

Annual Report 2010

**THIS REPORT** describes the functions and operations of the Queen Elizabeth II Medical Centre (QEIMC) Trust and presents the audited financial statements and performance indicators for the Trust for the year ended 30 June 2010.

In accordance with the State Government Guidelines, this Report has been produced in electronic format and can be viewed on the QEIMC Trust's website [www.qeii.health.wa.gov.au](http://www.qeii.health.wa.gov.au).



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On request this report may be made available in an alternative format for those with visual impairment.

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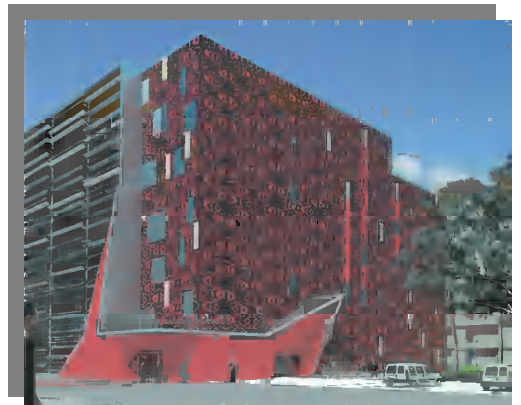
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## QEIIMC Trust

Providing a world class  
facility in clinical care,  
research and education



# Statement of Compliance

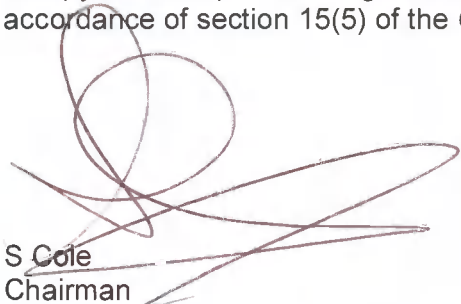
## To The Minister

**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 2010.

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 1 September 2010



G McMath

Member

Queen Elizabeth II Medical Centre Trust

Date 1 September 2010

## Chairman's Report

As I commence my second year as Chairman of the QEIIIMC Trust, it is pleasing to see the commencement of the realisation of our vision of making QEIIIMC a world class centre of medical care, education and research.

During the year, the Board approved stage 1 and stage 2 of the Master Plan as well as its associated Urban Design Guidelines. Stage 1 of the redevelopment is underway with the construction of Pathwest, Cancer Centre Stage 2 and WAIMR and is currently scheduled for completion by late 2013. This is a most significant infrastructure project since the establishment of the QEIIIMC Trust in 1966.

Further, extensive planning and negotiations have been undertaken in support of the State's major social infrastructure investment in the construction of the State's main children hospital on the Site including the relocation and renewal of the Site's Central Plant facility for the benefit of all Site users. In addition, significant planning progress has been achieved towards the essential multi storey car park which is currently proposed to be privately built, financed and operated under PPP principles.

The Trust is committed to ensuring that a viable and effective foundation is set for maintaining a sustainable transport environment to and around the QEIIIMC Site throughout the redevelopment years of the Master Plan.

Also worthy of mention was the finalisation of the QEIIIMC Public Art Strategy which is designed to contribute social and cultural values and provide the Site with a holistic sense of "wellness".

Effective financial management systems, and a strong co-operative approach to Site services and utilisation amongst the tenants, ensures the Trust is in a position to deliver 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 would like to express the Trust's appreciation to Dr David Russell-Weisz and the staff of North Metropolitan Area Health Services who support the Trust as its statutory "Delegate" in the provision of executive and managerial services. The co-operation between the Site's 2 major stakeholders, Department of Health and the University of Western Australia, in their support for the Trust's vision, has been outstanding. The Trust also continues to benefit, both as a medical centre and as a community, as a result of the input, effort and passion of all the QEIIIMC tenants, staff, volunteers and other stakeholders.

Finally, I sincerely thank my fellow Trust members for their dedication and professionalism in leading the strategic direction of the Trust.

It has been an exciting and challenging year which inspires us for the future.

**Steven Cole**  
**Chairman**



## Overview

# Executive Summary

### Performance Highlights

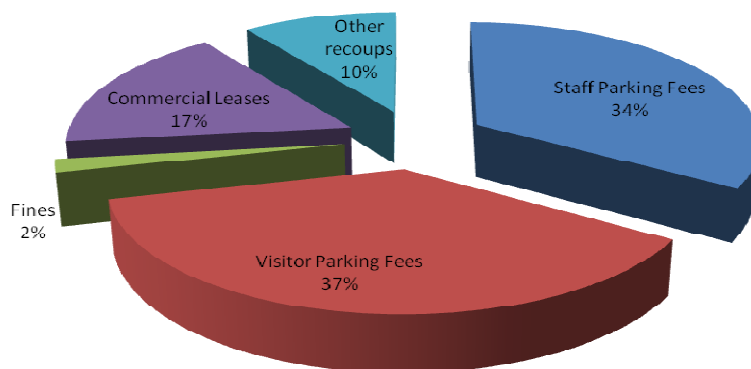
- Stage 1 and stage 2 of the QEII MC Master Plan has been endorsed by the QEII MC Trust Board.
- In April 2010, the QEII MC commenced a six year redevelopment to become a world class facility in clinical services, research and education which will benefit the people of Western Australian for generations to come. Construction has commenced for: Pathwest Stage 1; Cancer Centre Stage 2; and Western Australia Institute of Medical Research (WAMIR) Forward Works.
- With a number of constructions currently underway on the QEII MC site, a risk management plan has been completed by the Delegate to ensure minimal disruptions occur to the site.
- Extensive planning has commenced with North Metropolitan Area Health Services (MAHS) and the Office of Strategic Projects (OSP) to build a new children's hospital, central plant and multi-storey car parks which will be privately built, financed and operated.
- Planning has commenced resulting from the redevelopment with special attention to tenant charges, leases, implementation of the Urban Design Guidelines and the management of parking.
- Implemented the *QEII MC Public Arts Policy* for public arts designed on the QEII MC site with the vision that it will provide a high quality of public art that supports the aspirations of the diverse community at the QEII MC site.
- *QEII MC By-laws (Delegated Site) 1986* were updated to include the latest parking and smoking policies.
- With the introduction of the 79 bus 18 months ago, over 42,000 staff, students and visitors a month are now catching buses along Hospital Avenue.
- There has been a significant increase of sustainable travellers within the last 12 months at the QEII MC since the implementation of the electronic car pooling system and the 'Green Commuter Car Park'. As of June 2010, there are 118 car poolers and 647 Green Commuters who take alternative three times a week or more.
- A new easy to read "Visitor parking and transport handbook" was published for all visitors and outpatients about parking and travelling to and from the QEII MC site.
- The Travelsmart educational services have been further enhanced with regular inductions being held to several tenants and about the QEII MC Trust and sustainable ways in travelling to and from the QEII MC site.
- The recent Site User Survey in May 2010, supported the Trust's vision in working towards achieving a sustainable transport environment through the numerous travelsmart initiatives, events, publications, education programs and funding of public transport.

## Financial Performance

### Revenue

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

**2009-10 Income**

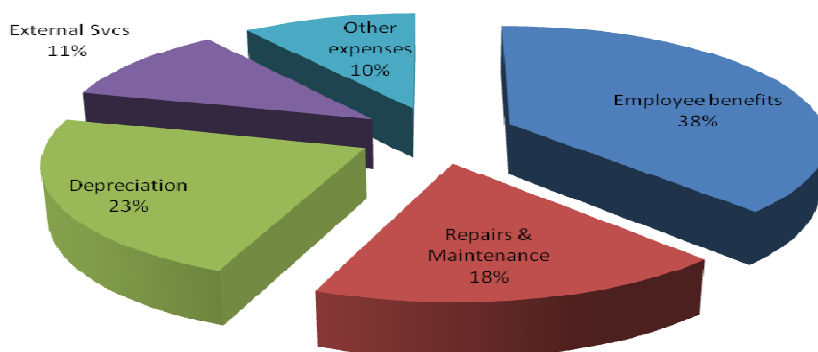


Income received by the QEIMC Trust is invested back into the QEIMC infrastructure and public transport. Currently, the QEIMC Trust pays for the Subiaco Shuttle Bus (Bus 97) and Bus 79 transporting people from the Wellington St and the Esplanade Bus Port.

### Expenditure

The QEIMC Trust's expenditure breakdown as shown in the chart below consists of 38% for employee benefits. A further 23% contributes to depreciation, 18% on repairs and maintenance and 11% to purchased external services which include funding of public transport throughout the year and funding the Graylands Shuttle bus for six months.

**2009-10 Expenditure**





## Major Initiatives for 2010/11

Major initiatives for the following year include:

- Managing the site redevelopment.
- Working with the Delegate to finalise various projects including the construction of the new children's hospital, central plant, multi storey car park and WAIMR.
- Completing the Corporate Governance Charter for the QEIIIMC Trust.
- Reviewing and updating the *Queen Elizabeth II Medical Centre Act 1966*.
- Developing a new management system for services provided to all site tenants.
- Reviewing all site leases in context of future redevelopments at QEIIIMC.
- Establishing an Implementation Plan of the Urban Design Guidelines.
- Reviewing the QEIIIMC Travel Plan and to develop new innovative sustainable transport actions and behaviour.

# Operational Structure

## Enabling Legislation

The QEII MC 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 QEII MC Trust was established under Section 7 of the *Queen Elizabeth II Medical Centre Act 1966*, to undertake the development, control and management of the QEII MC 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 QEII MC 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 Sir Charles Gairdner Hospital (SCGH).

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

## Objectives

The objectives of the QEII MC Trust are to:

- Ensure the QEII MC Reserve, as established under Section 6 of the Act, is developed within the existing geographic, environmental and functional constraints in a planned and methodical way and in accordance with the 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 professions.



Aerial view of QEII MC

## Board of Management

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

The Board consists of five members:

- Chairman
- Four 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 University of Western Australia's Senate to hold office during its pleasure.

The Chief Executive, North Metropolitan Area Health Service and Executive Director, SCGH attends the Board meetings as ex officio members 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

(8 out of possible 9)

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) and member of the National Board, Chairman of Brightwater Care Group Inc, Chairman of ASX listed Emerson Stewart Group Limited, Deputy Chairman of ASX listed Reed Resources Limited and Board member of several other subsidiaries of transnational corporations and corporate trusts. He has been the Chairman of the QEIIIMC Trust since November 2007.

### Ms Gaye McMath Deputy Chair

(9 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 and a member of the Commonwealth Government's Solar Flagship Council. She has been on the board since January 2005.

### Professor Ian Puddey

(9 out of possible 9)

Professor Ian Puddey is the Dean of the Faculty of Medicine, Dentistry and Health Sciences 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, Fellow of the Royal Australasian College of Physicians, Council on Epidemiology and Prevention, International Society and Federation of Cardiology, High Blood Pressure Research Council of Australia, Australian Atherosclerosis Society, Nutrition Society of Australia, Australian Medical Association, and International Scientific Forum on Alcohol Research. He 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. Ian is the Director Project Advantage Implementation for St John of God Health Care. His previous positions include Director Capital Management and Executive Director Finance and Corporate Services both for North Metropolitan Area Health Service, Chairman of Resonance Health Ltd, Director of Leadership WA, General Manager (Performance Consulting) with Gerard Daniels Australia and Chief Executive Officer of SKG Radiology. He has an MBA from the UWA and is a Fellow of the Australian Institute of Company Directors.

**Mr Wayne Salvage**

**(6 out of possible 6)**

Wayne Salvage was appointed to the Board in October 2009. Wayne is the Acting Director, Finance and Contracting in the Department of Health. Prior to his current role, Wayne has held a number of senior positions in the Department including having executive responsibility for clinical modelling and infrastructure, the Director General's Division and Budget Strategy.

**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 QEIIIMC 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

## Significant issues

Stage 1 and 2 of the QEII MC Master Plan has been endorsed by the QEII MC Trust. The Master Plan proposes a world-class facility that will facilitate and support leadership in clinical care, research and education to the state of Western Australia.

Expression of Interest has been called to build the multi-storey car park at QEII MC. The State Government has advertised the Expression from private companies to build, finance and operate two multi-storey car parks on site. It is anticipated that the successful contractor will operate all multi storey car parks. At the end of the operation contract period, all of the car parks will be transferred to QEII MC Trust ownership.

The extent of the redevelopment activity at the QEII MC over the next six years will attract an increasing amount of traffic to the site and the contribution of the multi storey car parks will help to meet an increasing need for parking at this site.

A new children's hospital is set to be built at the QEII MC to replace Princess Margaret Hospital for Children. The new hospital will be a state-of-the-art facility to rival the best in the world. Detailed planning is currently underway to determine the total number of beds and other facilities.

With three projects having already commenced and another four commencing within the next 18 to 24 months time, the QEII MC Trust is working very closely with the Delegate to ensure all efforts have been taken to ensure core activities and services will continue with minimal disruptions.



Redevelopment: Cancer Centre Stage 2

## Overview of the QEII MC Trust's operations

Over the last 12 months the QEII MC Trust has been busily developing and implementing systems, policies and procedures that will benefit staff, patients, students and visitors. With the redevelopment having commenced in April 2010, reviewing and executing tenant leases, tenant charges, reviewing new revenue strategies and corporate governance has been the primary focus for the QEII MC Trust.

## Parking and External Security

Traffic management and parking have been very challenging for visitors, patients, staff and students for a number of years and even so more now with the commencement of the redevelopment.

About 100 "educational" sessions have been conducted throughout the year to students, new employees and various tenants to ensure staff are updated with the latest parking movements due to the redevelopment on where to park and using alternative transportation.

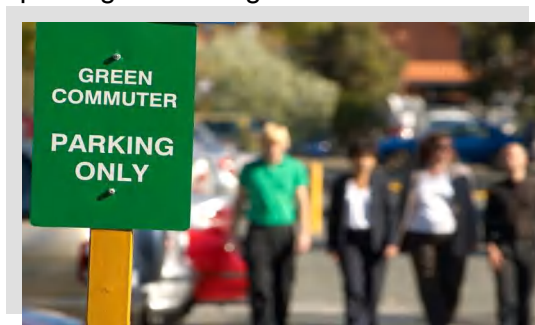
The Parking Branch has overseen its third year of the new staff parking permit application process. Over 5,000 were processed in time for the new 2010/11 year on a priority basis.

New systems and processes have been put in place which has enhanced the overall process and making less stressful for the Parking Branch and for the QEIIIMC staff.

The Parking Branch have now installed EFTPOS and credit card machines in their offices, making it easier for visitors and staff to pay for their parking and infringements.

The Green Commuter Car Park has been a great success with 647 green commuters currently using this car park for two days a week. With the continuous advertising to carpool throughout the site the overall number of car poolers has increased to 118.

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



## Travelsmart

With the redevelopment having commenced, the Travel Smart Co-ordinator plays an essential role in achieving a sustainable transport environment. Marketing and promotional campaigns have been revamped to ensure staff, students and visitors have a number of options travelling to the QEIIIMC site.

Cycling has exceeded the expected target for 2010 due to the various cycling initiatives implemented on site. As a result of this a second “End of Trip Bike Facility” has been restored in the basement of C Block which can park up to 50 bikes. The existing bike facilities are currently being renovated to include extra services such as irons, ironing boards and hairdryers for all cyclists.

Extensive marketing campaigns are currently being developed to further promote car pooling and public transport for visitors, students and outpatients.

A new booklet has been published “Visitor Parking and Transport Handbook” which are available to all visitors on how to travel to and from the QEIIIMC site. The feedback received have been very positive.

The Shenton Park Bicycle Program started off fairly slowly earlier in the year and now a number of these bicycles are booked for weeks at a time.

Events such as “Walk to Work” day, “Ride to Work” day and Travelsmart week have been a great success in raising awareness in trying to achieve a sustainable transport environment at QEIIIMC.



## Maintenance

Significant reticulation and drainage maintenance have occurred throughout the year especially after the major hail storm in March 2010. Extensive damages were suffered throughout the site especially within the parking areas including the parking machines.



Changes to parking areas and creating temporary parking areas for staff, visitors and patients have been occurring on a regular basis and will continue until the redevelopment is complete.

The overall maintenance works program at the QEIIIMC site will reduce throughout the redevelopment years as many of the routine maintenance will be incorporated as part of the redevelopment.

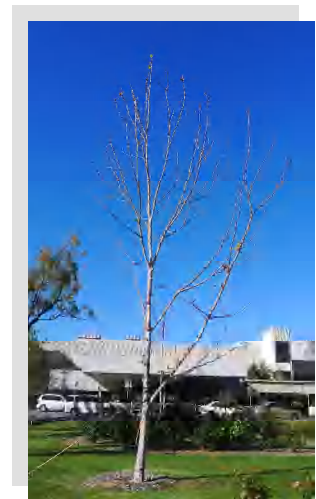
## Gardens and Grounds

The hail storm in March 2010 saw considerable damages to the QEIIIMC site. Approximately 40% of trees were destroyed on the site and took approximately three weeks to clean all the debris, branches and leaves scattered throughout the site.

Due to the redevelopment, many trees and plants had to be replanted throughout the site to make way for new buildings. Two of these trees were a gift from the Government of Greece to the doctors and medical students of Western Australian.

The two “plane trees” are now located in a prominent part of the site in the rose garden, these trees are of high importance as they were grown from cuttings taken from the Hippocrates Tree, which has special significance for the medical profession as the tree beneath is believed where Hippocrates to have conducted his tutorials

The Gardens and Grounds team have continued to play an active role in the development of maintenance plans throughout the site and are assisting in the developing the implementation plan of the Urban Design Guidelines.



A new home for the plane tree

## Disclosure and Legal Compliance

### Financial Directives

#### Financial Statements

Refer to **Appendix 1** of the Annual Report for the QEII MC Trust's completed audited Financial Statements for the year ended 30 June 2010.

#### Detailed Key Performance Indicators

Refer to **Appendix 2** of the Annual Report for the QEII MC Trust's completed audited Key Performance Indicators for the year ended 30 June 2010.

#### Ministerial Directives

There were no Ministerial Directives in 2009/10.

### Other Financial Disclosure

#### Pricing policies of services provided

The QEII MC Trust charges for parking 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*.

Increases in visitor parking fee charges will be implemented as from 1 July 2010 as published in the Gazette on 22 June 2010. These parking fees are available on the Authority's website at [www.qeii.health.wa.gov.au](http://www.qeii.health.wa.gov.au).

#### Capital Works

No capital works was undertaken throughout 2009/10.

#### Staff Development

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

#### Workers Compensation

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

## Governance Disclosures

No contracts with Senior Officers were undertaken throughout 2009/10.

# Other Legal Requirements

## Advertising

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

## Disability Access and Inclusion Plan

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

As the landlord, the QEIIIMC Trust achieved the following disability access and inclusion initiatives in 2009/010.

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

- Additional ACROD parking and set-down areas have been provided for people with disabilities and those accompanying them for appointments or visits throughout the site.
- New volunteer groups have been established like the *Lions Eye Institute Concierge Volunteers* to assist in-patients in travelling to and from the site.
- The QEIIIMC Trust and its tenants actively informs patients and visitors about parking for the disabled, through its website, flyers, and advertisements.
- An electric passenger vehicle known as the *Bankwest Buggy*, managed by volunteers to transport, aged and health-compromised people from the car parks to various points within and around the buildings on the QEIIIMC site.



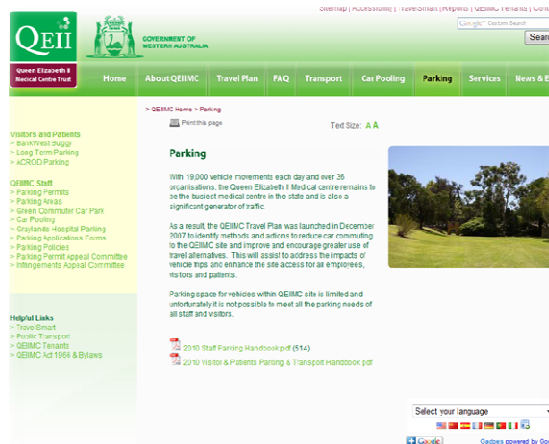
Bankwest Buggy through the QEIIIMC site

### 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 along Hospital Avenue at QEIIIMC.

**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 QEIMC website is designed to assist those who are visually impaired with alternative formats.
- 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 and tenants' website.
- ACROD maps are available in hard copy and also on the QEIMC Trust and tenants' 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.



User friendly QEIMC Trust website

**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 has been 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 accessed 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 QEIIMC 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 QEIIMC 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 QEIIMC Trust relies upon the Delegate to achieve the required outcomes.

The QEIIMC 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

## Substantiative Equality

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

## Sustainability

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

The QEIIMC Trust is focussed on conservation, sustainability and are major considerations in guiding, planning and decision making in the QEIIMC Trust at all levels. In 2009/10, the QEIIMC 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.



QEIIMC/Shenton Park Bicycle Fleet for QEIIMC Staff Use



- Promoting alternative methods of transport (cycling, public transport, car pooling and walking) to staff in travelling to and from the QEIIHC.
- Revenue received from parking supports funds the QEIIHC 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.



Travelsmart posters displayed throughout the site

## Occupational Safety, Health and Injury Management

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

## 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 2010 and the financial position as at 30 June 2010.

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  
Queen Elizabeth II Medical Centre Trust  
Date *1 September, 2010*



S Cole  
Chairman  
Queen Elizabeth II Medical Centre Trust  
Date *1 September 2010*



G McMath  
Member  
Queen Elizabeth II Medical Centre Trust  
Date *1 September 2010*



## Queen Elizabeth II Medical Centre Trust

**Statement of Comprehensive Income**

For the year ended 30th June 2010

	Note	2010 \$	2009 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	1,153,944	1,300,520
Depreciation and amortisation expense	7	699,593	675,757
Repairs, maintenance and consumable equipment	8	560,606	914,461
Other expenses	9	640,407	880,020
<b>Total cost of services</b>		<b>3,054,550</b>	<b>3,770,758</b>
<b>INCOME</b>			
<b>Revenue</b>			
Parking revenue	10	1,864,697	1,756,355
Interest revenue		76,574	117,160
Other revenue	11	740,070	580,464
<b>Total revenue</b>		<b>2,681,341</b>	<b>2,453,979</b>
<b>Total income other than income from State Government</b>		<b>2,681,341</b>	<b>2,453,979</b>
<b>NET COST OF SERVICES</b>		<b>373,209</b>	<b>1,316,779</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriations	12	630,000	630,675
<b>Total income from State Government</b>		<b>630,000</b>	<b>630,675</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>256,791</b>	<b>(686,104)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation surplus	21	1,271,674	857,353
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,528,465</b>	<b>171,249</b>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Queen Elizabeth II Medical Centre Trust

**Statement of Financial Position**

As at 30th June 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,797,410	1,865,696
Receivables	13	191,129	84,117
<b>Total Current Assets</b>		<b>1,988,539</b>	<b>1,949,813</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	14	5,435,397	4,805,397
Property, plant and equipment	15	20,967,660	20,378,686
Intangible assets	16	-	7,654
<b>Total Non-Current Assets</b>		<b>26,403,057</b>	<b>25,191,737</b>
<b>Total Assets</b>		<b>28,391,596</b>	<b>27,141,550</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	18	56,709	213,910
Provisions	19	196,184	296,053
Other current liabilities	20	136	1,271
<b>Total Current Liabilities</b>		<b>253,029</b>	<b>511,234</b>
<b>Non-Current Liabilities</b>			
Provisions	19	33,633	53,847
<b>Total Non-Current Liabilities</b>		<b>33,633</b>	<b>53,847</b>
<b>Total Liabilities</b>		<b>286,662</b>	<b>565,081</b>
<b>NET ASSETS</b>		<b>28,104,934</b>	<b>26,576,469</b>
<b>EQUITY</b>			
Reserves	21	24,891,492	23,619,818
Accumulated surplus	22	3,213,442	2,956,651
<b>TOTAL EQUITY</b>		<b>28,104,934</b>	<b>26,576,469</b>

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

**Statement of Changes In Equity**  
For the year ended 30th June 2010

	Note	2010 \$	2009 \$
<b>Balance of equity at start of period</b>		26,576,469	26,405,220
<b>RESERVES</b>	21		
<b>Asset Revaluation Reserve</b>			
Balance at start of period		23,619,818	22,762,465
Other comprehensive income for the year		1,271,674	857,353
<b>Balance at end of period</b>		<b>24,891,492</b>	<b>23,619,818</b>
<b>ACCUMULATED SURPLUS/(DEFICIENCY)</b>	22		
Balance at start of period		2,956,651	3,642,755
Surplus/(deficit) for the period		256,791	(686,104)
<b>Balance at end of period</b>		<b>3,213,442</b>	<b>2,956,651</b>
<b>Balance of equity at end of period</b>		<b>28,104,934</b>	<b>26,576,469</b>

*The Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

Queen Elizabeth II Medical Centre Trust

**Statement of Cash Flows**

For the year ended 30th June 2010

	Note	2010 \$ Inflows (Outflows)	2009 \$ Inflows (Outflows)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		-	-
Holding account drawdowns		-	-
<b>Net cash provided by State Government</b>	23c	-	-
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(1,278,666)	(1,240,418)
Supplies and services		(1,353,577)	(1,815,933)
<b>Receipts</b>			
Receipts from customers		1,863,562	1,795,971
Interest received		68,984	134,550
Other receipts		640,648	575,583
<b>Net cash (used in) / provided by operating activities</b>	23b	(59,049)	(550,247)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of non-current physical assets		(9,239)	(246,832)
<b>Net cash (used in) / provided by investing activities</b>		(9,239)	(246,832)
<b>Net increase / (decrease) in cash and cash equivalents</b>		(68,288)	(797,079)
Cash and cash equivalents at the beginning of period		1,865,696	2,662,775
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	23a	1,797,411	1,865,696

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

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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**Note 1 Australian Accounting Standards**

**General**

The Trust's financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refer to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Trust has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

**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 Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Trust for the annual reporting period ended 30 June 2010.

**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 Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has had 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 (\$).

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

## Notes to the Financial Statements For the year ended 30 June 2010

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the end of the reporting period 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 from the sale of goods and disposal of other assets when the significant risks and rewards of ownership are transferred to the purchaser and can be measured reliably.

##### *Rendering of services*

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 'Amounts receivable for services' (holding account) held at Treasury.

Refer to note 12 'Service Appropriations'.

##### *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.

#### 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.

### (d) 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).

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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**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 annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

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 15 '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.

*Asset revaluation reserve*

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 15 'Property, plant and equipment'.

*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.

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

- Land – not depreciated
- Site works – diminishing value
- Plant and equipment – diminishing value with a straight line switch.

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.



**Notes to the Financial Statements**  
**For the year ended 30 June 2010**


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**Property, Plant and Equipment (continued)**

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

Site works	50 years
Motor vehicles	4 years
Other plant and equipment	8 to 10 years

**(e) 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 Statement of Comprehensive Income.

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. Intangible assets having a limited useful life are systematically amortised over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

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	10 years
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Computer 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.

**(f) Impairment of Assets**

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. 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 2010**

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**Impairment of Assets (continued)**

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period 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 the end of each reporting period.

Refer to note 17 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(j) 'Receivables' for impairment of receivables.

**(g) 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**

- 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.

**(h) Accrued Salaries**

Accrued salaries (refer note 18 '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.

**(i) 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 1 'Amounts receivable for services'.

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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**(j) 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 uncollectible are written-off against the allowance account. The allowance for uncollectible 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. Refer to note 2(g) 'Financial Instruments' and note 14 'Receivables'.

**(k) 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.

Refer to note 2(g) 'Financial instruments' and note 18 'Payables'.

**(l) 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.

Refer to note 19 'Provisions'.

*Annual Leave and Long Service Leave*

The liability for annual and long service leave expected to be settled within 12 months after the reporting period date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the 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 end of the reporting period.

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 end of the reporting period.

*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 Statement of Comprehensive Income for this leave as it is taken.

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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**Provisions (continued)**

*Superannuation*

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

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. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Trust to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who 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.

*Employment on-costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment 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'.

Refer to note 8 'Other expenses' and note 19 'Provisions'.

**(m) Superannuation Expense**

The superannuation expense in the Statement of Comprehensive Income comprises 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, 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.

**(n) 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.

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

**(n) 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.

**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 effective for annual reporting periods beginning on or after 1 July 2009 that impacted on the Trust:

**AASB 101**

*Presentation of Financial Statements (September 2007)*

This Standard has been revised and introduces a number of terminology changes as well as changes to the structure of the Statement of Changes in Equity and the Statement of Comprehensive Income. It is now a requirement that owner changes in equity be presented separately from non-owner changes in equity. There is no financial impact resulting from the application of this revised Standard

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**

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- AASB 2007-10      *Further Amendments to Australian Accounting Standards arising from AASB101*  
 This Standard changes the term 'general purpose financial report' to 'general purpose financial statements', where appropriate in Australian Accounting Standards and the Framework to better align with IFRS terminology. There is no financial impact resulting from the application of this Standard.

**Disclosure of changes in accounting policy and estimates (continued)**

- AASB 2008-13      *Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 101]*  
 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 Authority where the Crown land is to be sold by the Department of Regional Development and Lands (formerly Department for Planning and Infrastructure). The Authority does not expect any financial impact when the Standard is first applied prospectively.
- AASB 2009-2      *Amendments to Australian Accounting Standards – Improving Disclosures of Financial Instruments AASB 4, AASB 7, AASB 1023 & AASB 1038.*  
 This Standard amends AASB 7 and will require enhanced disclosures at measurement and liquidity risk with respect to financial instruments. There is no financial impact resulting from the application of this Standard.

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 1              *First-time Adoption of Australian Accounting Standards*
- AASB 3              *Business Combinations*
- AASB 8              *Operating Segments*
- AASB 123          *Borrowing Costs*  
 This Standard has been revised to mandate the capitalisation of all borrowing costs attributable to the acquisition, construction or production of qualifying assets. However, AASB 2009-1 'Amendments to Australian Accounting Standards – Borrowing Costs of Not-for-Profit Public Sector Entities [AASB1, AASB111 & AASB 123]' issued in April 2009 and applicable to annual reporting periods beginning on or after 1 January 2009, amends revised AASB 123, which will allow not-for-profit public sector entities to continue to choose whether to expense or capitalise borrowing costs relating to qualifying assets.
- AASB 127          *Consolidated and Separate Financial Statements*
- AASB 1039          *Concise Financial Reports*
- AASB 1049          *Whole of Government and General Government Sector Financial Reporting (revised – October 2007)*

**Notes to the Financial Statements**  
**For the year ended 30 June 2010**


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AASB 2007-3	<i>Amendments to Australian Accounting Standards arising from AASB 8[AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 136, AASB 1023 &amp; AASB 1038]</i>
AASB 2007-6	<i>Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 &amp; AASB 138 and Interpretations 1 &amp; 12]</i>
AASB 2007-8	<i>Amendments to Australian Accounting Standards arising from AASB 101</i>

**Disclosure of changes in accounting policy and estimates (continued)**

AASB 2008-1	<i>Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations [AASB 2]</i>
AASB 2008-2	<i>Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 &amp; Interpretation 2]</i>
AASB 2008-3	<i>Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138, 139 and Interpretations 9 &amp; 107]</i>
AASB 2008-5	<i>Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 &amp; 1038]</i>
AASB 2008-6	<i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Projects [AASB 1 &amp; AASB 5]</i>
AASB 2008-7	<i>Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 &amp; AASB 136]</i>
AASB 2008-8	<i>Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139]</i>
AASB 2008-9	<i>Amendments to AASB 1049 for Consistency with AASB 101</i>
AASB 2008-11	<i>Amendments to Australian Accounting Standards – Business Combinations Among Not-for-Profit Entities [AASB 3]</i>
AASB 2009-1	<i>Amendments to Australian Accounting Standards – Borrowing Costs of Not-for-Profit Public Sector Entities [AASB 1, AASB 111 &amp; AASB 123]</i>
AASB 2009-4	<i>Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 &amp; 16]</i>
AASB 2009-6	<i>Amendments to Australian Accounting Standards</i>
AASB 2009-7	<i>Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 &amp; 139 and Interpretation 17]</i>
Interpretation 13	<i>Customer Loyalty Programmes</i>
Interpretation 15	<i>Agreements for the Construction of Real Estate</i>



**Notes to the Financial Statements**  
**For the year ended 30 June 2010**


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Interpretation 16     *Hedges of a Net Investment in a Foreign Operation*

Interpretation 17     *Distributions of Non-cash Assets to Owners*

Interpretation 18     *Transfers of Assets from Customers*

**Disclosure of changes in accounting policy and estimates (continued)**
**Future impact of Australian Accounting Standards not yet operative**

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Trust has not applied early the following Australian Accounting Standards that have been issued but are not yet operative. Where applicable, the Trust plans to apply these Australian Accounting Standards from their application date:

Title	Operative for reporting periods beginning on/after
<p>AASB 2009-11     <i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Interpretations 10 &amp; 12].</i></p> <p>The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Trust does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.</p>	1 January 2013
<p>AASB 1053     <i>Application of Tiers of Australian Accounting Standards</i></p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on the Trust. However it may affect disclosures in the financial statements of the Trust if the reduced disclosure requirements apply. The Department of Treasury and Finance has not yet determined the application or the potential impact of the new Standard for agencies.</p>	1 July 2013
<p>AASB 1053     <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i></p> <p>This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on the Trust. However this Standard may reduce some not disclosures in financial statements of the Trust. The Department of Treasury and Finance has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 July 2013

## Notes to the Financial Statements

### For the year ended 30 June 2010

Note		2010 \$	2009 \$
<b>Note 6 Employee benefits expense</b>			
Salaries and wages (a)		1,046,695	1,106,506
Superannuation - defined contribution plans (b)		80,727	59,948
Annual leave and time off in lieu leave (c)		45,563	111,717
Long service leave (c)		(19,039)	22,349
		<u>1,153,946</u>	<u>1,300,520</u>
(a) Fringe benefit to employees, plus fringe benefits tax component are included at note 9 '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 9 'Other expenses'. The employment on-costs liability is included at note 19 'Provisions'.			
<b>Note 7 Depreciation and amortisation expense</b>			
<u>Depreciation</u>			
Site works		580,334	545,793
Motor vehicles		3,237	5,625
Other plant and equipment		108,369	114,133
		<u>691,940</u>	<u>665,551</u>
<u>Amortisation</u>			
Intangible assets		7,654	10,206
<b>Total depreciation and amortisation</b>		<u>699,594</u>	<u>675,757</u>
<b>Note 8 Repairs, maintenance and consumable equipment</b>			
Repairs and maintenance		533,351	875,508
Consumable equipment		27,255	38,953
		<u>560,606</u>	<u>914,461</u>
<b>Note 9 Other expenses</b>			
Communications		2,274	1,636
Computer services		9,066	8,559
Employment on-costs (a)		1,495	5,066
Legal expenses		17,055	64,620
Motor vehicle expenses		24,880	3,210
Printing and stationery		34,915	54,302
Purchase of external services		327,188	364,361
Other		223,534	378,266
		<u>640,407</u>	<u>880,020</u>
(a) Includes staff development and transport costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 19 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.			
<b>Note 10 Parking Revenue</b>			
Staff parking fees		859,166	720,481
Other parking fees		959,676	972,790
Fines and penalties		45,855	63,084
		<u>1,864,697</u>	<u>1,756,355</u>
<b>Note 11 Other revenue</b>			
Services to external organisations		91,045	179,129
Rent from commercial properties		482,897	361,044
Other		166,128	40,291
		<u>740,070</u>	<u>580,464</u>

## Notes to the Financial Statements

### For the year ended 30 June 2010

Note 12 Service appropriations	2010 \$	2009 \$
Appropriation revenue received during the year: Service appropriations	630,000	630,675
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.		
The Trust did not receive a cash component of the appropriation revenue during the financial year.		
<b>Note 13 Receivables</b>		
<b>Current</b>		
Accrued parking revenue	27,517	11,348
Accrued fines revenue	13,285	6,515
Accrued rental	40,915	38,386
Accrued interest	11,528	3,938
Other receivables	97,884	23,930
	191,129	84,117
The Trust does not hold any collateral as security or other credit enhancements relating to receivables.		
See also note 2(j) 'Receivables' and note 33 'Financial instruments'.		
<b>Note 14 Amounts receivable for services</b>		
<b>Non-current</b>	5,435,397	4,805,397
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(i) 'Amounts receivable for services'.		
<b>Note 15 Property, plant and equipment</b>		
<b>Land</b>		
<i>At fair value (a)</i>	325,000	325,000
	325,000	325,000
<b>Site works</b>		
<i>At fair value (a)</i>	20,035,800	19,389,573
<i>Accumulated depreciation</i>	-	(45,113)
	20,035,800	19,344,460
<b>Motor vehicles</b>		
<i>At cost</i>	14,256	14,256
<i>Accumulated depreciation</i>	(8,862)	(5,625)
	5,395	8,631
<b>Other plant and equipment</b>		
<i>At cost</i>	859,477	863,238
<i>Accumulated depreciation</i>	(258,012)	(162,643)
	601,465	700,595
<b>Total property, plant and equipment</b>	20,967,660	20,378,686

## Notes to the Financial Statements

### For the year ended 30 June 2010

	2010 \$	2009 \$
<b>Note 15 Property, plant and equipment (continued)</b>		
(a) Land and site works were revalued as at 1 July 2009 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2010 and recognised at 30 June 2010. 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'.		
<b>Reconciliations</b>		
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.		
<b>Land</b>		
Carrying amount at start of year	325,000	305,000
Revaluation increments / (decrements)	-	20,000
Carrying amount at end of year	325,000	325,000
<b>Site works</b>		
Carrying amount at start of year	19,344,460	18,946,076
Additions	-	106,824
Revaluation increments / (decrements)	1,271,674	837,353
Depreciation	(580,334)	(545,793)
Carrying amount at end of year	20,035,800	19,344,460
<b>Motor vehicles</b>		
Carrying amount at start of year	8,631	14,256
Depreciation	(3,237)	(5,625)
Carrying amount at end of year	5,394	8,631
<b>Other plant and equipment</b>		
Carrying amount at start of year	700,595	674,720
Additions	9,239	140,008
Depreciation	(108,369)	(114,133)
Carrying amount at end of year	601,465	700,595
<b>Total property, plant and equipment</b>		
Carrying amount at start of year	20,378,686	19,940,052
Additions	9,239	246,832
Revaluation increments / (decrements)	1,271,674	857,353
Depreciation	(691,940)	(665,551)
Carrying amount at end of year	20,967,660	20,378,686
<b>Note 16 Intangible assets</b>		
<b>Computer software</b>		
At cost	113,513	113,513
Accumulated amortisation	(113,513)	(105,859)
	-	7,654
<b>Reconciliation</b>		
Reconciliation of the carrying amount of intangible assets at the beginning and end of the current financial year is set out below.		
<b>Computer software</b>		
Carrying amount at start of year	7,654	17,860
Amortisation expense	(7,654)	(10,206)
Carrying amount at end of year	-	7,654

#### Note 17 Impairment of Assets

There were no indications of impairment to property, plant and equipment, and intangible assets at 30 June 2010.

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

All surplus assets at 30 June 2010 have either been classified as assets held for sale or written off.

## Notes to the Financial Statements

### For the year ended 30 June 2010

**Note 18 Payables**

	2010 \$	2009 \$
<b>Current</b>		
Trade creditors	24,433	131,369
Accrued expenses	9,196	54,824
Accrued salaries	23,080	27,717
	<u>56,709</u>	<u>213,910</u>

See also note 2(k) 'Payables' and note 33 'Financial instruments'.

**Note 19 Provisions****Current**Employee benefits provision

Annual leave (a)	130,547	204,203
Time off in lieu leave (a)	4,577	13,974
Long service leave (b)	61,060	77,876
	<u>196,184</u>	<u>296,053</u>

**Non-current**Employee benefits provision

Long service leave (b)	33,633	53,847
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**Total provisions**

	<u>229,817</u>	<u>349,900</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 the reporting date.

Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the reporting date	98,929	152,066
More than 12 months after the reporting date	36,195	66,111
	<u>135,124</u>	<u>218,177</u>

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

Within 12 months of the reporting period	14,192	18,960
More than 12 months after the reporting period	80,501	112,763
	<u>94,693</u>	<u>131,723</u>

**Note 20 Other liabilities****Current**

Income received in advance	91	1,226
Refundable deposits	45	45
	<u>136</u>	<u>1,271</u>

**Note 21 Reserves****Asset revaluation reserve (a)**

Balance at start of year	23,619,818	22,762,465
Net revaluation increments / (decrements) (b):		
Land	-	20,000
Site works	1,271,674	837,353
<b>Balance at end of year</b>	<u>24,891,492</u>	<u>23,619,818</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.

**Note 22 Accumulated surplus/(deficiency)**

Balance at start of year	2,956,651	3,642,755
Result for the period	256,791	(686,104)
<b>Balance at end of year</b>	<u>3,213,442</u>	<u>2,956,651</u>

## Notes to the Financial Statements

### For the year ended 30 June 2010

#### Note 23 Notes to the Statement of Cash Flows

	2010 \$	2009 \$
a) <b>Reconciliation of cash</b>		
Cash assets at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	1,797,410	1,865,696
b) <b>Reconciliation of net cost of services to net cash flows used in operating activities</b>		
Net cash used in operating activities (Statement of Cash Flows)	(59,047)	(550,247)
Increase/(decrease) in assets:		
Other current receivables	107,012	(55,954)
Decrease/(increase) in liabilities:		
Payables	157,201	10,026
Current provisions	99,869	(32,260)
Non-current provisions	20,214	(16,416)
Income received in advance	1,135	3,874
Other liabilities	-	(45)
Non-cash items:		
Depreciation and amortisation expense (note 7)	(699,593)	(675,757)
Net cost of services (Statement of Comprehensive Income)	(373,209)	(1,316,779)
c) <b>Notional cash flows</b>		
Service appropriations as per Statement of Comprehensive Income	630,000	630,675
Less notional cash flows:	630,000	630,675
Items are not included in the Statement of Cash Flows:		
Accrual appropriations	(630,000)	(630,675)
<b>Cash Flows from State Government as per Statement of Cash Flows</b>	-	-

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

#### Note 24 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 voluntary basis and do not receive any remuneration.

#### Note 25 Remuneration of auditor

Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows

Auditing the accounts, financial statements and performance indicators	15,900	15,300
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#### Note 26 Commitments

##### **Expenditure commitments**

Expenditure commitments contracted for at the reporting period but not recognised as liabilities, are payable as follows:

Within 1 year	15,505	-
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Expenditure commitments are all inclusive of GST.

#### Note 27 Contingent liabilities and contingent assets

At the reporting 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.

At the reporting date, the Trust does not have any suspected contaminated sites.

## Notes to the Financial Statements

### For the year ended 30 June 2010

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#### Note 28 Events occurring after the reporting period

There were no events occurring after the reporting period which had significant financial effects on these financial statements.

#### Note 29 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 30 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.

#### Note 31 Not for profit leases

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

Based on indicative market rental rates from the Landgate Valuation Services as at June 2010, the total net rental values of the not-for-profit leases for the financial year is \$2,859,000.

Tenant	Area (sqm)	Net Rent per annum \$
Allergy & Asthma Research Institute	103	18,000
Australian Neuromuscular Research Institute	3,276	400,000
Cancer Foundation - Crawford Lodge	6,300	220,000
Heart Research Institute	491	200,000
Institute of Radiochemical Engineering	31	6,000
Keogh Institute for Medical Research	705	105,000
Lions Ear and Hearing - A Block	2,964	355,000
Lions Eye Institute	2,600	300,000
State Head Injuries Unit	313	55,000
The Niche - Cystic Fibrosis WA (land)	6,200	550,000
WA Institute for Medical Research	1,508	600,000
WA Sleep Disorders Research Institute	281	50,000
		<u>2,859,000</u>



## Notes to the Financial Statements

### For the year ended 30 June 2010

#### Note 32 Explanatory Statement

##### (A) Significant variances between actual and prior year actual results

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	2010 Actual \$	2009 Actual \$	Variance \$
<b>Expenses</b>				
Employee benefits expense	(a)	1,153,946	1,300,520	(146,574)
Depreciation and amortisation expense		699,594	675,757	23,837
Repairs, maintenance and consumable equipment	(b)	560,606	914,461	(353,855)
Other expenses	(c)	640,407	880,020	(239,613)
<b>Income</b>				
Parking revenue		1,864,697	1,756,355	108,342
Interest revenue	(d)	76,574	117,160	(40,586)
Other revenue	(e)	740,070	580,464	159,606
Service appropriations		630,000	630,675	(675)

(a) Employee benefits expense

Salaries expenses decreased primarily due to the decrease in contracted site maintenance staff (gardening and parking).

(b) Repairs, maintenance and consumable equipment

The decrease due to the one-off expenditure in the last financial year for replacement of all parking signs, painting of road line markings and additional repairs to water pipes, drains and reticulations.

(c) Other expenses

Other expenses were lower than previous year due to one-off previous year expenditure for funding of buses and implementation of the Urban Design Guidelines.

(d) Interest revenue

The decrease in interest revenue is due to a lower principal to invest than the prior year.

(e) Other revenue

Other revenues increased as a result of the recoup of site services costs from tenants not previously recouped and increases in rental revenues from onsite tenants.

##### (B) Significant variances between estimates and actual results for the financial year

Significant variations between the estimates and actual results for income and expenses are shown below. Significant variations are considered to be those greater than 10% of the budget estimates.

	Note	2010 Actual \$	2010 Estimates \$	Variance \$
<b>Operating expenses</b>				
Employee benefits expense	(a)	1,153,946	1,432,000	(278,054)
Other goods and services	(b)	1,900,607	1,453,000	447,607
<b>Total expenses</b>		3,054,553	2,885,000	169,553
Less: Revenues	(c)	(2,681,341)	(2,577,000)	(104,341)
<b>Net cost of services</b>		373,212	308,000	65,212

(a) Employee benefits expense

The decrease is due to the decrease in the salary percentage split between internal and external security officers. A greater proportion of the costs is now being taken by the SCGH as a result of a review of functions.

(b) Other goods and services

The actual expenditure in 2010 was much lower than in 21009 (by approx. \$0.5m). The estimate of \$1.4m was probably too low.

## Notes to the Financial Statements

### For the year ended 30 June 2010

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#### Note 33 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 maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at Note 33(c) 'Financial instrument disclosures'.

Credit risk associated with the Trust's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). Parking fines are the only receivables that may take more than 30 days to collect. For commercial property rentals, the Trust has policies in place to ensure that the tenants have 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. At the reporting date, there were no significant concentrations of credit risk.

##### *Liquidity risk*

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

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.

##### b) Categories of Financial Instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2010 \$	2009 \$
<b>Financial Assets</b>		
Cash and cash equivalents	1,797,410	1,865,696
Loans and receivables (a)	5,626,526	4,889,514
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	56,709	213,910

## Notes to the Financial Statements

### For the year ended 30 June 2010

#### c) Financial Instrument disclosures

##### *Credit Risk and Interest Rate Risk Exposures*

The following tables disclose the Trust's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Trust's maximum period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and information provided to senior management of the Trust.

##### Interest rate exposures and ageing analysis of financial assets

	Interest rate exposure					Past due but not in	
	<u>Weighted average effective interest rate</u>	<u>Carrying amount</u>	<u>Fixed interest rate</u>	<u>Variable interest rate</u>	<u>Non- interest bearing</u>	<u>Up to 12 months</u>	<u>1-2 years</u>
	%	\$	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>							
<b>2010</b>							
Cash and cash equivalents	5.1%	1,797,410	1,000,000	785,240	12,170		
Receivables (a)		191,129			191,129	8,261	7,603
Amounts receivable for services		5,435,397			5,435,397		
		<u>7,423,936</u>	<u>1,000,000</u>	<u>785,240</u>	<u>5,638,696</u>	<u>8,261</u>	<u>7,603</u>
<b>2009</b>							
Cash and cash equivalents	3.3%	1,865,696	1,000,000	853,526	12,170		
Receivables (a)		84,117			84,117	6,952	22,514
Amounts receivable for services		4,805,397			4,805,397		
		<u>6,755,210</u>	<u>1,000,000</u>	<u>853,526</u>	<u>4,901,684</u>	<u>6,952</u>	<u>22,514</u>

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

## Notes to the Financial Statements

### For the year ended 30 June 2010

#### c) Financial Instrument disclosures (continued)

##### *Liquidity Risk*

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amount includes both interest and principal cash flows. An adjustment has been made where material.

##### Interest rate exposures and maturity analysis of financial liabilities

		Interest rate exposure			Maturity	
	<u>Weighted average effective interest rate</u>	<u>Carrying amount</u>	<u>Fixed interest rate</u>	<u>Variable interest rate</u>	<u>Non- interest bearing</u>	
	%	\$	\$	\$	\$	
<b>Financial Liabilities</b>						
<b>2010</b>						
Payables		56,709			56,709	
		56,709	-	-	56,709	-
<b>2009</b>						
Payables		213,910			213,910	
		213,910	-	-	213,910	-

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

## Notes to the Financial Statements

### For the year ended 30 June 2010

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#### c) Financial Instrument disclosures (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 end of the reporting period 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>-100 basis points</u>		<u>+100 basis points</u>	
		<u>Surplus</u>	<u>Equity</u>	<u>Surplus</u>	<u>Equity</u>
2010	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and cash equivalents	1,797,410	(17,974)	(17,974)	17,974	17,974
Total Increase/(Decrease)		<u>(17,974)</u>	<u>(17,974)</u>	<u>17,974</u>	<u>17,974</u>

	<u>Carrying Amount</u>	<u>-100 basis points</u>		<u>+100 basis points</u>	
		<u>Surplus</u>	<u>Equity</u>	<u>Surplus</u>	<u>Equity</u>
2009	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and cash equivalents	1,865,696	(18,535)	(18,535)	18,535	18,535
Total Increase/(Decrease)		<u>(18,535)</u>	<u>(18,535)</u>	<u>18,535</u>	<u>18,535</u>

##### *Fair Values*

All financial assets and liabilities recognised in the statement of financial position, 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.

## Appendix 2 - Key Performance Indicators

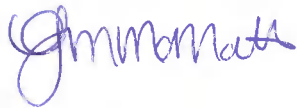
### Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the QEIIIMC Trust's performance, and fairly represent the performance of the Queen Elizabeth II Medical Centre Trust for the financial year ended 30 June 2010.



S Cole  
Chairman  
Queen Elizabeth II Medical Centre Trust

Date 1 September 2010



G McMath  
Member  
Queen Elizabeth II Medical Centre Trust

Date 1 September 2010

## 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, visitor and student facilities and services.

A Site User Survey was conducted over a four week period in May and June 2010. For the third year running the survey was conducted electronically and anonymously which was 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 was used in determining what demographic or experience characteristics tend to drive key measures such as overall satisfaction.

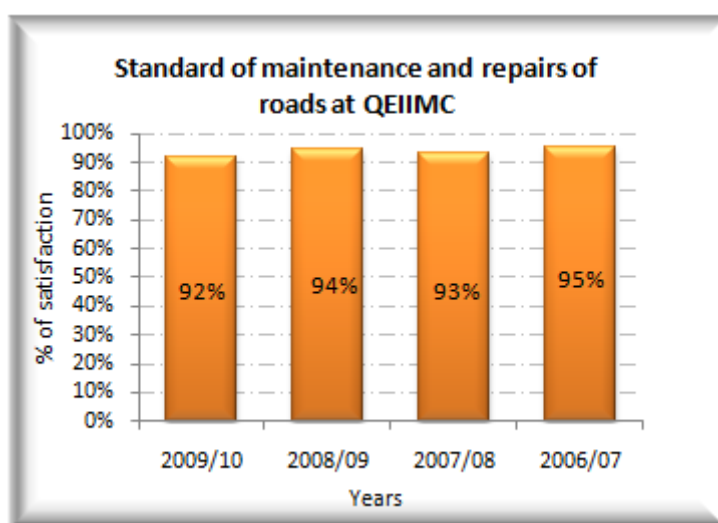
In 2010, the scale used to measure the satisfaction included Fair, Good, Very Good and Excellent, which is consistent with the methodology of prior years.

A total of 463 responses to the survey were received compared to 322 in 2008/09.

The survey was conducted at a time where the redevelopment had just commenced and staff were reapplying for their parking permits for 2010/11. The survey results reflect the disapproval and poor parking conditions on the QEIMC site.

### Key Effectiveness Indicators

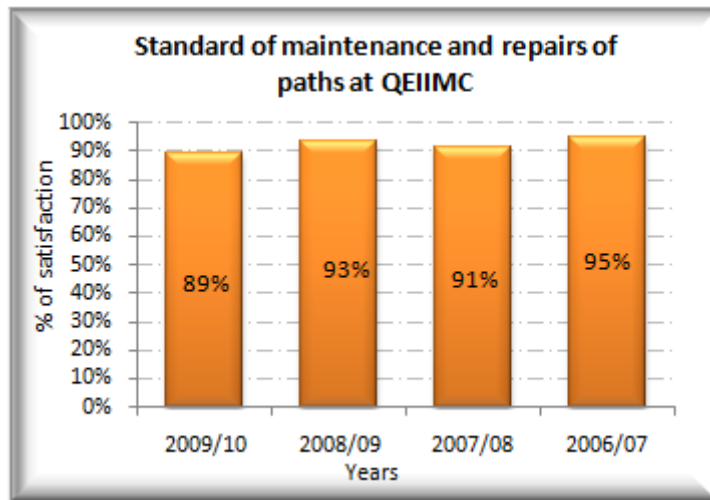
#### 1.1 Standard of maintenance and repair of roads paths, parking areas and grounds and gardens on the Reserve.



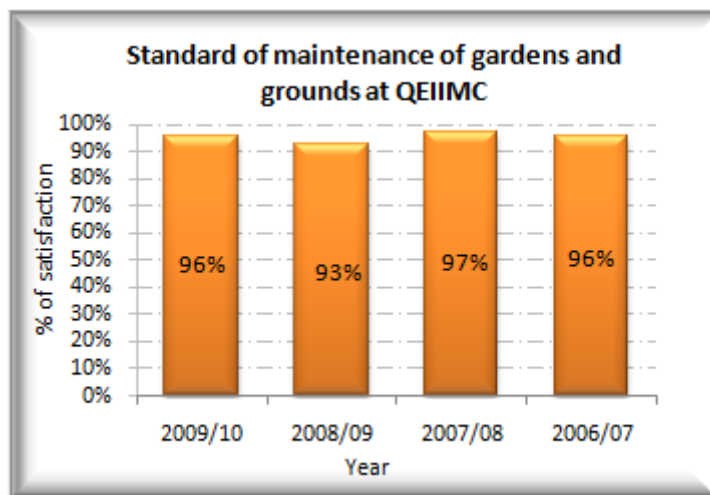
This key indicator measures the level of standard of maintenance and repairs of the roads at the QEIMC site.

In 2009/10 the standard slightly decreased due to the commencement of the redevelopment.

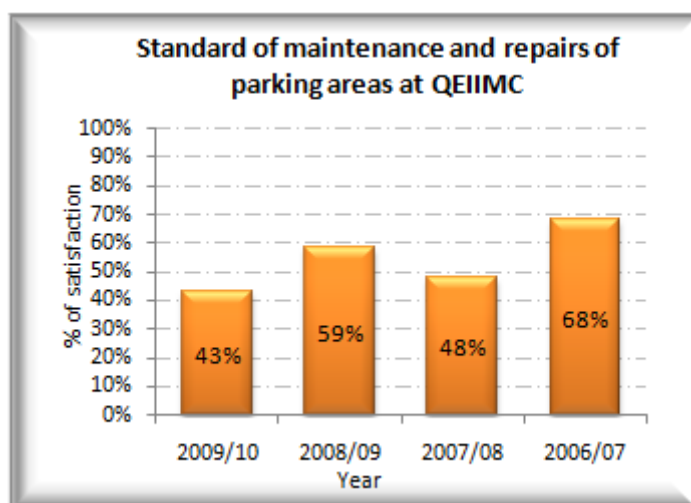




This key indicator measures the level of standard of maintenance and repairs of paths at the QEIIIMC site.

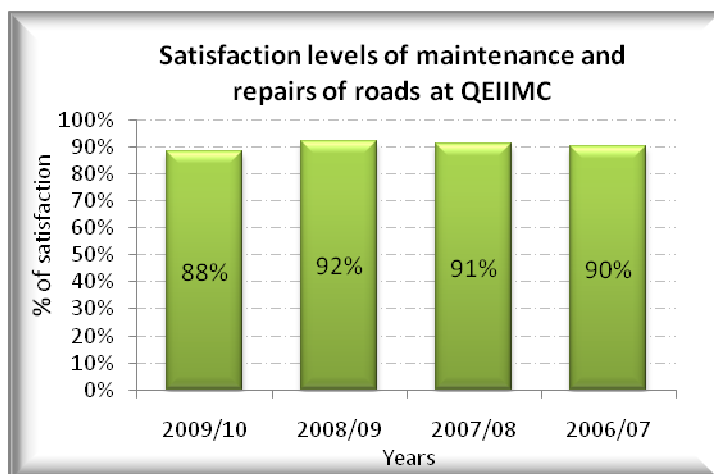


This indicator measures the level of standard of maintenance of gardens and grounds at the QEIIIMC site.

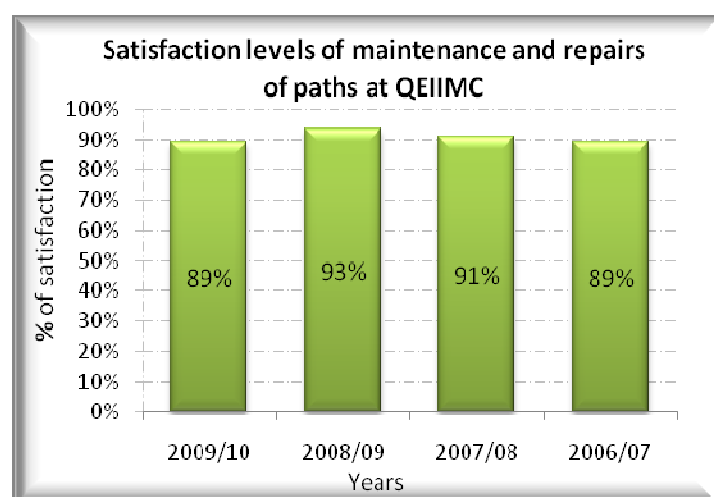


The key indicator measures the level of standard of maintenance and repairs of the parking areas at the QEIIIMC site.

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

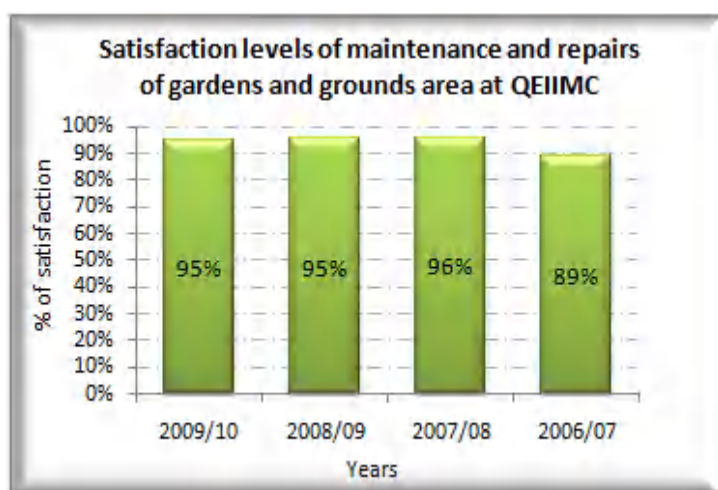


This key indicator measures the satisfaction level of the timeliness of maintaining and repairing of roads on the QEIIIMC site.



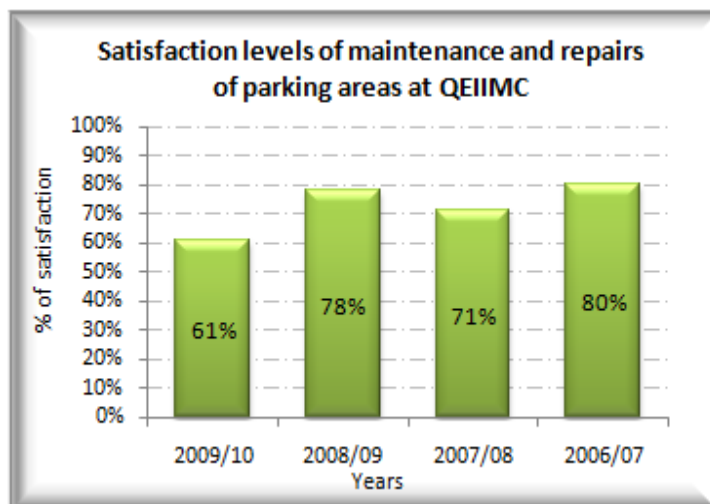
This key indicator measures the satisfaction level of timeliness of maintaining and repairing the paths at QEIIIMC.

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.



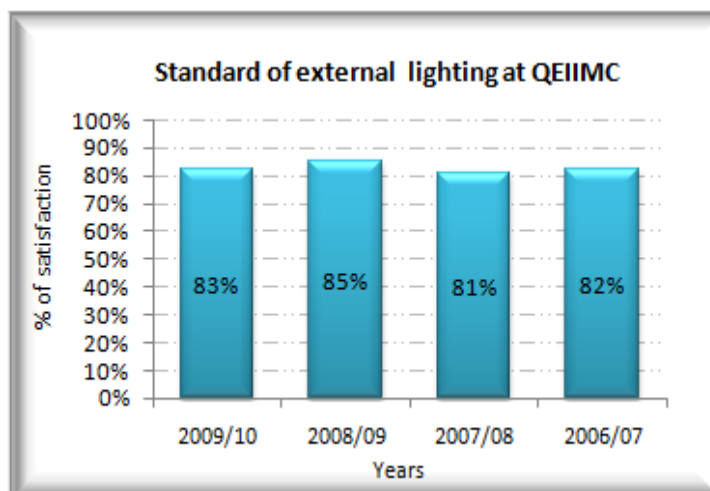
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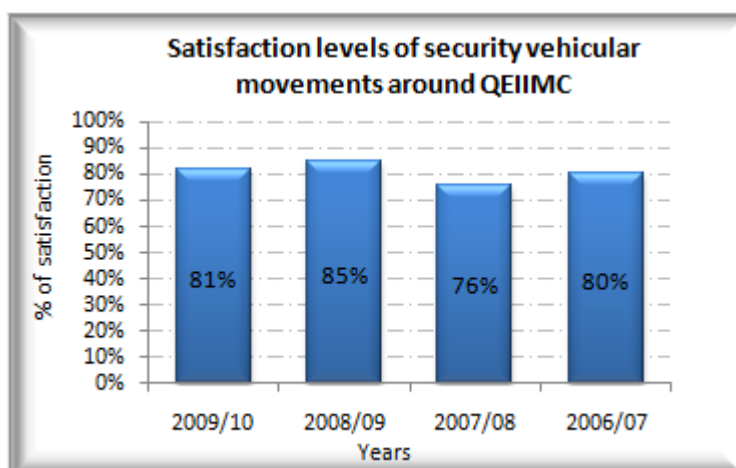
This key indicator measures the satisfaction level of timeliness of maintaining the parking areas at the QEIMC site.

### 1.3 Standard of lighting on the Reserve.



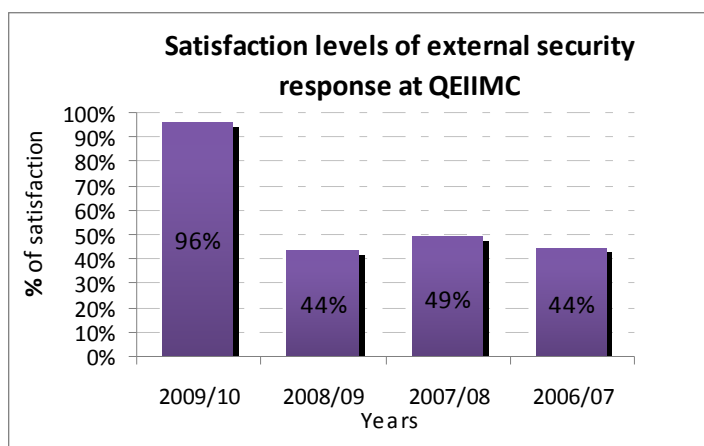
This key indicator measures the standard of external lighting at the QEIMC site.

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



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

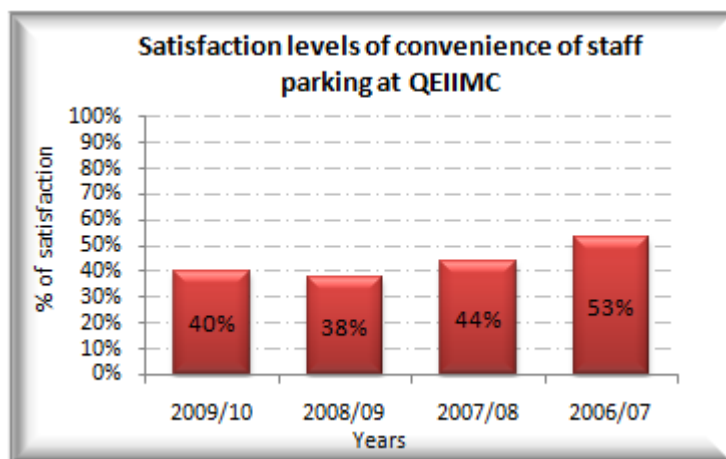
## 1.5 Timeliness of external security response time after requesting assistance.



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

The increase is due to three parking officers who assists to external security responses if required.

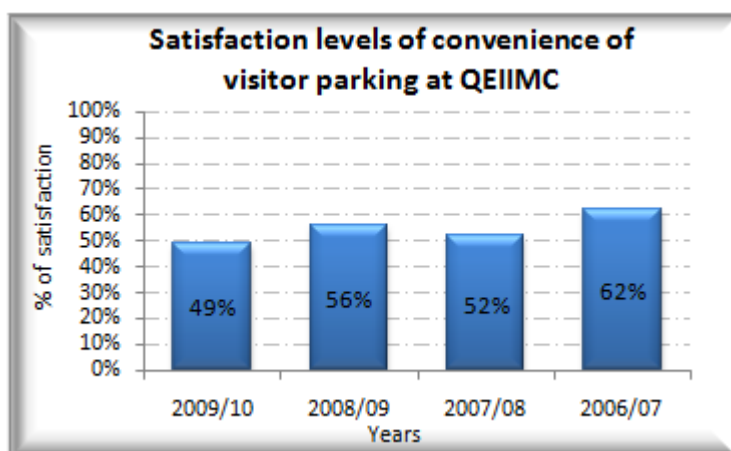
## 1.6 Convenience of the parking facilities provided to staff members at QEIMC.



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 QEIMC.



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 QEIMC site. This indicator refers to the ratio of cars stolen from the QEIMC site in relation to the number of car parking bays available.

As at 30 June 2010, the QEIMC had a total of 3,034 parking bays (940 visitors and 2,094 staff).

### Key Effectiveness Indicators

#### 2.1 Total number of motor vehicles stolen from the QEIMC 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 QEIMC car parks. This provides a measure of the effectiveness of the car park and grounds security over time.

	2009/010	2008/09	2007/08	2007/06
Percentage of vehicles stolen in comparison to the number of car parking bays	0%	0.033%	0%	0.033%

### 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 QEIMC site.

	2009/10	2008/09	2007/08
Operating cost per hectare	\$107,272	\$132,424	\$86,663

The decrease is primarily due to the decrease of maintenance and repairs due to the "one-off" expenditure in the last financial year.

## 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.

	2009/10	2008/09	2007/08
Operating cost per hectare	\$33,921	\$48,800	\$41,312

The decrease is primarily due to the decrease of maintenance and repairs due to the “one-off” expenditure in the last financial year.

## QEIIMC Tenants

### **Australian Neuromuscular Research Institute**

3<sup>rd</sup> Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

### **Crawford Lodge**

55 Monash Avenue  
Nedlands WA 6009

### **Epilepsy Association of Western Australia**

The Niche  
11 Aberdare Road  
Nedlands WA 6009

### **Keogh Institute for Medical Research**

3<sup>rd</sup> Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

### **Lions Hearing Clinic**

3<sup>rd</sup> Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

### **Lung Institute of Western Australia**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

### **Oral Health Centre of WA**

Ground Block, E Block  
Hospital Avenue  
Nedlands WA 6009

### **Radiation Health**

U Block  
Verdun Street  
Nedlands WA 6009

### **State Head Injuries**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

### **UWA Faculty of Medicine and Dentistry**

N Block  
Monash Avenue  
Nedlands WA 6009

### **Biomedical Engineering**

U Block  
Verdun Street  
Nedlands WA 6009

### **Cystic Fibrosis Western Australia**

The Niche  
11 Aberdare Road  
Nedlands WA 6009

### **Independent Living Centre of WA Inc**

The Niche  
11 Aberdare Road  
Nedlands WA 6009

### **Lions Optic**

3<sup>rd</sup> Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

### **Lions Eye Institute**

AA Block  
2 Verdun Street  
Nedlands WA 6009

### **Neurological Council of WA**

The Niche  
11 Aberdare Road  
Nedlands WA 6009

### **Pathwest**

J Block  
Hospital Avenue  
Nedlands WA 6009

### **Sir Charles Gairdner Hospital**

Hospital Avenue  
Nedlands WA 6009

### **St John Ambulance**

Nedlands Depot  
Hospital Avenue  
Nedlands WA 6009

### **WA Sleep Disorders Research Institute**

5<sup>th</sup> floor, G Block  
Hospital Avenue  
Nedlands WA 6009



**WA Heart Research**

R Block  
Verdun Street  
Nedlands WA 6009

**April Flowers and Baskets**

Ground Floor, G Block  
Hospital Avenue  
Nedlands WA 6009

**Hair at Charlies**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

**Bank of Queensland**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

**Women's Auxiliary**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

**Charlies Garden Coffee Lounge**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

**Medical Centre Chemist**

Ground Floor, E Block  
Hospital Avenue  
Nedlands WA 6009

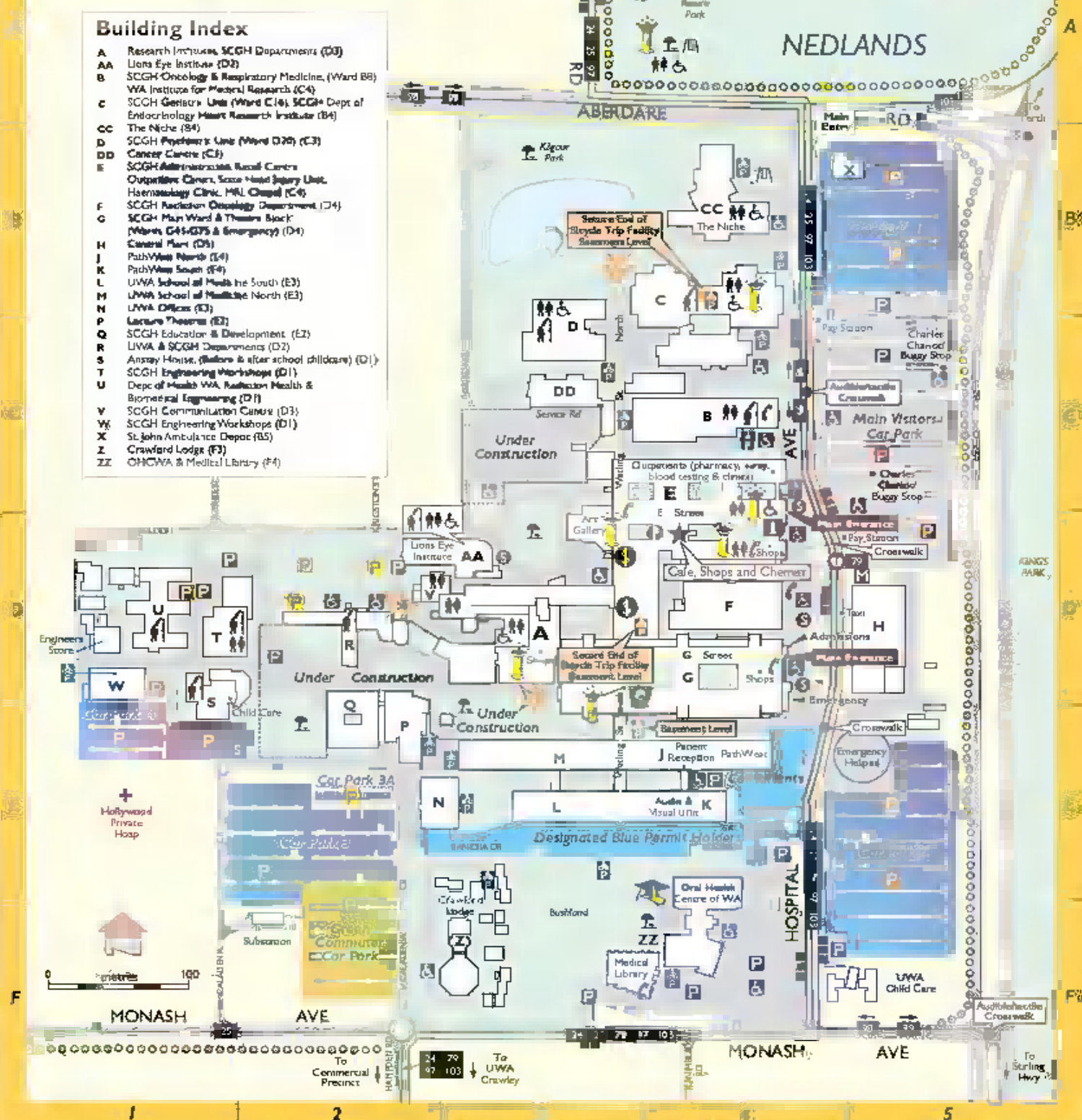
[Queen Elizabeth II Medical Centre Site Map](#)

Government of Western Australia  
Department of Transport



## Building Index

- |    |  |
|----|--|
| A  | Research Institutes, SCGH Departments (D3)   |
| AA | Lions Eye Institute (D2)   |
| AB | SCGH Oncology & Respiratory Medicine, (Ward B8)  |
|    | WVA Institute for Medical Research (SC4)   |
| C  | SCGH Geriatric Unit (Ward C14), SCGH Dept of<br>Endocrinology, Heart Research Institute (B4)                           |
| CC | The Niche (B4)   |
| CD | SCGH Psychiatric Unit (Ward D26) (C3)  |
| DD | Cancer Centre (C8)   |
| E  | SCGH Administration, Rural Cancer<br>Outpatient Clinic, Scott Head Injury Unit,<br>Haematology Clinic, MHL Chapel (C4) |
| F  | SCGH Radiation Oncology Department (D4)  |
| G  | SCGH Main Ward & Theatre Block<br>(Nurses G45-G75 & Emergency) (D4)  |
| H  | General Ward (D5)  |
| J  | PathWest North (E4)  |
| K  | PathWest South (E4)  |
| L  | UWA School of Medicine South (E3)  |
| M  | UWA School of Medicine North (E3)  |
| N  | UWA Offices (E3)   |
| P  | Lecture Theatre (E2)   |
| Q  | SCGH Education & Development (E2)  |
| R  | UWA & SCGH Departments (D2)  |
| S  | Assay House, (before & after school childcare) (D1)  |
| T  | SCGH Engineering Workshops (D1)  |
| U  | Dept of Health WA, Radiation Health &<br>Biomedical Engineering (D1)   |
| V  | SCGH Communication Centre (D3)   |
| W  | SCGH Engineering Workshops (D1)  |
| XX | St John Ambulance Depot (B5)   |
| Z  | Crawford Lodge (F3)  |
| ZZ | ONCWA & Medical Library (F4)   |



### Legend

- |  |   |   |  |   |                                      |   |                           |   |   |
|--|---|---|--|---|--------------------------------------|---|---------------------------|---|---|
|  | <b>Circle K and Bus Stop</b><br>- every 15 mins weekdays<br>- every 15 - 30 mins weekends<br>on public holidays |  | <b>Bicycle Lanes or Sealed<br/>Shoulders</b> Either Side |  | <b>Blue / Purple Parking Permit</b>  |  | <b>Pleasant Rest Area</b> |  | <b>Public Internet / Email</b>            |
|  | <b>Subsidiary Shuttle &amp; Bus Stop</b><br>(see table other side)  |  | <b>Motorcycle Parking</b>                                |  | <b>UWA Car Parking</b>               |  | <b>Toilet</b>             |  | <b>Undercover Access<br/>Bike Parking</b> |
|  | <b>Bus Routes and Bus Stops</b>   |  | <b>Secure Bicycle Parking</b>                            |  | <b>Green Car Parking</b>             |  | <b>Accessible Toilet</b>  |  | <b>Access to Secure<br/>Bike Parking</b>  |
|  | <b>Bus Route Number</b>   |  | <b>Bicycle Parking</b>                                   |  | <b>Green / Orange Parking Permit</b> |  | <b>Telephone</b>          |  | <b>No Entry -<br/>Construction Zone</b>   |
|  | <b>Bus Terminals</b>  |  | <b>Visitors Car Parking</b>                              |  | <b>ACROD Parking</b>                 |  | <b>Playground</b>         |   |   |
|  | <b>Traffic Lights</b>   |  | <b>Visitors Car Parking (2 Hours)</b>                    |  | <b>Information</b>                   |  | <b>Drinking Fountain</b>  |   |   |
|  |   |  | <b>Setdown (Drop Off Bays)</b>                           |  | <b>Shower Facilities</b>             |   |                           |   |   |
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