriplegic Centre Board has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

The following Australian Accounting Standards and Interpretations are not applicable to the Quadriplegic Centre Board as they have no impact or do not apply to not-for-profit entities:

AASB Standards and Interpretation	
AASB 8	'Operating Segments'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraphs 1 to 8
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 & AASB 1038]'
Interpretation 10	'Interim Financial Reporting and Impairment'
Interpretation 11	'AASB 2 – Group and Treasury Share Transactions'

Note 6 Services of the Quadriplegic Centre Board

Information about the Quadriplegic Centre Board's service and, the expenses and revenues which are reliably attributable to that services are set out in Note 35. The key service of the Quadriplegic Centre Board is:

Chronic Illness and Continuing Care Services

The role of the Quadriplegic Centre is to assist persons with spinal cord injury, or a disease of the spinal cord, through the provision of accommodation and a comprehensive programme of rehabilitative nursing, medical, and associated care supports, within the limits of resources.



Quadriplegic Centre Board

Notes to the Financial Statements For the year ended 30th June 2007

Note	7	Employee benefits expense	2007 \$	2006 \$
		Salaries and wages (a)	6,176,534	5,367,735
		Superannuation - defined contribution plans (b)	501,339	440,535
			<u>6,677,873</u>	<u>5,808,270</u>

(a) Includes the value of the fringe benefit to the employees plus the fringe benefits tax component.

(b) Defined contribution plans include West State and Gold State (contributions paid).

Employment on-costs expense is included at note 11 'Other expenses'. The employment on-costs liability is included at note 24 'Provisions'.

Note 8 Patient support costs

Medical supplies and services	235,149	218,619
Domestic charges	187,267	162,336
Fuel, light and power	140,937	177,047
Food supplies	<u>227,308</u>	<u>223,700</u>
	<u>790,661</u>	<u>781,702</u>

Note 9 Depreciation and amortisation expense

Depreciation		
Computer equipment	6,446	9,604
Furniture and fittings	58,917	57,700
Motor vehicles	<u>2,259</u>	<u>2,259</u>
	<u>67,622</u>	<u>69,563</u>
Amortisation		
Intangible assets	408	408
Total depreciation and amortisation	<u>68,030</u>	<u>69,971</u>

Note 10 Capital user charge

	-	5,437
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The charge was a levy applied by Government for the use of its capital.

Note 11 Other expenses

Communications	10,762	11,088
Employment on-costs (a)	91,748	-
Insurance	3,098	18,199
Motor vehicle expenses	7,932	12,022
Printing and stationery	17,645	12,650
Repairs, maintenance and consumable equipment expense	264,180	272,177
Other	<u>116,952</u>	<u>58,463</u>
	<u>512,317</u>	<u>384,599</u>

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 24 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Note 12 Patient charges

Inpatient charges	1,448,862	1,430,682
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Note 13 Other revenues

Recoveries	7,672	17,347
Use of hospital facilities	13,800	18,000
Other	<u>138,116</u>	<u>53,728</u>
	<u>159,588</u>	<u>89,075</u>



PITCHER PARTNERS



Quadruplegic Centre Board

Notes to the Financial Statements

For the year ended 30th June 2007

	2007	2006
	\$	\$

Note 14 Service appropriations

Appropriation revenue received during the year:
Service appropriations

6,505,456	5,981,732
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Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

Note 15 Cash and cash equivalents

Cash on hand
Cash at bank - general

200	100
1,328,802	1,028,220
1,329,002	1,028,320

Note 16 Receivables

Current

Patient fee debtors
Other receivables
Less: Allowance for impairment of receivables

8,851	10,508
4,520	152,810
(5,005)	(5,005)

GST receivable

8,366	158,313
31,143	45,608
39,509	203,921

See also note 2(n) 'Receivables' and note 34 'Financial instruments'.

Note 17 Amounts receivable for services

Current

252,301	158,647
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Balance at start of the year
Credit to holding account
Less holding account drawdown
Balance at end of the year

158,647	78,000
93,654	80,647
-	-
252,301	158,647

This asset represents the non-cash component of service 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. See note 2(k) 'Amounts receivable for services'.

Note 18 Inventories

Current

Pharmaceutical stores - at cost
See note 2(m) 'Inventories'.

25,833	23,148
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Note 19 Other current assets

Other current assets

4,739	-
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Note 20 Property, plant and equipment

Computer equipment
At cost
Accumulated depreciation

88,539	61,095
(56,064)	(49,618)
32,475	11,477

Furniture and fittings
At cost
Accumulated depreciation

973,608	950,364
(604,826)	(551,732)
368,782	398,632

Motor vehicles
At cost
Accumulated depreciation

57,739	57,739
(44,372)	(42,113)
13,367	15,626

Total of property, plant and equipment

414,824	425,735
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PITCHER PARTNERS



Notes to the Financial Statements
For the year ended 30th June 2007

Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.

	2007 \$	2006 \$
Computer equipment		
Carrying amount at start of year	11,477	17,009
Additions	27,444	4,039
Depreciation	(8,446)	(9,604)
Internal transfer	-	33
Carrying amount at end of year	32,475	11,477
Furniture and fittings		
Carrying amount at start of year	398,632	405,486
Additions	29,267	50,846
Depreciation	(58,917)	(57,700)
Carrying amount at end of year	368,982	398,632
Motor vehicles		
Carrying amount at start of year	15,626	17,885
Depreciation	(2,259)	(2,259)
Carrying amount at end of year	13,367	15,626
Total property, plant and equipment		
Carrying amount at start of year	425,735	440,380
Additions	56,711	54,885
Depreciation	(67,622)	(69,563)
Internal transfer	-	33
Carrying amount at end of year	414,824	425,735

Note 21 Impairment of Assets

There were no indications of impairment to property, plant and equipment, and intangible assets at 30 June 2007.

The Quadruplegic Centre Board held no goodwill or intangible assets with an indefinite useful life during the reporting period and at the balance date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2007 have been classified as assets held for sale or written off.

Note 22 Intangible assets

Computer software	1,360	1,360
At cost	(849)	(441)
Accumulated amortisation	511	919

Reconciliation

Reconciliation of the carrying amount of intangible assets at the beginning and end of the current financial year is set out below.

Computer software		
Carrying amount at start of year	919	1,360
Amortisation expense	(408)	(408)
Transfer between asset classes	-	(33)
Carrying amount at end of year	511	919

Note 23 Payables

Current		
Trade creditors	176,606	196,668
Accrued expenses	5,437	5,437
	182,043	202,105

(See also note 2(o) 'Payables' and note 34 'Financial Instruments')



Quadriplegic Centre Board

Notes to the Financial Statements For the year ended 30th June 2007

Note 24 Provisions	2007 \$	2006 \$
Current		
Employee benefits provision		
Annual leave (a)	666,721	602,177
Long service leave (b)	207,337	166,726
Superannuation	70,239	66,022
Other provision		
Employment on-costs (c)	-	13,701
	<u>944,297</u>	<u>848,626</u>
Non-current		
Employee benefits provision		
Long service leave (b)	110,865	101,216
Gratuities	-	-
Superannuation	10,136	9,109
	<u>121,001</u>	<u>110,325</u>
Total Provisions	<u>1,065,298</u>	<u>958,951</u>

(a) Annual leave liabilities and time off in lieu leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	582,348	451,634
More than 12 months after balance sheet date	84,373	150,543
	<u>666,721</u>	<u>602,177</u>

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	21,735	22,470
More than 12 months after balance sheet date	185,602	144,256
	<u>207,337</u>	<u>166,726</u>

(c) The settlement of annual and long service leave liabilities give rise to the payment of employment on-costs including workers compensation premiums. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 11 'Other expenses'.

Note 25 Other liabilities

Current		
Accrued salaries	225,488	169,948

Note 26 Contributed equity

Equity represents the residual interest in the net assets of the Quadriplegic Centre Board. The Government holds the equity interest in the Quadriplegic Centre Board on behalf of the community.

Balance at start of the year	156,000	156,000
Contributions by owners	-	-
Distributions to owners	-	-
Balance at end of year	<u>156,000</u>	<u>156,000</u>

(a) Capital Contributions (appropriations) and non-discretionary (non-reciprocal) transfers of net assets from other State government agencies have been designated as contributions by owners in Treasurer's Instruction 955 'Contribution by Owners Made to Wholly Owned Public Sector Entities' and are credited directly to equity.

(b) UIG Interpretation 1038 'Contribution by Owners Made to Wholly-Owned Public Sector Entities' requires that where the transferee accounts for a transfer as a contribution by owner, the transferor must account for the transfer as a distribution to owners. Consequently, non-discretionary (non-reciprocal) transfers of net assets to other State government agencies are distribution to owners and are debited directly to equity.

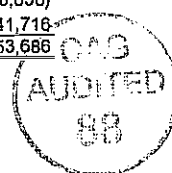
(c) TI 955 requires non-reciprocal transfers of net assets to Government to be accounted for a distribution to owners.

Note 27 Accumulated surplus/(deficiency)

Balance at start of year	353,686	(88,030)
Result for the period	84,204	441,718
Balance at end of year	<u>437,890</u>	<u>353,686</u>



PITCHER PARTNERS



Quadruplegic Centre Board

Notes to the Financial Statements

For the year ended 30th June 2007

	2007 \$	2006 \$
Note 28 Notes to the Cash Flow Statement		
a) Reconciliation of cash		
Cash assets at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash and cash equivalents (see note 15)	1,329,002	1,028,320
b) Reconciliation of net cash flows to net cost of services used in operating activities		
Net cash used in operating activities (Cash Flow Statement)	(6,054,410)	(5,468,136)
Increase/(decrease) in assets:		
GST receivable	(14,465)	(11,336)
Other current receivables	(149,947)	157,631
Inventories	2,685	4,670
Prepayments	4,739	(109,822)
Decrease/(increase) in liabilities:		
Payables	20,062	(80,097)
Accrued salaries	(55,540)	(17,297)
Current provisions	(95,671)	(33,122)
Non-current provisions	(10,676)	87,464
Non-cash items:		
Depreciation and amortisation expense (note 9)	(68,030)	(69,971)
Capital user charge paid by Department of Health (note 10)	-	(5,437)
Adjustment for other non-cash items	1	5,437
Net cost of services (Income Statement)	(6,421,252)	(5,540,016)
c) Notional cash flows		
Service appropriations as per Income Statement	6,505,456	5,981,732
Less notional cash flows:		
Capital user charge	-	(5,437)
Accrual appropriations	(93,654)	(80,647)
Other non cash adjustments to service appropriations	-	5,437
	(93,654)	(80,647)
Cash Flows from State Government as per Cash Flow Statement	6,411,802	5,901,085

At the reporting date, the Quadruplegic Centre Board had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

Note 29 Remuneration of auditor

Remuneration to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	14,000	13,000
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Note 30 Events occurring after balance sheet date

There were no events occurring after the balance sheet date which had significant financial effects on these financial statements.

Note 31 Related bodies

A related body is a body which receives more than half its funding and resources from the Quadruplegic Centre Board and is subject to operational control by the Quadruplegic Centre

The Quadruplegic Centre Board have no related bodies during the financial year.

Note 32 Affiliated bodies

An affiliated body is a body which receives more than half its funding and resources from the Quadruplegic Centre Board and is not subject to operational control by the Quadruplegic Centre

The Quadruplegic Centre Board have no related bodies during the financial year.



PITCHER PARTNERS



Note 33 Explanatory Statement

(A) Significant variances between actual results for 2006 and 2007

Significant variations between actual results with the corresponding items of the preceding reporting period are detailed below. Significant variations are those greater than 10% or that are 4% or more of the current year's Total Cost of Services.

	Note	2007 Actual \$	2006 Actual \$	Variance \$
Expenses				
Employee benefits expense	(a)	8,877,873	5,808,270	889,603
Fees for visiting medical practitioners	(b)	56,914	57,451	(537)
Patient support costs	(c)	790,661	781,702	8,959
Depreciation and amortisation expense	(d)	88,030	69,971	(1,941)
Capital user charge	(e)	-	5,437	(5,437)
Other expenses	(f)	512,317	384,599	127,718
Income				
Patient charges	(g)	1,448,862	1,430,682	18,180
Interest revenue	(h)	76,093	47,657	28,436
Other revenues	(i)	159,588	89,075	70,513
Service appropriations	(j)	6,505,458	5,981,732	523,724

Insert reasons for major variance for each applicable expense & revenue items: example as below

(a) Employee benefits expense

Employee benefits expense increased for a number of reasons; Alignment of pay rates for staff on the Quadriplegic Centre Award with those of the public health sector; Significant adjustments and back pay to allied health workers; Increasing reliance on agency staffing; Increase in staff to accommodate a ventilator dependant resident that is subject to specific funding.

(e) Capital user charge

No longer applicable.

(f) Other expenses

Due to the refund of previous deposit premiums to Risk Cover there was no workers compensation expense for the 2006 year.

(h) Interest revenue

A larger cash balance was carried forward during the year.

(i) Other revenues

Includes new funding for a ventilator dependant patient.

(j) Service appropriations

Specific increase in recurrent funding to facilitate the increase to pay rates for staff on the Quadriplegic Centre Award.

(B) Significant variations between estimates and actual results for 2007

Significant variations between the estimates and actual results for income and expenses are detailed below.

Significant variations are considered to be those greater than 10% of the budget estimates. There were no significant

	Note	2007 Actual \$	2007 Estimates \$	Variance \$
Operating expenses				
Employee benefits expense	(a)	6,678	6,577	101
Other goods and services	(b)	1,428	1,313	115
Total expenses		8,106	7,890	216
Less: Revenues	(c)	(1,685)	(1,575)	(110)
Net cost of services		6,421	6,315	106





Notes to the Financial Statements

For the year ended 30th June 2007

Note 34 Financial Instruments

a) Financial risk management objectives and policies

Financial instruments held by the Quadruplegic Centre Board are cash and cash equivalents, receivables and payables. The Quadruplegic Centre Board has limited exposure to financial risks. The Quadruplegic Centre Board's overall risk management program focuses on managing the risks identified below.

Credit risk

The Quadruplegic Centre Board trades only with recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Quadruplegic Centre Board's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Quadruplegic Centre Board has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Cash flow interest rate risk

The Quadruplegic Centre Board's exposure to market risk for changes in interest rates relate primarily cash and cash equivalents. Cash and cash equivalents are held in interest bearing bank accounts.

b) Financial instrument disclosures

Interest rate risk exposure

The following table details the Quadruplegic Centre Board's exposure to interest rate risk as at the balance sheet date:

	Weighted average effective interest rate %	Variable interest rate	Fixed interest rate maturities				More than 5 years	Non-interest bearing	Total
			Within 1 year	1-2 years	2-3 years	3-4 years			
As at 30th June 2007		\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets									
Cash and cash equivalents	6.3%	1,329,002	-	-	-	-	-	39,509	1,329,002
Receivables		1,329,002	-	-	-	-	-	39,509	1,368,511
Financial Liabilities									
Payables			-	-	-	-	-	182,043	182,043
Net financial assets / (liabilities)		1,329,002	-	-	-	-	-	(142,534)	1,186,468





Notes to the Financial Statements

For the year ended 30th June 2007

Note 34 Financial instruments (continued)

	As at 30th June 2006	Weighted average effective interest rate %	Variable interest rate \$	Fixed interest rate maturities	Within 1 year \$	1-2 years \$	2-3 years \$	3-4 years \$	4-5 years \$	More than 5 years \$	Non- interest bearing \$	Total \$
Financial Assets												
Cash and cash equivalents		5.8%	1,028,320	-	-	-	-	-	-	-	-	1,028,320
Receivables			1,028,320	-	-	-	-	-	-	-	203,921	203,921
												1,232,241
Financial Liabilities												
Payables												
Net financial assets / (liabilities)			1,028,320	-	-	-	-	-	-	-	202,105	202,105
												1,030,136

Fair Values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless





Notes to the Financial Statements

For the year ended 30th June 2007

Note 35 Schedule of Income and Expenses by Services

	Chronic Illness & Continuing Care		Total	
	2007	2006	2007	2006
	\$	\$	\$	\$
COST OF SERVICES				
Expenses				
Employee benefits expense	6,677,873	5,806,270	6,677,873	5,806,270
Fees for visiting medical practitioners	56,914	57,451	56,914	57,451
Patient support costs	790,661	781,702	790,661	781,702
Depreciation and amortisation expense	68,030	69,971	68,030	69,971
Capital user charge	-	5,437	-	5,437
Other expenses	512,317	384,599	512,317	384,599
Total cost of services	8,105,795	7,107,430	8,105,795	7,107,430
INCOME				
Revenue				
Patient charges	1,448,862	1,430,682	1,448,862	1,430,682
Interest revenue	76,093	47,657	76,093	47,657
Other revenues	159,588	89,075	159,588	89,075
Total income other than income from State Government	1,684,543	1,567,414	1,684,543	1,567,414
NET COST OF SERVICES	6,421,252	5,540,016	6,421,252	5,540,016
INCOME FROM STATE GOVERNMENT				
Service appropriations	6,505,456	5,981,732	6,505,456	5,981,732
Total income from State Government	6,505,456	5,981,732	6,505,456	5,981,732
SURPLUS FOR THE YEAR	84,204	441,716	84,204	441,716





AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

QUADRIPLAGIC CENTRE BOARD FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2007

I have audited the accounts, financial statements, controls and key performance indicators of the Quadriplegic Centre Board.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are 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; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators 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 and key performance indicators.

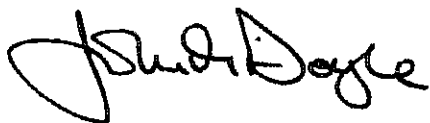
Quadriplegic Centre Board

Financial Statements and Key Performance Indicators for the year ended 30 June 2007

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Quadriplegic Centre Board at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Board provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Board are relevant and appropriate to help users assess the Board's performance and fairly represent the indicated performance for the year ended 30 June 2007.



JOHN DOYLE
ACTING AUDITOR GENERAL
21 September 2007