



Annual Report

Queen Elizabeth II Medical Centre Trust 2009





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Queen Elizabeth II Medical Centre Trust

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objectives of the

Queen Elizabeth II Medical Centre Trust

are to:

- ensure the QEII MC Reserve, as established under Section 6 of the Queen Elizabeth II Medical Centre Act 1966, is developed within the existing geographic, environmental and functional constraints in a planned and methodical way in accordance with the purpose of the Act as a Medical Centre of national and international repute.
- ensure the development of the QEII MC site is achieved through a cooperative approach between the QEII MC Trust, site tenants, and the relevant academic and professional schools of learning providing teaching and research resources to the Medical Centre and the State.
- ensure the provision of appropriate onsite facilities for the clinical teaching of undergraduates and graduates in medicine, nursing and allied health profession.

Statement of Compliance


To The Minister

HON KIM HAMES
MINISTER FOR HEALTH

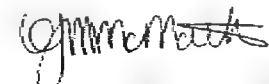
In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Queen Elizabeth Medical Centre Trust for the financial year 30 June 2009.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

A copy of this report is being furnished to the Senate of the University of Western Australia in accordance of section 15(5) of the *Queen Elizabeth II Medical Centre Act 1966*.



S Cole
Chairman
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009



G McMath
Member
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009

Chairman's Report

Since assuming the Chairmanship of the Trust in late 2008, I have been impressed with the co-operative spirit displayed by the Trust's major stakeholders to make the vision of the Queen Elizabeth II Medical Centre (QEII MC), as a world class centre of medical clinical care, education and research, a reality.

The last 12 months have been a particularly busy period with the master planning for the QEII MC Site a priority.

The master planning process has been rigorous, incorporating international best practice models and refining those to suit the Trust's own vision and the needs of its stakeholders, as expressed in interaction feedback sessions. In particular, the support of the Department of Health in this process, and the commitment of the Western Australian Government to the relocation of the State's main children's hospital to the Site have been significant drivers.

The orderly management and the development of the QEII MC Site remains the primary focus for the Trust. Consistent with the Master Plan, Urban Design Guidelines have been developed to provide an integrated holistic approach to deliver and support the aspirations of the diverse community of health care, research and teaching on the Site.

Optimal utilisation of the QEII MC Site poses a significant generator of traffic. The Trust has implemented a number of Travel Plan and traffic management initiatives throughout the year which have seen positive changes to Site access and vehicle movements, with the achievement of a number of the targets set in 2007. The Trust is committed to ensuring that a viable and effective foundation is set for maintaining a sustainable transport environment to and around the QEII MC Site throughout the redevelopment years of the Master Plan.

Strong and disciplined financial management, and a continuing co-operative approach to Site utilisation and Site service funding amongst all Site users, will ensure the Trust is in a position to deliver both the standards and scope of Site services that are consistent with the Trust's legislative mandate for the management and planning of the Site for the benefit of all stakeholders.

I wish to acknowledge the role of the retiring Chairman of the Trust, Judge Valerie French, who played an influential role on the Trust for the last 5 ½ years. Her contribution was valuable. I also pay tribute to the valued service of John Leaf, who resigned as a Board member at the end of June 2009, after 2 ½ years service.

I also recognise my fellow continuing Board members Professor Ian Puddey, Gaye McMath and Ian Anderson for their commitment and support during the year as the Trust has continued to strategically plan for its future and progress a number of corporate governance initiatives.

In closing, on behalf of the Board, I would like to especially thank the staff of the North Metropolitan Area Health Service (as the Trust's "Delegate"), including Dr D. Russell Weisz and Michelina Lawson, who take responsibility to administer the day to day operations of the Site and help make the QEII MC what it is today.

Steven Cole
Chairman

Overview

Executive Summary

Performance

The Queen Elizabeth II Medical Centre (QEIMC) has further enhanced its reputation and status in the area of health, research and education with the last 12 months. With the continuous work currently being undertaken by the QEIMC Trust, Sir Charles Gairdner Hospital (SCGH) as the delegate and the numerous stakeholders to finalise the Master Plan, the QEIMC site will definitely aim to be a world class facility in health, research and education.

In March 2009, the QEIMC Trust finalised the Urban Design Guidelines, the vision of these guidelines is to provide leadership to deliver a high quality public realm that supports the aspirations of the diverse community of clinical care, research, teaching and learning. It is also designed to maintain a sustainable transport environment for all users of the site.

Planning has commenced due to the redevelopment with attention to leases, tenant charges and the management of parking and the multi storey car parks.

With 19,000 vehicle movements each day and over 30 organisations, QEIMC continues to be the busiest medical centre in the State and a significant generator of traffic. The recent Travel Survey conducted in May 2009, supported the Trust's progress in achieving a sustainable transport environment through various travelsmart initiatives and events, education programs, employee initiatives and the funding of public transport.

The launch of the 79 bus in July 2008 has been a tremendous success with staff and visitors. Over 32,000 staff and visitors a month are now catching buses along Hospital Avenue. The 79 bus route allows staff and visitors to be picked up from the Wellington Street Bus Port or the Esplanade Bus Port, travel along Mounts Bay Road before being dropped off at Hospital Avenue. This service is currently being funded by the QEIMC Trust and The University of Western Australia.



The new 79 bus along Hospital Avenue

Performance Highlights

Other important performance highlights of the year include:

- The installation and activation of the boom gates and ticket machines in the main visitor car park in January 2009, which allows only visitors to park in this area.
- The introduction of the “*Smart Parker*” card for all Green commuters. This allows staff who car pool or use alternative transport to park in the Green Commuter Car park and pay for parking as “pay as you go”.

- The development of a secured on-line car pooling register for all QEIMC staff to find a car pooling buddy.
- The QEIMC Trust website was revamped to provide a user-friendly website for all staff, visitors and patients with information about the QEIMC Trust's policies, parking, events, and travelling to the QEIMC.
- A new educational program was developed and induction programs were further enhanced about the QEIMC Trust, redevelopment, parking, travel plan, travel initiatives and how to travel to and from the site.
- The Green Commuter Car park was extend to over 240 parking pays for those who car pool and take alternative transport three times a week or more.
- A "Staff parking and transport handbook" was published for all staff about parking and travelling to and from the QEIMC site.
- The garden reticulation systems was upgraded to optimise the utilisation of bore water by providing different cycles for lawns and garden areas to allow different scheduled watering days per week.
- Employee behaviour was changed by the taking of alternative transportation to and from work. A Site User Survey was conducted in May 2009 asking employees on how they travel to and from work. The below table details the change of behaviour of staff over the last 12 months.



The new tailored QEIMC car pooling register

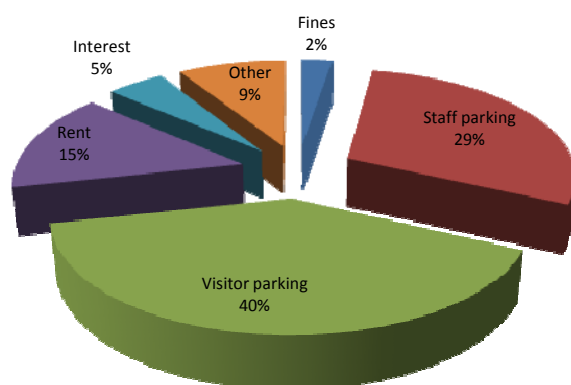
Travelling to and from work

	2008/09	2007/08
Car drivers (single)	56%	69%
Car Pooling	11%	9%
Public Transport	8%	8%
Cycle	5%	5%
Walk	3%	2%
Other	11%	7%

Financial Performance

The QEIIMC Trust's operating revenue is primarily generated through parking fees, fines and penalties and rent from commercial properties.

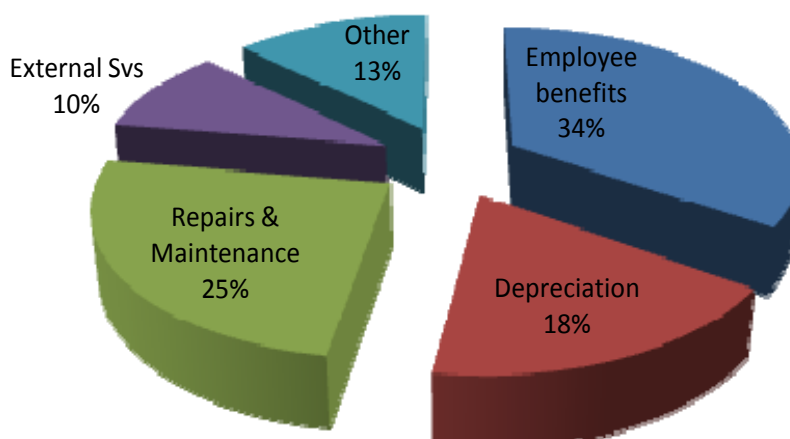
2008-09 Revenue



Revenue received by the QEIIMC Trust is invested back into the QEIIMC infrastructure and transport. Currently, the QEIIMC partly funds for the Subiaco Shuttle Bus (Bus 97), Bus service 79 and the Graylands Shuttle Buses.

The QEIIMC Trust's expenditure breakdown as shown in the pie chart below consists of 34% for employee benefits, a further 25% contributes to repairs and maintenance, 18% on depreciation, 10% for external services, such as the funding public transport and 13% of other expenses, such as consultants to prepare the Urban Design Guidelines.

2008-09 Expenditure



Capital Works

The major capital works project in 2008/09 was resurfacing the southern side of Hospital Avenue.



Major initiatives for 2009/10

Major initiatives for the following year include:

- Implementation of the Master Plan
- Monitoring of site developments in the terms of the Master Plan
- Fostering the interface of medicine clinical services, education and research
- Amendments to the *QEI Medical Centre Act 1966* and *QEI Medical Centre (Delegated) By-laws 1986* to reflect the current parking and no smoking policies.
- Identify and develop robust funding strategies to underpin the continued delivery to site services.
- Review all site leases in the context of the future redevelopment at QEIMC.
- Review and enhance the corporate governance strategies.
- The continuation review of the QEIMC Travel Plan will develop new innovative sustainable transport actions and behaviour.
- Develop a Travel Smart kiosk to enhance access to travel information and services to staff, visitors and patients at QEIMC.
- Publish a Visitor and Patient Parking and Transport Handbook

Operational Structure

Enabling Legislation

The QEIIMC Trust is constituted under the *Queen Elizabeth II Medical Centre Act 1966* to develop, manage and control the medical centre (Reserve 33244).

Administered Legislation

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

Trust Delegate

The Queen Elizabeth II Medical Centre Act 1966, appointed the Board of Management of SCGH as its delegate to exercise most of its powers in relation to controlling and managing the QEIIMC site. The Delegation Instrument was published in the *Government Gazette* on 24 October 1986.

The current Delegate is the Minister for Health as the Board of Management of SCGH.

SCGH is the Accountable Authority for the day to day management of the QEIIMC reserve, including general administration, management and other statutory requirements in relation to the Reserve.

Board of Management

In accordance with section 7 of the *Queen Elizabeth II Medical Centre Act 1966*, the Trust is the governing body.

The Board consists of five members:

- Chair
- Vice chair
- Three members

The Chairman is appointed by the Governor on the written nomination of the Minister and Senate to hold office during the Governor's pleasure;

Two members are appointed by the Governor on the written nomination of the Minister to hold office during the Governor's pleasure;

Two members are appointed by the Senate to hold office during its pleasure.

Dr David Russell-Weisz, the Chief Executive, North Metropolitan Area Health Service and Dr Amanda Ling Executive Director, Sir Charles Gairdner Hospital attends the Board meetings by invitation and are not entitled to vote on matters to be considered by the Board.

The Board has met on nine occasions throughout the year. The current number of meetings attended is outlined below:

Mr Steven Cole, Chairman

(7 out of possible 7)

Steven Cole has 35 years of professional, corporate and business experience through senior legal consultancy, as well as a range of executive management and non executive appointments. He is currently the President of Australian Institute of Company Directors (WA Division), Chairman of Brightwater Care Group Inc, Chairman of Solco Limited and Emerson Stewart Group Limited and Deputy Chairman of Reed Resources Limited and of the Professional Standards Council of Australia. He has been the Chairman of the QEIIMC Trust since November 2007.

Judge Valerie French, Chairman

(0 out of possible 2)

Judge Valerie French is the Chairperson of the Prisoners Review Board and has been a Judge of the District Court since 1994 and President of the Children's Court from 1999 to 2001. She has been a Chairperson of the QEIIMC Trust since March 2003. She resigned in October 2008 from her position as Chairman.

Ms Gaye McMath Deputy Chair

(8 out of possible 9)

Gaye McMath is the Executive Director, Finance and Resources at The University of Western Australia. She is a fellow of CPA Australia and Australian Institute of Company Directors. She is currently a Director of the Silver Chain Nursing Association, Western Australia Treasury Corporation, Gold Corporation and Verve Energy. She has been on the board since January 2005.

Mr Ian Anderson

(8 out of possible 9)

Ian Anderson has been on the board since May 2006. His previous positions include being the Director Capital Management North Metropolitan Area Health Service, the General Manager (Performance Consulting) with Gerard Daniels Australia, the Chief Executive Officer of SKG Radiology and Chairman of Resonance Health Ltd. He is a Fellow of the Australian Institute of Management and a Fellow of the Australian Institute of Company Directors.

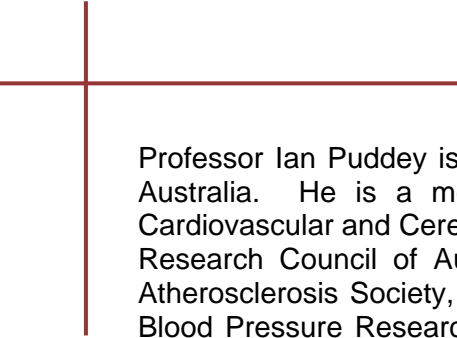
Mr John Leaf

(7 out of possible 9)

John Leaf resigned as a board member on 29 June 2009. John is the A/Deputy Director General, Finance and Administration at the Department of Education and Training. He is a fellow of the Institute of Chartered Accountants and the Institute of Company Directors. Prior to this position, John was the Executive Director for the Public Transport Authority and the Chief Finance Officer of the Department of Health. He has been on the board since November 2006.

Professor Ian Puddey

(6 out of possible 9)



Professor Ian Puddey is the Dean of Dentistry and Medicine at The University of Western Australia. He is a member of the NH&MRC funded Centre for Training in Clinical Cardiovascular and Cerebrovascular Research at Royal Perth Hospital, High Blood Pressure Research Council of Australia, the International Society of Hypertension, the Australian Atherosclerosis Society, the Stroke Society of Australia and Fellow of the Council for High Blood Pressure Research, American Heart Association. He has been on the board since January 2005.

Legislation impacting on the Trust's activities

Western Australian State Acts

- Auditor General Act 2006
- Contaminated Sites Act 2003
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Evidence Act 1906
- Financial Management Act 2006
- Freedom of Information Act 1992
- Heritage of Western Australia Act 1990
- Hospitals and Health Services Act 1927
- Land Administration Act 1997
- Library Board of Western Australia Act 1951
- Local Government Act 1995
- Occupational Safety and Health Act 1984
- Public Interest Disclosure Act 2003
- Public Sector Management Act 2003
- Road Traffic Act 1974
- State Records Act 2000
- State Records (Consequential Provisions) Act 2000
- State Supply Commission Act 1991
- Town Planning and Development Act 1928
- Water Corporation Act 1995
- Western Australian Planning Commission Act 1985
- Western Power



Australian Commonwealth Acts

- A New Tax System (Goods and Services Tax) Regulations 1999
- Copyright Act 1968
- Fringe Benefits Tax Act
- Trade Practices Act

The financial administration of the QEIIMC Trust, Health Corporate Network have complied with the requirements of the *Financial Management Act 2006* and every other written law, and exercised controls which provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property and incurring of liability have been in accordance with legislative provisions.

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

Agency Performance

Overview of QEIMC Trust's operations

Over the last 12 months the QEIMC Trust has been busily developing and implementing many strategies, policies, procedures and public relation strategies that benefited staff, patients and visitors. With the redevelopment coming to fruition, planning and implementing the QEIMC Travel Plan, reviewing and executing tenant leases, reviewing new revenue strategies and corporate governance has been the primary focus for the QEIMC Trust.

Security and Parking

The Parking Branch has just overseen the second year of the new staff parking permit application process. Over 5,000 applications were processed in time for the new 2009/2010 season. Permits were again issued on a priority group basis.

There was a significant reduction in the number of staff parking appeals dealt with by the Parking Committee this year. Approximately 100 appeals were received and reviewed compared with over 900 the prior year.

The Parking Branch now has a full complement of dedicated staff, including three parking officers. Parking Officers have been issued with new uniforms and hi-visibility jackets to enhance their presence on-site for visitors and have had traffic management training to manage traffic along Hospital Avenue and assist visitors in finding parking.

The parking system, Cardex has been reviewed and processes enhanced to ensure staff are able to park easily in their respective car parks. The demand for access to the Green Commuter Car Park has risen sharply compared to last year and also the number of car poolers has increased.



The new Smart Parker Card for Green Commuter parkers

Since the establishment of the Parking Branch, Security are now only patrolling the site after hours and on weekends and has been working well.

Gardens and Grounds

The Gardens and Grounds team have continued to raise the horticultural maintenance and presentation standards throughout the QEIMC site and have been actively involved in the development of maintenance plans. These plans aim to ensure continuity of horticulture development and document strategies to maintain high horticultural standards.

The team have continued their excellent work in maintaining and developing the lawns and gardens. A new reticulation system was replaced to optimise the utilisation of bore water by providing different cycles for lawns and garden areas, to allow different scheduled watering days.

Maintenance

With the changes to parking at QEIMC, all the parking and traffic related signs have been replaced in accordance with the Australian Standards. Approximately 200 signs have been removed and 250 signs have been replaced in July 2008.

Many of the maintenance works programme at QEIMC have been delayed due to the finalisation of the QEIMC Master Plan and construction timetable. Once finalised the maintenance program will be reviewed.

Travel Smart

The Travel Smart Co-ordinator plays an essential role in transport change behaviour and in developing and maintaining a sustainable transport environment. With the redevelopment about to commence within the next six months the aggressive promotional and marketing campaign that came into place over 12 months ago is going stronger as ever. Many Travel Plan initiatives were developed and implemented throughout the year successfully.

The launch of the 79 bus in July 2008 has been a tremendous success with staff and visitors. Staff and visitors are now able to be picked up from the Wellington Street Bus Port or the Esplanade Bus Port, travel along Mounts Bay Road before being dropped off at Hospital Avenue. This service is currently being funded by the QEIMC Trust and UWA.

Staff cycling to work has increased by 5% according to the Travel Survey conducted in May 2009 within the last two years. As a result of this a second “*End of Trip Bike Facility*” has been restored in the basement of C Block to park up to 50 bikes. Secured ladies and men change rooms with lockers have been renovated to encourage all cyclists to use.

Furthermore, the QEIMC Trust has worked with the Public Transport Authority to implement the Shenton Park Bicycle Program. Eight bicycles have been purchased and equivalent bicycle lockers have been installed at the Shenton Park Train Station for all QEIMC staff to ride the 1.5km journey to the site.

A secured on-line car pooling register is now operational for all QEIMC employees to find a car pooling buddy to travel to and from work. Over 100 matches have been achieved over the since its launch in May 2009.

With the success of the “Green Commuter Car Park” within the last 18 months, the QEIMC Trust has now expanded the car park to 250 parking bays. This car park is primarily for car poolers and those who take alternative transport three times and week.

Regular events, education and induction programs are being held weekly to all the tenants and regular. A new booklet has been published “*Staff Parking and Transport Handbook*”. These booklets are available throughout the site on the website and are provided to every new employee through the induction and education sessions. A “*Visitor and Patient Parking and Transport Handbook*” will be available soon.



2009/10 Staff Parking and Transport booklet available to all QEIMC staff

Significant Issues

The QEIMC completed the Master Plan for the site which is to undergo a major redevelopment over the next 5 -10 years and beyond. The redevelopment proposes a world-class facility that will facilitate and support leadership in clinical care, research and education to the state of Western Australia.

The QEIMC redevelopment will be a landmark project demonstrating excellence in health care, architecture and urban design which will include:

- a world-class facility and a leader in clinical care, research and education, that embraces the latest scientific, technological and medical developments;
- a facility that embraces international best practice design principles to create an uplifting and optimistic environment that is patient-centred, and become an intrinsic part of the healing process;
- a facility that employs best practice design approaches to improve staff productivity, optimise safety, improve opportunities for personal interaction and offers a supportive working and learning environment for staff;
- distinguished works of architecture that contributes positively to its surroundings, the environment and to the community; and
- an operationally environmentally and socially sustainable development based on an integrated ESD approach.



Some of the travelsmart posters displayed throughout the site

Disclosure and Legal Compliance

Financial Disclosures

Financial Statements

Refer to **Appendix 1** of the Annual Report for the QEIIIMC Trust's completed audited Financial Statements for the year ended 30 June 2009.

Detailed Key Performance Indicators

Refer to **Appendix 2** of the Annual Report for the QEIIIMC Trust's completed audited Key Performance Indicators for the year ended 30 June 2009.

Ministerial Directives

There were no Ministerial Directives in 2008/09.

Other Financial Disclosures

Pricing policies of services provided

The QEIIIMC Trust charges for goods and services rendered on a full or partial cost recovery basis and in accordance with fees and penalties applied under the *Queen Elizabeth II Medical Centre (Delegated) By-laws 1986*.

Capital Works

The only capital works in 2008/09 was the resurfacing the south side of Hospital Avenue.

Staff Development

The QEIIIMC Trust does not employ any staff. Staff engaged on Trust related activities are employees of the North Metropolitan Health Service.

Workers Compensation

The QEIIIMC Trust does not employ any staff. Staff engaged on Trust related activities are employees of the North Metropolitan Health Service.

Other Legal Requirements

Advertising

The QEIMC Trust did not incur any expenditure on advertising during the financial year.

Disability Access and Inclusion Plan

In 2004, the *Disability Services Act 1993* was amended to include a requirement for agencies to develop and implement Disability Access and Inclusion Plans. The QEIMC Trust relies upon the delegate to achieve the required outcomes.

As the landlord, the QEIMC Trust achieved the following disability access and inclusion initiatives in 2008/09.

1. People with disabilities have the same opportunities as other people to access the services of and any events organised by the QEIMC Trust.

- Additional parking and set-down areas are provided for people with disabilities and those accompanying them for appointments or visits throughout the site.
- The Parking Branch actively informs patients and visitors of parking for the disabled.
- There has been an increase of ACROD parking bays throughout the QEIMC site.
- An electric passenger vehicle known as the Bankwest Buggy, managed by volunteers to transport infirm, aged and health-compromised people from the car parks to various points within and around the buildings on the QEIMC.

2. People with disabilities have the same opportunities as other people to access buildings and other facilities.

- Improvements have been made along Hospital Avenue for easier and safer access for all.
- Visitor Car Parks has been upgraded to provide better access to the public.
- Patients and visitors are able to catch public transport at the five bus stops at QEIMC.

3. People with disabilities receive information from a public authority in a format that will enable them to access the information, as readily as other people are able to access it.

- The Site User Map with all named buildings and services has been produced and is available in hard copy throughout the QEIMC site and on the QEIMC Trust's website.

- ACROD maps are available in hard copy and also on the QEIMC Trust's website.
- Many brochures and documents, such as Annual Reports, are available electronically and in hard copy as well as alternative formats such as large fonts.

4 People with disabilities receive the same level and quality of service from the staff of the Authority as other people receive from the staff of the Authority.

- As the QEIMC Trust does not employ staff, other tenants such as SCGH and the University of Western Australia have provided staff ongoing training to enable them to recognise and assist people with disabilities
- Tenants at QEIMC provide employment and volunteer work for people with disabilities, which in turn increase staff awareness and understanding of people with disabilities.
- Further training is to be provided to the Parking Officers, particularly those who regularly deal with members of the public.

5 People with disabilities have the same opportunities as other people to make complaints to the Authority.

- The QEIMC Trust's communications process is available to all members of the community and can be access via the website, the enquiries email address, through Sir Charles Gairdner Hospital or by contacting the QEIMC Trust's Business Manager.

6 People with disabilities have the same opportunities as other people to participate in any public consultation by the Authority.

- Public consultation and decision-making opportunities are provided through public consultation process for reviews of key management plans e.g. QEIMC Master Plan.

Equal Employment Opportunity, Compliance with Public Sector Standards and Ethical Codes

The QEIMC Trust relies upon the Delegate to achieve the required outcomes in the area of Equal Employment Opportunity, Compliance with Public Sector Standards and Ethical Codes.

Equal employment opportunity practices were adhered and are reflected in a workforce that is culturally and linguistically diverse and has a balanced representation of genders at a range of levels and in traditional and non-traditional occupations.

Recordkeeping Plans

The QEIIIMC Trust has an ongoing commitment to good records management practices and continues to work towards complying with its Recordkeeping Plan 2004, in accordance with the *State Records Act 2000*.

The QEIIIMC Trust relies upon the Delegate to achieve the required outcomes.

The QEIIIMC Trust's archival records are held on-site and this area is accessible to authorised staff only. All records are stored in a secure environment.

Government Policy Requirements

Corruption Prevention

The QEIIIMC Trust does not employ any staff. Staff engaged on Trust related activities are employees of the North Metropolitan Health Service and the compliance statement for Corruption Prevention is contained in the North Metropolitan Health Service Annual Report.

Though within the last 12 months, the QEIIIMC Trust has focused on the security of confidential information with improvements made in the information system's security measures, including: better defined computer access and user policies; the ongoing use of cyclic passwords; and adherence to confidentiality and privacy requirements.

All new personnel are inducted to ensure they are fully aware of acceptable and unacceptable behaviours in the workplace, and of the consequences of misconduct. The organisational values have been frequently emphasised in staff meetings throughout the year. Regular reviews are conducted to ensure good controls and procedures are in place to prevent misconduct or corruption.

Substantiative Equality

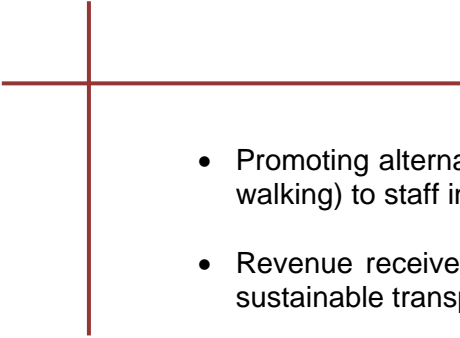
The QEIIIMC Trust is not required to report on this issue as it is represented at portfolio level only on the Strategic Management Council.

Sustainability

The QEIIIMC Trust complies with the "*Sustainability Code of Practice*" for Government Agencies under North Metropolitan Health Service.

The QEIIIMC Trust is focussed on conservation, sustainability and are major considerations in guiding, planning and decision making in the QEIIIMC Trust at all levels. In 2008/09, the QEIIIMC Trust has specifically undertaken the following:

- Improving water use efficiency through: mulching on gardens beds to reduce the loss of water through evaporation; lawns not being watered over the winter months and watering time for each reticulation station has been reduced by 20%.
- Developed a Green Commuter Car Park for car poolers and staff who take alternative transport (public transport, cycle or walk) a minimum of three times per week.

- 
- Promoting alternative methods of transport (cycling, public transport, car pooling and walking) to staff in travelling to and from the QEIIMC.
 - Revenue received from parking supports funds the QEIIMC Trust's commitment to sustainable transport, including public transport, cycling, car pooling and walking.
 - Active implementation of State Government policies and guidelines regarding procurement including: Common Use Contracts; Buy Local Policy, purchasing procedures; and open public tenders.

Independent Audit Opinion



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2009

I have audited the accounts, financial statements, controls and key performance indicators of The Queen Elizabeth II Medical Centre Trust.

The financial statements comprise the Balance Sheet as at 30 June 2009, 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.

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

The Trust 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 www.audit.wa.gov.au/pubs/AuditPracStatement_Feb09.pdf.

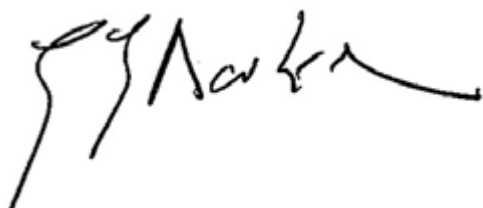
An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions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

The Queen Elizabeth II Medical Centre Trust
Financial Statements and Key Performance Indicators for the year ended 30 June 2009

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of The Queen Elizabeth II Medical Centre Trust at 30 June 2009 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 Trust 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 Trust are relevant and appropriate to help users assess the Trust's performance and fairly represent the indicated performance for the year ended 30 June 2009.



GLEN CLARKE
ACTING AUDITOR GENERAL
23 September 2009

Appendix 1 Financial Statements

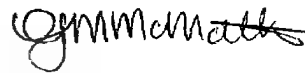
Certification of Financial Statements

The accompanying financial statements of the Queen Elizabeth II Medical Centre Trust 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 2009 and the financial position as at 30 June 2009.

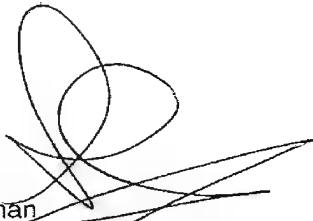
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



A St Flour
Chief Finance Officer
Date: 14/9/2009



G McMath
Member
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009



S Cole
Chairman
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009

Queen Elizabeth II Medical Centre Trust

Income Statement

For the year ended 30th June 2008

	Note	2008 \$	2007 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	1,084,091	963,690
Depreciation and amortisation expense	7	564,327	498,409
Capital user charge	8	-	1,513,000
Loss on disposal of non-current assets	9	-	2,573
Other expenses	10	819,302	639,780
Total cost of services		2,467,721	3,617,452
INCOME			
Revenue			
Parking revenue	11	1,760,397	1,634,971
Interest revenue		205,090	131,382
Other revenues	12	484,471	365,059
Total revenue		2,449,958	2,131,412
Total income other than income from State Government		2,449,958	2,131,412
NET COST OF SERVICES		17,763	1,486,040
INCOME FROM STATE GOVERNMENT			
Service appropriations	13	630,676	1,999,046
Total income from State Government		630,676	1,999,046
SURPLUS/(DEFICIT) FOR THE PERIOD		612,913	513,006

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

Queen Elizabeth II Medical Centre Trust

Balance Sheet

As at 30th June 2008

	Note	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	14	2,662,775	2,613,396
Receivables	15	117,886	76,789
Total Current Assets		2,780,661	2,690,185
Non-Current Assets			
Amounts receivable for services	16	4,174,722	3,544,046
Property, plant and equipment	17	20,169,510	18,599,982
Intangible assets	19	17,860	28,066
Total Non-Current Assets		24,362,092	22,172,094
Total Assets		27,142,752	24,862,279
LIABILITIES			
Current Liabilities			
Payables	20	223,936	27,196
Provisions	21	263,793	215,287
Other current liabilities	22	5,100	30,992
Total Current Liabilities		492,829	273,475
Non-Current Liabilities			
Provisions	21	37,431	54,320
Total Non-Current Liabilities		37,431	54,320
Total Liabilities		530,260	327,795
NET ASSETS		26,612,492	24,534,484
EQUITY			
Reserves	23	22,991,922	21,526,827
Accumulated surplus/(deficiency)	24	3,620,570	3,007,657
TOTAL EQUITY		26,612,492	24,534,484

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

Queen Elizabeth II Medical Centre Trust

Statement of Changes in Equity

For the year ended 30th June 2008

	Note	2008 \$	2007 \$
Balance of equity at start of period		24,534,484	21,250,620
RESERVES	23		
Asset Revaluation Reserve			
Balance at start of period		21,526,827	18,755,969
Gains/(losses) from asset revaluation		1,465,095	2,770,858
Balance at end of period		22,991,922	21,526,827
ACCUMULATED SURPLUS	24		
Balance at start of period		3,007,657	2,494,651
Surplus/(deficit) for the period		612,913	513,006
Balance at end of period		3,620,570	3,007,657
Balance of equity at end of period		26,612,492	24,534,484
Total income and expense for the period (a)		2,078,008	3,283,864

(a) The aggregate net amount attributable to each category of equity is: surplus \$612,913 plus gains from asset revaluation \$1,465,095 (2007: surplus \$513,006 plus gains from asset revaluation \$2,770,858).

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

Queen Elizabeth II Medical Centre Trust

Cash Flow Statement

For the year ended 30th June 2008

	Note	2008 \$ Inflows (Outflows)	2007 \$ Inflows (Outflows)
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriations		-	-
Holding account drawdowns		-	-
Net cash provided by State Government	25(c)	-	-
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		(625,688)	(686,572)
Employee benefits		(1,049,348)	(894,414)
Receipts			
Receipts from customers		1,760,397	1,641,808
Other grants and subsidies		(25,892)	-
Interest received		195,370	119,774
Other receipts		453,094	365,059
Net cash (used in) / provided by operating activities	25(b)	707,932	545,655
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of non-current physical assets		(658,554)	-
Net cash (used in) / provided by investing activities		(658,554)	-
Net increase / (decrease) in cash and cash equivalents		49,379	545,655
Cash and cash equivalents at the beginning of period		2,613,396	2,067,741
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	25(a)	2,662,775	2,613,396

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

Notes to the Financial Statements
For the year ended 30 June 2009

Note 1 Australian equivalents to International Financial Reporting Standards

General

The Trust's financial statements for the year ended 30 June 2009 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 Trust 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 Trust 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 Trust for the annual reporting period 30 June 2009.

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 Site works 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 (\$).

Notes to the Financial Statements
For the year ended 30 June 2009

(b) Basis of Preparation (continued)

The judgements that have been made in the process of applying the Trust'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) 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 on delivery of the service to the client.

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 Trust gains control of the appropriated funds. The Trust 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 13 'Service Appropriation').

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Trust 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 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.

(d) 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 revaluation of non-current assets.

Notes to the Financial Statements
For the year ended 30 June 2009

(e) Property, Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5,000 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 \$5,000 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).

(e) Property, Plant and Equipment (continued)

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

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 Site works and the cost model for all property, plant and equipment. Land and Site works are carried at fair value less accumulated depreciation on Site works and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

The fair value of land and Site work is determined on the basis of existing use. This normally applies where Site works are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, it. The depreciated replacement cost.

When Site works are revalued, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Independent valuations of land and Site works are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Refer to note 16 'Property, plant and equipment' for further information on revaluations.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation reserve relating to that asset is retained in the asset revaluation reserve.

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.

Land is not depreciated. Depreciation on Site works is calculated using the diminishing value method. Depreciation on plant and equipment is calculated using the diminishing value with a straight-line switch method under which the cost amounts of the assets are allocated on average on a diminishing value bases over the first half of their useful lives and a straight line basis for the second half of their useful lives.

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements For the year ended 30 June 2009

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

Site works	50 years
Other plant and equipment	5 to 25 years

(f) Intangible Assets

Capitalisation /Expensing of Assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 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.

In order to apply this policy, the following methods are utilised:

- Computer Software – diminishing value with a straight line switch method

Under the diminishing value with a straight line switch method, the cost amounts of the assets are allocated on average on a diminishing value basis over the first half of their useful lives and a straight line basis for the second half of their useful lives.

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

Computer Software	5 years
-------------------	---------

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. Software costing less than \$5,000 is expensed in the year of acquisition.

(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 Trust 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 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.

Notes to the Financial Statements
For the year ended 30 June 2009

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication of impairment.

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 measure. Surplus assets at cost are tested for indications of impairment at each balance sheet date.

(h) Non-current Assets Classified as Held for Sale

Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. Assets classified as held for sale are not depreciated or amortised.

(i) Financial Instruments

In addition to cash, the Trust has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Receivables
- Amounts receivable for services

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.

(j) 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.

Notes to the Financial Statements
For the year ended 30 June 2009

(k) Accrued Salaries

Accrued salaries (refer note 20 'Payables') 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 Trust considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(l) Amounts Receivable for Services (Holding Account)

The Trust 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 12 'Service appropriations' and note 15 'Amounts receivable for services'.

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off. The allowance for uncollectable amounts (doubtful debts) is raised when there is objective evidence that the Trust 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(i) 'Financial instruments' and note 14 'Receivables')

(n) Payables

Payables are recognised at the amounts payable when the Trust 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(i) 'Financial instruments' and note 20 'Payables'.

(o) 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 21 'Provisions'.

(i) Provisions – Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 2 months after 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

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements For the year ended 30 June 2009

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 outflow.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Trust 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 the 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 Trust does not have any current employees who are members of the Pension or the GSS Schemes.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WAA). 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 Trust 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.

(See also not 2(p) 'Superannuation Expenses')

(ii) Provisions – Other

Employment on-costs

Employment on-costs, including worker's compensation insurance, are not employee benefits and are recognised separately as liability and expenses when the employment to which they related has

Notes to the Financial Statements
For the year ended 30 June 2009

occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Trust's 'Employee benefits expense'. Any related liability is included in 'Employment on-costs provision'. (See note 10 'Other expenses' and note 21 'Provisions'.)

(p) Superannuation Expense

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

- (a) Defined benefit plans – Change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold state Superannuation Scheme (GSS); and
- (b) Defined contribution plans – Employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

Defined benefit plans – The Trust does not have any current employees who are members of the defined benefit plans.

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

(q) Resources Received Free of Charge or for Nominal Cost

Resources received free of charge or for nominal cost that can be reliably measure are recognised as income and as assets or expenses as appropriate, at fair value.

(r) Comparative Figures

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

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.

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

Employee benefits provision

An average turnover rate for employees has been used to estimate the amount of non-current liability for long service leave. This turnover rate is representative of the Health public authorities in general.

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements For the year ended 30 June 2009

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 Trust each on account of resignation or retirement at 10.6%. This assumption was based on an analysis of the turnover rates exhibited by employees over a five years period. Employees with leave benefits to which they are fully entitled are assumed to take all available leave uniformly over the following five years to age 65 or earlier.

Note 5 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Trust has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2008 that impacted on the Trust:

Review of AAS27 'Financial Reporting by Local Governments', AAS29 'financial Reporting by Government Departments' and AAS 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS27, AAS 29 and AAS31:

AASB 1004 'Contributions';

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB101, AASB114, AASB116, AASB127 & AASB 137]; and

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

The existing requirements in AAS27, AAS29 and AAS31 have been transferred to the above new and revised topic-based Standards and Interpretation. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 do not apply to Statutory Authorities. The other Standards and Interpretation make some modifications to disclosures and provide additional guidance (*for example, Australian Guidance to AASB 116, Property, Plant and Equipment* in relation to heritage and cultural assets has been introduced), otherwise there is no financial impact. The following Australian Accounting Standards and Interpretations are not applicable to the Trust as they have no impact or do not apply to not-for-profit entities:

AASB Standards and Interpretations

1048	'Interpretation and Application of Standards' (issued September 2008)
1049	'Whole of Government and General Government Sector Financial Reporting' (revised – October 2007)
1050	'Administered Items'
1051	'Land Under Roads'

1052	'Disaggregated Disclosures'
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 1-8
2008-10	'Amendments to Australian Accounting Standards – Reclassification of Financial Assets [AASB 7 & AASB 139]'
2008-12	'Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition [AASB 7, AASB 139 & AASB 2008-10]'
Interpretation 4	'Determining whether an Arrangement contains a Lease' (revised – February 2007)
Interpretation 12	'Service Concessions Arrangements'
Interpretation 13	'Customer Loyalty Programmes'
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'
Interpretation 129	'Service Concession Arrangements: Disclosures'

Future impact of Australian Accounting Standards not yet operative

The Trust 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'. Consequently, the Trust has not applied the flowing Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the trust but are not yet effective. Where applicable, the Trust plans to apply these Standards and Interpretations from their application date:

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements' (September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will required that owner changes in equity are presented separately from non-owner changes in equity. The Trust does not expect any financial impact when the Standard is first applied.	1 January 2009
AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB110]'. This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Department where the Crown land is to be sold by the Department for Planning and Infrastructure. The Department does not expect any financial impact when the Standard is first applied prospectively.	1 July 2009

Note 6 Employee benefits expense	2008	2007
	\$	\$
Salaries and wages (a)	897,778	776,803
Superannuation - defined contribution plans (b)	52,339	47,995
Annual leave and time off in lieu leave (c)	104,406	97,456
Long service leave (c)	29,568	41,436
	<u>1,084,091</u>	<u>963,690</u>

(a) Includes the value of the fringe benefit to the employees. The fringe benefits tax component is included at note 11 'Other expenses'.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs expense is included at note 10 'Other expenses'. The employment on-costs liability is included at note 21 'Provisions'.

Note 7 Depreciation and amortisation expense

Depreciation

Site works	547,746	480,876
Other plant and equipment	<u>6,375</u>	<u>4,395</u>
	554,121	485,271

Amortisation

Intangible assets	10,206	13,138
Total depreciation and amortisation	<u>564,327</u>	<u>498,409</u>

Note 8 Capital user charge

-	1,513,000
---	-----------

The charge was a levy applied by Government for the use of its capital. The final charge was levied in 2006-07.

Note 9 Net gain / (loss) on disposal of non-current assets

Cost of disposal of non-current assets

Property, plant and equipment	-	(2,573)
-------------------------------	---	---------

Net gain/(loss)

-	(2,573)
---	---------

See note 2(g) 'Non-current assets held for sale', note 19 'Non-current assets held for sale and note 17 'Property, plant and equipment'.

Note 10 Other expenses

Communications	1,036	1,301
Computer services	3,706	1,362
Employment on-costs (a)	1,950	15,800
Legal expenses	73,289	-
Motor vehicle expenses	2,548	540
Operating lease expenses	22,185	3,574
Printing and stationery	50,888	48,425
Rental of property	-	350
Repairs, maintenance and consumable equipment expense	519,444	494,750
Purchase of external services	32,483	23,490
Other	<u>111,773</u>	<u>50,188</u>
	<u>819,302</u>	<u>639,780</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 21 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Note 11 Parking revenues	2008	2007
	\$	\$
Staff parking fees	775,615	879,102
Other parking fees	921,128	720,099
Fines and penalties	63,654	35,770
	<u>1,760,397</u>	<u>1,634,971</u>

Note 12 Other revenues

Rent from commercial properties	340,802	245,350
Other	143,669	119,709
	<u>484,471</u>	<u>365,059</u>

Note 13 Service appropriations

Appropriation revenue received during the year:		
Service appropriations	<u>630,676</u>	<u>1,999,046</u>

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 14 Cash and cash equivalents

Cash on hand	200	200
Cash at bank	140,756	872,161
Deposits at call	2,521,819	1,741,035
	<u>2,662,775</u>	<u>2,613,396</u>

Note 15 Receivables

Current

Accrued Parking Revenue	38,638	25,283
Accrued Fines Revenue	22,715	7,430
Accrued Rental	34,876	26,843
Accrued Interest	21,328	11,608
Other receivables	329	5,625
	<u>117,886</u>	<u>76,789</u>

Credit Risk

Ageing of receivables past due but not impaired based on the information provided to senior management, at the balance sheet date:

Not more than 3 months	22,034	10,350
More than 3 months but less than 6 months	360	1,325
More than 6 months but less than 1 year	650	1,380
More than 1 year	-	-
	<u>23,044</u>	<u>13,055</u>

The Trust does not hold any collateral as security or other credit enhancements relating to receivables.

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

Note 16 Amounts receivable for services

Non-current	<u>4,174,722</u>	<u>3,544,046</u>
	<u>4,174,722</u>	<u>3,544,046</u>

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 17 Property, plant and equipment	2008 \$	2007 \$
Land		
At fair value (a)	305,000	305,000
	<u>305,000</u>	<u>305,000</u>
Site works		
<u>Clinical:</u>		
At fair value	19,175,533	18,739,060
Accumulated depreciation	-	(480,876)
	<u>19,175,533</u>	<u>18,258,184</u>
Other plant and equipment		
At cost	723,230	78,932
Accumulated depreciation	(48,510)	(42,134)
	<u>674,720</u>	<u>36,798</u>
Total of property, plant and equipment	<u>20,169,510</u>	<u>18,599,982</u>

(a) Land and Site works were revalued as at 1 July 2007 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2008 and recognised at 30 June 2008. In undertaking the revaluation, fair value of land and Site works was determined on the basis of depreciated replacement cost. See note 2(d) 'Property, Plant and Equipment'.

Valuation Services, the Office of the Auditor General and the Department of Treasury and Finance assessed the valuations globally to ensure that the valuations provided (as at 1 July 2007) were compliant with fair value at 30 June 2008.

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.

Land

Carrying amount at start of year	305,000	244,000
Revaluation increments / (decrements)	-	61,000
Carrying amount at end of year	<u>305,000</u>	<u>305,000</u>

Site works

Carrying amount at start of year	18,258,184	16,029,202
Revaluation increments / (decrements)	1,465,095	2,709,858
Depreciation	(547,746)	(480,876)
Carrying amount at end of year	<u>19,175,533</u>	<u>18,258,184</u>

Other plant and equipment

Carrying amount at start of year	36,798	43,766
Disposals	-	(2,573)
Depreciation	(6,375)	(4,395)
Carrying amount at end of year	<u>674,720</u>	<u>36,798</u>

Total property, plant and equipment

Carrying amount at start of year	18,599,982	16,316,968
Disposals	-	(2,573)
Revaluation increments / (decrements)	1,465,095	2,770,858
Depreciation	(554,121)	(485,271)
Carrying amount at end of year	<u>20,169,510</u>	<u>18,599,982</u>

(a) Impairment loss recognised in the Income Statement.

Note 18 Impairment of Assets

There were no indications of impairment to property, plant and equipment, and intangible assets at 30 June 2008.

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

All surplus assets at 30 June 2008 have either been classified as assets held for sale or written off.

Note 19 Intangible assets	2008	2007
	\$	\$
Computer software		
At cost	113,513	113,513
Accumulated amortisation	(95,653)	(85,447)
	<u>17,860</u>	<u>28,066</u>

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	28,066	41,204
Amortisation expense	(10,206)	(13,138)
Carrying amount at end of year	<u>17,860</u>	<u>28,066</u>

Note 20 Payables

Current

Trade creditors	116,772	5,856
Accrued expenses	90,873	8,175
Accrued salaries	16,291	13,165
	<u>223,936</u>	<u>27,196</u>

(See also note 2(m) 'Payables' and note 34 'Financial instruments')

Note 21 Provisions

Current

Employee benefits provision		
Annual leave (a)	169,162	147,690
Time off in lieu leave (a)	9,129	6,794
Long service leave (b)	85,502	60,803
	<u>263,793</u>	<u>215,287</u>

Non-current

Employee benefits provision		
Long service leave (b)	37,431	54,320
	<u>37,431</u>	<u>54,320</u>

Total Provisions	<u>301,224</u>	<u>269,607</u>
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(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	115,419	95,443
More than 12 months after balance sheet date	62,872	59,041
	<u>178,291</u>	<u>154,484</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	20,563	15,947
More than 12 months after balance sheet date	102,370	99,176
	<u>122,933</u>	<u>115,123</u>

(c) The settlement of annual and long service leave liabilities give rise to the payment of employment on-costs including workers compensation insurance. 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 10 'Other expenses'.

Note 22 Other liabilities

Current

Income received in advance	5,100	30,992
	<u>5,100</u>	<u>30,992</u>

Note 23 Reserves	2008 \$	2007 \$
Asset revaluation reserve (a)		
Balance at start of year	21,526,827	18,755,969
Net revaluation increments / (decrements) (b) (c) :		
Land	-	61,000
Site works	1,465,095	2,709,858
Balance at end of year	<u>22,991,922</u>	<u>21,526,827</u>

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

(b) Any increment is credited directly to the asset revaluation reserve, except to the extent that any increment reverses a revaluation decrement previously recognised as an expense.

(c) Any decrement is recognised as an expense in the Income Statement, except to the extent that any decrement reverses a revaluation increment previously credited to the asset revaluation reserve.

Note 24 Accumulated surplus/(deficit)

Balance at start of year	3,007,657	2,494,651
Result for the period	612,913	513,006
Balance at end of year	<u>3,620,570</u>	<u>3,007,657</u>

Note 25 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 14)	2,662,775	2,613,396
	<u>2,662,775</u>	<u>2,613,396</u>

b) Reconciliation of net cash flows to net cost of services used in operating activities

Net cash used in operating activities (Cash Flow Statement)	707,932	545,655
Increase/(decrease) in assets:		
Other current receivables	(5,296)	1,612
Decrease/(increase) in liabilities:		
Payables	(196,740)	41,804
Current provisions	(48,506)	(53,637)
Non-current provisions	16,889	(10,651)
Income received in advance	25,892	3,159
Non-cash items:		
Depreciation expense (note 7)	(564,327)	(498,409)
Net gain / (loss) from disposal of non-current assets (note 9)	-	(2,573)
Capital user charge paid by Department of Health (note 8)	-	(1,513,000)
Adjustment for other non-cash items	46,393	-
Net cost of services (Income Statement)	<u>(17,763)</u>	<u>(1,486,040)</u>

c) Notional cash flows

Service appropriations as per Income Statement	630,676	1,999,046
	<u>630,676</u>	<u>1,999,046</u>
Less notional cash flows:		
Items paid directly by the Department of Health for the Trust and are therefore not included in the Cash Flow Statement:		
Capital user charge	-	(1,513,000)
Accrual appropriations	(630,676)	(486,046)
	<u>(630,676)</u>	<u>(1,999,046)</u>

Cash Flows from State Government as per Cash Flow Statement

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

	2008	2007
	\$	\$

Note 26 Remuneration of members of the Accountable Authority and senior officers

Remuneration of members of the Accountable Authority

The members of the Accountable Authority are appointed on a voluntarily basis and do not receive any remuneration.

Note 27 Remuneration of auditor

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

Auditing the accounts, financial statements and performance indicators	16,550	15,500
--	--------	--------

Note 28 Commitments

The Trust had no commitments for expenditure at the balance sheet date.

Note 29 Contingent liabilities and contingent assets

At the balance sheet date, the Trust is not aware of any contingent liabilities and contingent assets.

Contaminated Sites

Under the Contaminated Sites Act 2003, the Trust is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Trust may have a liability in respect of investigation or remediation expenses.

During the year the Trust reported no suspected contaminated sites to DEC. These have yet to be classified. The Trust is unable to assess the likely outcome of the classification process, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the Trust may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

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 Trust and is subject to operational control by the Trust.

The Trust had 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 Trust and is not subject to operational control by the Trust.

The Trust had no affiliated bodies during the financial year.

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30th June 2008

Note 33 Explanatory Statement

(A) Significant variances between actual results for 2007 and 2008

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	2008 Actual \$	2007 Actual \$	Variance \$
Expenses				
Employee benefits expense	(a)	1,084,091	963,690	120,401
Patient support costs	(b)	-	-	-
Depreciation and amortisation expense	(c)	564,327	498,409	65,918
Capital user charge	(d)	-	1,513,000	(1,513,000)
Loss on disposal of non-current assets	(e)	-	2,573	(2,573)
Other expenses	(f)	819,302	639,780	179,522
Income				
Interest revenue	(g)	205,090	131,382	73,708
Other revenues	(h)	484,471	365,059	119,412
Service appropriations	(i)	630,676	1,999,046	(1,368,370)

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

- (a) Employee benefits expense
Salaries expenses increased primarily to two factors:
1. industrial agreement negotiated escalations; and
2. establishment and recruitment of additional staff into a new Parking branch in March 08 to support significant parking policy changes on QEIMC site.
- (c) Depreciation and amortisation expense
Increased depreciation due to revaluation of existing assets and capitalisation of works increasing total asset base.
- (d) Capital user charge
Not applicable in 2007/08.
- (e) Loss on disposal of non-current assets
No items disposed of in 2007/08
- (f) Other expenses
Other expenses were higher than previous year due:
1. Legal costs associated with the facilitation of establishing leases including the WAIMR ground lease and progressing amendments to bylaws;
2. Additional repairs on grounds and maintenance of car parks were undertaken throughout the year.
- (g) Interest revenue
The 06/07 year had \$1.67m invested at an average interest rate of 6.2% while the 07/08 year had an average of \$2.58m invested at an average interest rate of 7.18%. This combination of higher rates and higher principal resulted in an increase in overall interest revenue.
- (h) Other revenues
Parking revenue increased due to the implementation and enforcement of the new parking policy.
- (i) Service appropriations
Decrease due to offset with removal of capital user charge.

Note 33 Explanatory Statement (continued)**(B) Significant variations between estimates and actual results for 2008**

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.

	Note	2008 Actual \$	2008 Estimates \$	Variance \$
Operating expenses				
Employee benefits expense	(a)	1,084,091	1,050,000	34,091
Other goods and services	(b)	1,383,629	1,593,000	(209,371)
Total expenses		2,467,721	2,643,000	(175,279)
Less: Revenues	(c)	(2,449,958)	(2,292,000)	(157,958)
Net cost of services		17,763	351,000	(333,237)

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

- █ (a) █ Employee benefits expense
Salaries expenses increased primarily to the establishment and recruitment of additional staff into a new Parking branch in March 08 to support significant parking policy changes on QEIIIMC site.
- █ (b) █ Other goods and services
Original estimate included a greater program of repairs and maintenance than was actually implemented. The extent of this program was amended following a revised planning and needs assessment.
- █ (c) █ Revenues
Revenues were estimated based on set increases in tenant rentals and increased parking revenues from the introduction of a new boomgate arrangement. While the new boomgates were not implemented during the year, revised parking arrangements did contribute to the increased revenues raised. Increases in investment income were also achieved due to higher interest rates.

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30th June 2008

Note 34 Financial instruments

a) Financial risk management objectives and policies

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

Credit risk

Credit risk arises when there is the possibility of the Trust's receivables defaulting on their contractual obligations resulting in financial loss to the Trust. The Trust measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

Credit risk associated with the Trust's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Trust trades only with recognised, creditworthy third parties. The Trust has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Trust is exposed to liquidity risk through its normal course of operations. Liquidity risk arises when the Trust is unable to meet its financial obligations as they fall due.

The Trust 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.

Market risk

The Trust does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes).

The Trust is not exposed to interest rate risk because cash and cash equivalents are non-interest bearing.

b) Categories of financial instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008 \$	2007 \$
Financial Assets		
Cash and cash equivalents	2,662,775	2,613,396
Loans and receivables (a)	4,292,608	3,620,835
Financial Liabilities		
Financial liabilities measured at amortised cost	223,936	27,196

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2009

Note 34 Financial instruments (continued)

c) Financial instrument disclosures

Credit risk, liquidity risk and interest rate risk exposure

The following table details the exposure to liquidity risk and interest rate risk as at the balance sheet date. The Trust's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to senior management of the Trust. The contractual maturity amounts in the table are representative of the undiscounted amounts at the balance sheet date. An adjustment for discounting has been made where material.

	<u>Weighted average effective interest rate</u>	<u>Variable interest rate</u>	<u>Non- interest bearing</u>	<u>Contractual maturity dates</u>						<u>Total</u>
	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>3-4 years</u>	<u>4-5 years</u>	<u>More than 5 years</u>	<u>\$</u>
As at 30th June 2008										
Financial Assets										
Cash and cash equivalents	7.49%	2,662,575	200							2,662,775
Receivables (a)			117,886							117,886
Amounts receivable for services			4,174,722							4,174,722
		2,662,575	4,292,808	-	-	-	-	-	-	6,955,383
Financial Liabilities										
Payables			223,936							223,936
		-	223,936	-	-	-	-	-	-	223,936

Note 34 Financial instruments (continued)

	<u>Weighted average effective interest rate</u>	<u>Variable interest rate</u>	<u>Non- interest bearing</u>	<u>Contractual maturity dates</u>						<u>Total</u>
	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>3-4 years</u>	<u>4-5 years</u>	<u>More than 5 years</u>	<u>\$</u>
As at 30th June 2007										
Financial Assets										
Cash and cash equivalents	6.2%	2,613,196	200							2,613,396
Receivables (a)			76,789							76,789
Amounts receivable for services			3,544,046							3,544,046
		2,613,196	3,621,035	-	-	-	-	-	-	6,234,231
Financial Liabilities										
Payables			27,196							27,196
		-	27,196	-	-	-	-	-	-	27,196

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

Note 34 Financial instruments (continued)

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Trust's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	<u>Carrying Amount</u>	<u>-1% change</u>		<u>+1% change</u>	
	<u>\$</u>	<u>Profit</u> \$	<u>Equity</u> \$	<u>Profit</u> \$	<u>Equity</u> \$
As at 30th June 2008					
Financial Assets					
Cash and cash equivalents	2,662,775 ✓	(26,628) ✓	(26,628)	✓ 26,628 ✓	26,628
Total Increase/(Decrease)		<u>(26,628)</u>	<u>(26,628)</u>	<u>26,628</u>	<u>26,628</u>

	<u>Carrying Amount</u>	<u>-1% change</u>		<u>+1% change</u>	
		<u>Profit</u>	<u>Equity</u>	<u>Profit</u>	<u>Equity</u>
As at 30th June 2007	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalents	2,613,396 ✓	(26,134) ✓	(26,134)	✓ 26,134 ✓	26,134
Total Increase/(Decrease)		<u>(26,134)</u>	<u>(26,134)</u>	<u>26,134</u>	<u>26,134</u>

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 otherwise stated in the applicable notes.

Note 35 Not for profit leases

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

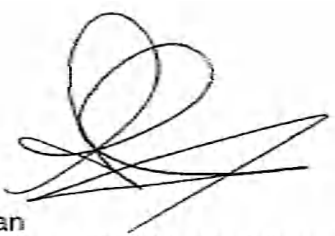
Based on indicative rental rates from the Valuers General's Office in 2007 and escalated by the Perth CPI for 2007/08 of 4.5% as per ABS this represents \$2,270,742

Tenant	Area (sqm)	Annual Value \$
Allergy & Asthmas Research Institute	103	13,585
Australian Neuromuscular Research Institute	3,279	308,275
Cancer Foundation – Crawford Lodge (land)	6,300	271,700
Heart Research Institute	491	143,688
Institute of Radiochemical Engineering	31	4,389
Keogh Institute for medical Research (A Block 3 rd floor)	705	88,825
Lions Ear & Hearing (A Block 2 nd floor)	2,964	276,925
Lions Eye Institute (AA Block – land)	2,600	188,100
State Head Injuries Unit	313	41,800
The Niche – Cystic Fibrosis WA (land)	6,200	454,575
WA Institute for Medical Research	1,508	438,900
WA Sleep Disorders Research Institute	281	39,710
Total		2,270,472

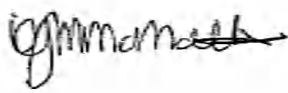
Appendix 2 Key Performance Indicators

Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the QEIMC Trust's performance, and fairly represent the performance of the Queen Elizabeth II Medical Centre Trust for the financial year ended 30 June 2009.



S Cole
Chairman
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009



G McMath
Member
Queen Elizabeth II Medical Centre Trust
Date: 14/9/2009

Key Performance Indicators

Outcome 1

This outcome is achieved through improving, maintaining the Reserve, providing safe and accessible facilities and by actively seeking to improve and provide additional staff and visitor facilities and services.

A Site User Survey was conducted over a four week period in May and June 2009. For the second year running the survey was conducted electronically and anonymously and was made available to all QEIMC employees on the QEIMC Trust's website.

In preparing the survey results, the QEIMC Trust used a software package "Vanguard Software" which examined all the questions in pairs to see if there are any correlations between answers. Whenever a significant correlation was found, it was noted and is used in determining what demographic or experience characteristics tend to drive key measures such as overall satisfaction.

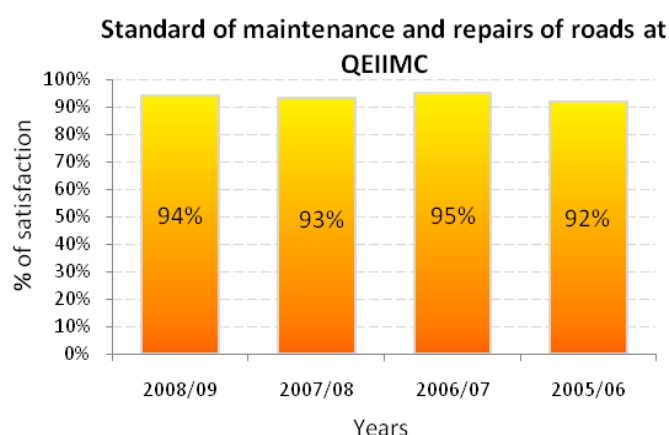
In 2009, the scale used to measure the satisfaction is include Fair, Good, Very Good and Excellent, which is consistent with the methodology of prior years.

A total of 322 responses to the survey were received compared to 659 in 2007/08 and 316 in 2006/07. The low response was due to a number of surveys being conducted simultaneously throughout the various organisations.

The survey was conducted at a time where staff were reapplying for their parking permits for 2009/10. The survey results reflect the disapproval and poor parking conditions on the QEIMC site.

Key Effectiveness Indicators

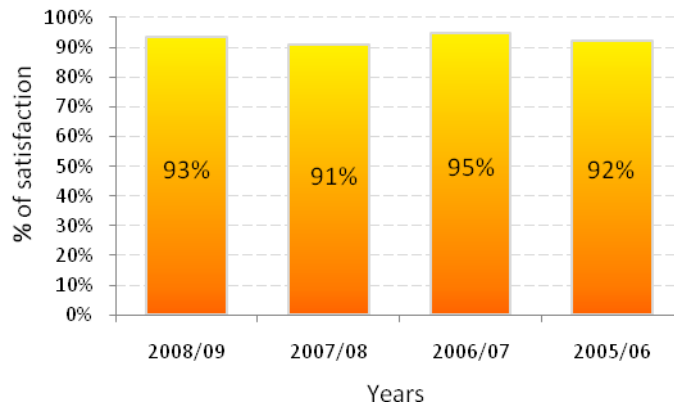
1.1 Standard of maintenance and repair of roads paths, parking areas and grounds and gardens on the Reserve.



This key indicator measures the level of standard of maintenance and repairs of the roads at the QEIMC site.

In 2008/09 the standard slightly increased due to the extensive road repairs along Hospital Ave and minor road repairs along the secondary roads.

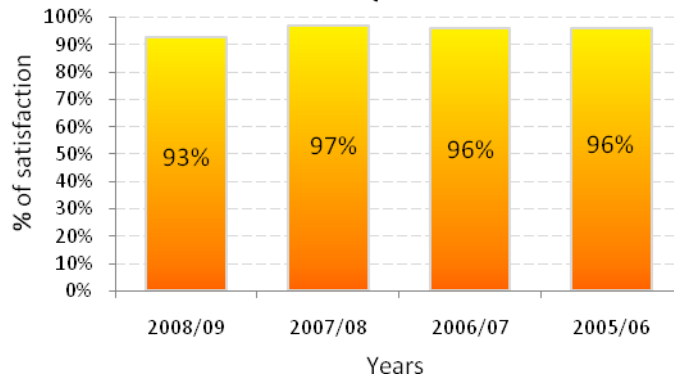
Standard of maintenance and repairs of paths at QEIIIMC



This key indicator measures the level of standard of maintenance and repairs of paths at the QEIIIMC site.

In 2008/09 the standard slightly increased due to the extensive road and path repairs along Hospital Ave and minor road repairs along the secondary roads.

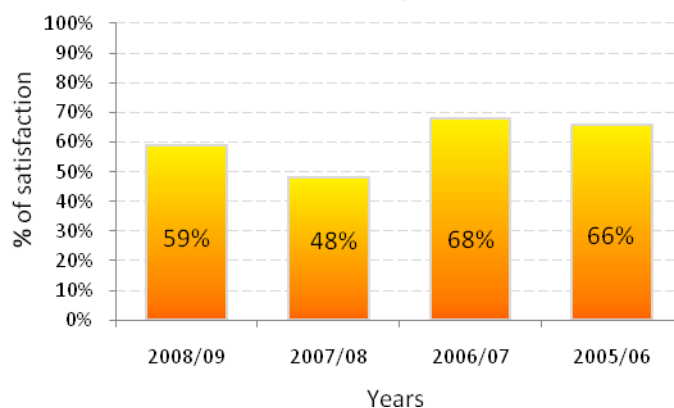
Standard of maintenance of gardens and grounds at QEIIIMC



This indicator measures the level of standard of maintenance of gardens and grounds at the QEIIIMC site.

The decrease is due to the high turnover of staff and the number of vacant staffing positions.

Standard of maintenance and repairs of parking areas at QEIIIMC

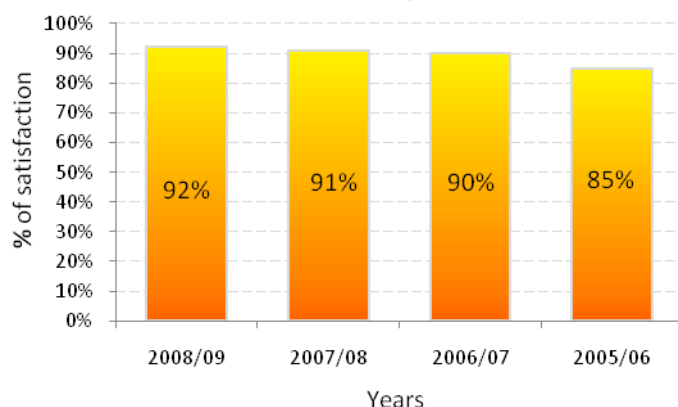


The key indicator measures the level of standard of maintenance and repairs of the parking areas at the QEIIIMC site.

In 2008/09 the standard increased due to the extensive maintenance program including repainting of road and parking lines, new parking signs and repairs to the roads within the number of car parks throughout the site.

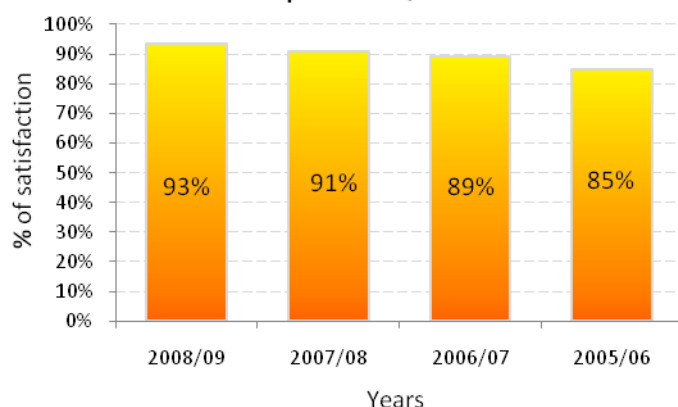
1.2 Timeliness of maintenance and repair of roads, paths, parking areas and grounds and gardens on the Reserve.

Satisfaction levels of maintenance and repairs of roads at QEIIIMC



This key indicator measures the satisfaction level of the timeliness of maintaining and repairing of roads on the QEIIIMC site.

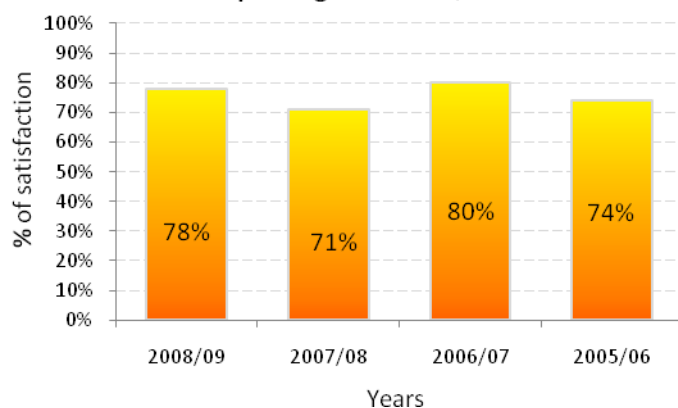
Satisfaction levels of maintenance and repairs of paths at QEIIIMC



This key indicator measures the satisfaction level of timeliness of maintaining and repairing the paths at QEIIIMC.

In 2008/09 the standard slightly increased due to the extensive road and path repairs along Hospital Ave and minor road repairs along the secondary roads.

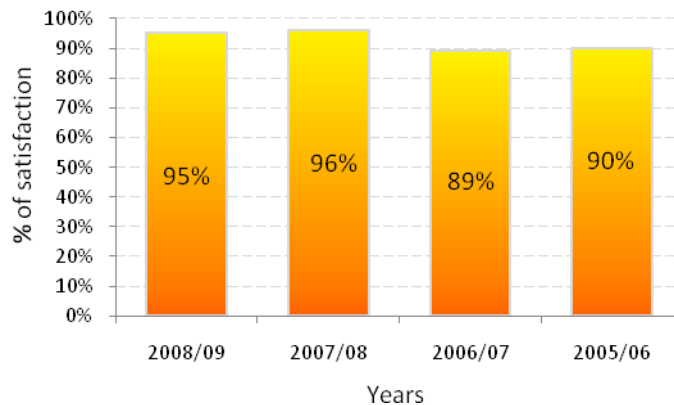
Satisfaction levels of maintenance and repairs of parking areas at QEIIIMC



This key indicator measures the satisfaction level of timeliness of maintaining and repairing the paths at QEIIIMC.

In 2008/09 the standard slightly increased due to the extensive road and path repairs along Hospital Ave and minor road repairs along the secondary roads.

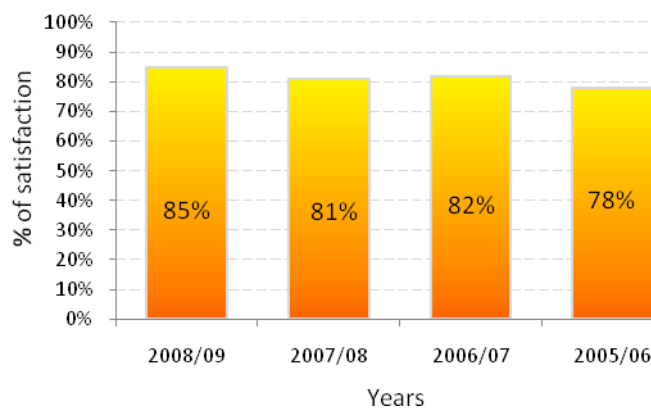
Satisfaction levels of maintenance and repairs of gardens and grounds area at QEIIIMC



This key indicator measures the satisfaction level of timeliness of maintaining gardens and grounds at the QEIIIMC site.

1.3 Standard of lighting on the Reserve.

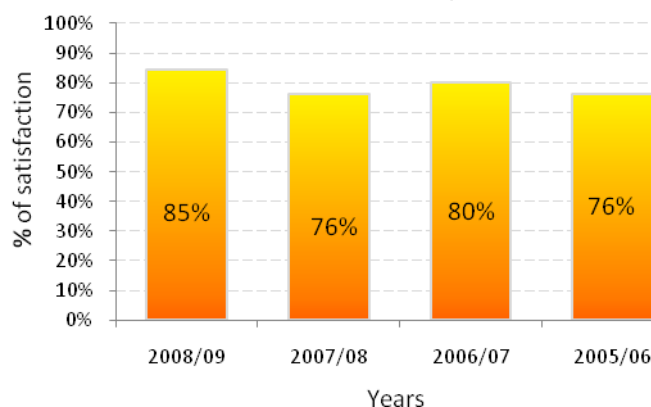
Standard of external lighting at QEIIIMC



This key indicator measures the standard of external lighting at the QEIIIMC site.

1.4 Standard of security (external) for vehicular movement around the Reserve and illegal parking.

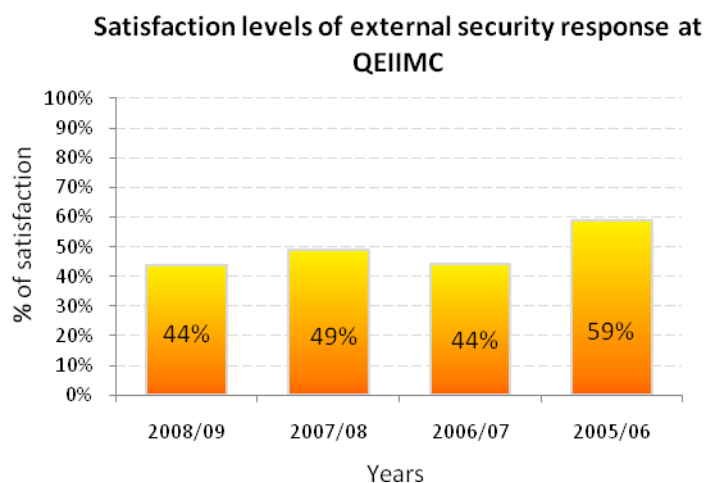
Satisfaction levels of security vehicular movements around QEIIIMC



This key indicator measures the satisfaction level of employees of providing vehicular movements around the QEIIIMC site.

The significant increase is primarily due to the presence of three new parking officers which has enhanced the security throughout the car parks onsite.

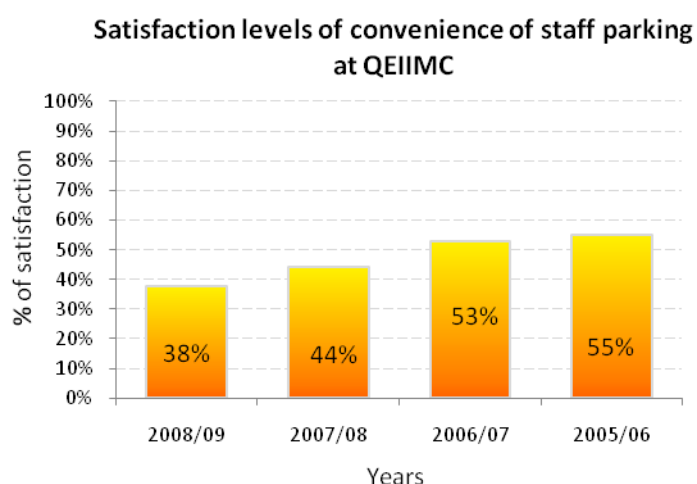
1.5 Timeliness of external security response time after requesting assistance.



This key indicator measures the satisfaction level of timeliness of external security responses at the QEIIMC site.

The decrease in satisfaction is due to the reduction of services provided by the security officers.

1.6 Convenience of the parking facilities provided to staff members at QEIIMC.



This key indicator measures the satisfaction level of parking facilities provided to staff.

A new parking policy has been implemented whereby staff are required to apply for parking annually. This has resulted in many staff not receiving a parking permit as they do not meet the criteria for onsite parking.

1.7 Convenience of parking facilities to visitors at QEIIMC.



This key indicator measures the satisfaction level of parking facilities provided to staff.

The increase is due to the implementation of the new boom gates in the main visitor car park which has deterred many staff parking from illegally parking.

Outcome 2

This outcome is achieved by providing a security service to property on the QEIIMC site. This indicator refers to the ratio of cars stolen from the QEIIMC site in relation to the number of car parking bays available.

As at 30 June 2009, the QEIIMC had a total of 3,073 parking bays (982 visitors and 2,091 staff).

Key Effectiveness Indicators

2.1 Total number of motor vehicles stolen from the QEIIMC car parks in comparison to the total number of car parking bays.

This key indicator measures the number of vehicles have been broken into from the QEIIMC car parks. This provides a measure of the effectiveness of the car park and grounds security over time.

	2008/09	2007/08	2007/06	2006/05
Percentage of vehicles stolen in comparison to the number of car parking bays	0.033%	0%	0.033%	0.126%

One vehicle was stolen on site for the year 2008/09.

Key Efficiency Indicators

The Trust's main function is to undertake the development, control and management of the Reserve. The total area of the Reserve is 28.4749 hectares.

1 Operating cost per hectare

This indicator is to measure the success of developing, controlling and managing the QEIIMC site.

	2008/09	2007/08	2006/07
Operating cost per hectare	\$132,424	\$86,663	\$73,840

The increase is primarily due to: salaries and wages award increase of 4%; creation of a new parking branch (eight new employees were employed to maintain the administration and control of parking on the QEIIMC site); funding of the 79 bus service and the Graylands Shuttle Bus to transport staff onto the site.

2 Maintenance cost per hectare

This indicator is to measure the success of maintenance and repairs of site facilities including roads, paths, car parks, lighting and garden and grounds at the QEIIIMC site.

	2008/09	2007/08	2006/07
Operating cost per hectare	\$48,800	\$41,312	\$38,357

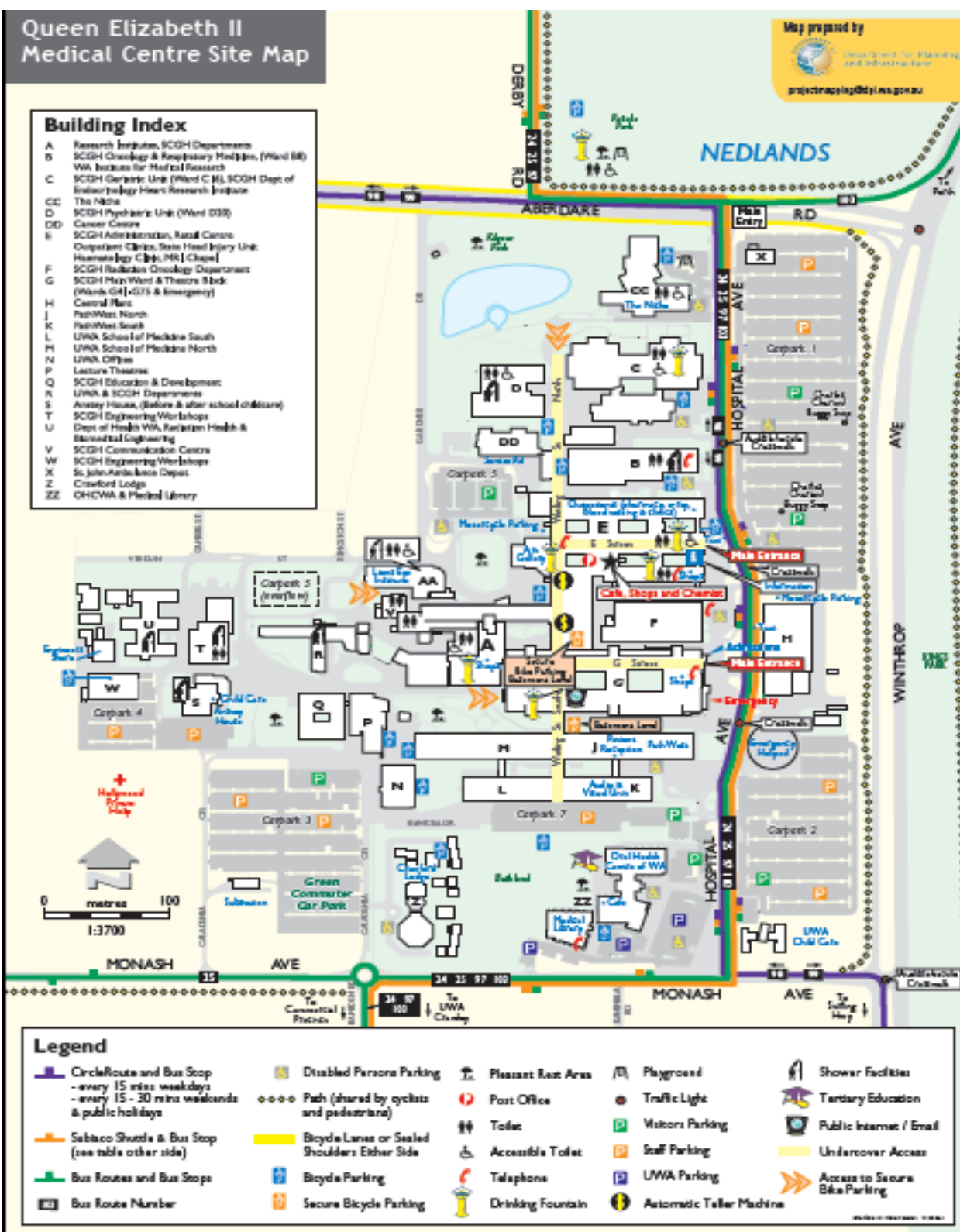
The increase is primarily due to the major replacements of parking signs throughout the site to comply with the Australian Standards, repainting of all road line markings and the increase of general maintenance on the site.

Site Map

Queen Elizabeth II Medical Centre Site Map

Building Index

- A Research Institutes, SCGH Departments
- B SCGH Oncology & Respiratory Medicine (West 80)
- WA Institute for Medical Research
- C SCGH Geriatric Unit (West C.M.) SCGH Dept of Endocrinology Heart Research Institute
- CC The Niche
- D SCGH Psychiatric Unit (West D30)
- DD Cancer Centre
- E SCGH Administration, Retail Canteen
- F Computer Clinics, Bone Head Injury Unit
- G SCGH Radiation Oncology Department
- H SCGH Main Ward & Theatre Block (Wards G4) & GTS & Emergency
- I Casual Plans
- J PathWest North
- K PathWest South
- L UWA School of Medicine South
- M UWA School of Medicine North
- N UWA Offices
- P Lecture Theatre
- Q SCGH Education & Development
- R UWA & SCGH Departments
- S Anesky House, (before & after school children)
- T SCGH Engineering Workshops
- U Dept of Health WA, Radiation Health & Biomedical Engineering
- V SCGH Communication Centres
- W SCGH Engineering Workshops
- X St. John Ambulance Depot
- Z Crawford Lodge
- ZZ CHCWA & Medical Library





QEIIMC Trust Tenants

- Animal Care Unit (UWA)
- April Flowers
- Australian Neuromuscular Research Institute
- Bank of Queensland
- Biomedical Engineering
- The Cancer Council Western Australia
- Cystic Fibrosis Western Australia
- Charlies Chemist
- Charlies Garden Café
- Hair at Charlies
- Independent Living Centre of WA Incorporated
- Keogh Institute for Medical Research
- Lions Optic
- Lions Hearing Clinic
- Lions Eye Institute
- Lungs Institute of WA Incorporated
- Neurological Council of WA
- Oral Health Centre of WA
- Pathwest
- Radiation Health
- Sir Charles Gairdner Hospital
- Sushi Bar
- State Head Injuries Unit
- St John Ambulance
- University of Western Australia (Faculty of Medicine and Dentistry)
- WA Sleep Disorders Research Institute
- WA Heart Research Institute
- WAIMR
- Women's Auxiliary