HEALTHY COMMUNITIES AND
WORLD CLASS HEALTHCARE

BENDIGO HEALTH

ANNUAL REPORT 2015-16

About Us

With more than 3,600 staff and volunteers and covering an area a quarter of the size of Victoria, Bendigo Health Care Group (commonly known as Bendigo Health), is an expanding regional health service offering the advantages of city life combined with the beauty and freedom that comes from living in a regional area.

Bendigo Health, a 664 bed service*, treated more than 42,000 inpatients, triaged more than 50,000 emergency attendees and welcomed almost 1,400 new born babies in the reporting period July 1, 2014 to June 30, 2015. These services are complemented by a 60-bed rehabilitation unit, eight bed intensive care unit and five operating theatres where more than 12,500 surgical procedures were performed.

The organisation provided services in emergency, maternity, women's health, medical imaging, pathology, rehabilitation, community services, residential aged care, psychiatric care, community dental, hospice/palliative care, cardiology, cancer services and renal dialysis to the people of the Loddon Mallee region.

The three main campuses of Bendigo Health are based in Bendigo, with many services extended to regional settings including areas such as Mildura, Echuca, Swan Hill, Kyneton and Castlemaine.

Demand on services is increasing rapidly with Bendigo being one of Victoria's fastest growing regional cities.

Bendigo Health and the Victorian Government are committed to delivering high quality health care to the community of Bendigo and the greater Loddon Mallee region with the investment of $630 million to deliver a new hospital in Bendigo. This project began in 2013 with the move into the new hospital planned for late January 2017.

** This figure includes the 60 bed rehabilitation unit, eight intensive care unit beds and all residential aged care beds.*

Report Specifications

Reporting period from 1 July 2015 to 30 June 2016.

This report is prepared for the Minister of Health, the Parliament of Victoria and the general public in accordance with relevant government and legislative requirements.

Our Values

CARING
We care for our community.

PASSIONATE
We are passionate about doing our best.

TRUSTWORTHY
We are open, honest and respectful.

Our Vision

Healthy Communities and World Class Healthcare.

Our Role

Empowering people and working together.

The people we empower form the community around Bendigo Health; including the staff and volunteers within the organisation, our partners, patients with their families and carers and the general public who interact with Bendigo Health. We acknowledge the valuable and different role each of them has in contributing to the health of our community and creating world class health care. We encourage, support and enable them to work together in pursuit of our vision.

WELCOME TO THE BENDIGO HEALTH 2015-16 ANNUAL REPORT. THIS CRITICAL REPORTING DOCUMENT DEMONSTRATES HOW THE ORGANISATION IS MOVING FROM GOOD TO GREAT AS OUTLINED IN THE 2013-18 STRATEGIC PLAN. IT ALSO PROVIDES A COMPREHENSIVE ACCOUNT OF BENDIGO HEALTH'S FINANCIAL PERFORMANCE AND ACHIEVEMENTS THROUGHOUT THE 2015-16 FINANCIAL YEAR.

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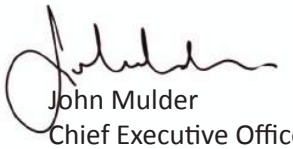
CHAIR AND CHIEF EXECUTIVE REPORT

It has been an extremely busy and exciting year and it is our pleasure to present the Bendigo Health Care Group Annual Report for the 2015-16 financial year.

This report captures yet another year of fantastic achievements and highlights as we continue to conduct business as usual combined with the advancement of the Bendigo Hospital Project.

On behalf of the Board and the Executive, congratulations and thank you to everyone who has been part of the Bendigo Health journey for the reporting period.

Bob Cameron
Chair - Board Of Directors



John Mulder
Chief Executive Officer

Year in Review

It has been another big year of change and innovation for Bendigo Health as we stepped closer to the realisation of the new Bendigo Hospital. A decade ago, the then government, of which our new Board Chair Bob Cameron was part of, promised funds to prepare a physical master plan for Bendigo Hospital and act on it. Bendigo Health, led by John Mulder, played a key role in advancing the need and requirements of a new hospital to service the Loddon Mallee region as part of the master planning. In early 2010, the then Government, through Health Minister, Daniel Andrews, got the Bendigo Hospital Project underway.

In January 2017, we will open the doors to this brand new world class facility that the region so desperately wants.

As the reporting period unfolded, construction continued, and we now have an incredible new building that is being fitted out with state of the art technology and equipment. This new hospital for our region will have a significant increase in capacity and allow us to treat more patients than ever before.

In May, the Memorandum of Understanding between Peter MacCallum Cancer Centre and Bendigo Health for radiotherapy services delivery was signed, extending our partnership with Peter Mac to 15 years. There were plenty of other Bendigo Hospital Project highlights and these are detailed more thoroughly on pages 12 and 13.

Being an integral part of such a major project is without doubt very exciting, but it also comes with additional challenges, particularly for our staffing group. In the last 12 months, we have shifted our involvement from design and construction of the new hospital to the transition, training and education of staff and developing our new models of care. These are time consuming tasks, but essential to ensuring the best possible preparations are undertaken prior to occupying the new hospital.

This, combined with treating more patients than ever before within our health service, saw our staff rise to these challenges and we could not be more proud of their ability to find the best balance within their teams to fulfil new Bendigo Health commitments and continue their everyday work.

At the start of the reporting period, our passion and drive for continuous improvement led to an organisational realignment, with the aim to place the health service in the best possible position for when the new hospital opens and beyond. A special thank you to those who filled roles in an acting capacity throughout that process.

Mr Cameron began as Chair of the Board of Directors and Marilyn Beaumont and Dianne Foggo were also welcomed as Board Members. Their energy, leadership and direction has had a positive influence across the organisation.

Despite the additional commitment involved around the new Bendigo Hospital, the health service continued to record some outstanding achievements.

Operationally, demand continued and records were broken. We triaged 50,033 presentations to our Emergency Department, admitted 42,143 to our hospital, conducted 81,876 occasions of service through

our specialist clinics and performed 12,656 surgical procedures.

The Strengthening Hospital Responses to Family Violence project was widely accepted across the health service and our staff led the way in many initiatives. It was a proud moment to join with more than 80 staff participating in the White Ribbon Day march throughout Bendigo's CBD in a bid to stop family violence.

We committed to the 'Studer – Hardwiring Excellence' framework, aimed at improving staff engagement, patient experience and organisational outcomes. Initiatives introduced through this framework have improved communication between management, staff and patients and the organisation is seeing positive results. All of the senior executive team are undertaking Rounding with staff, along with five of the directors of nursing. Ongoing coaching is occurring to ensure the process is maintained and that feedback is provided to staff when they discover processes to improve. There is an overwhelming positive response from staff regarding reward and recognition of outstanding work with thank you cards, notes and emails distributed across the organisation.

Our vision of healthy communities gathered strong momentum, led by our health promotion team. A focus on healthy eating and exercise, creating and promoting a smoke free environment and participating in regular activities began at staff level and continued out into the wider community. We also appointed a new Healthy Communities Director who will carry this initiative forward and develop it into a robust and effective integrated whole of community prevention effort for the Greater Bendigo area.

The Bendigo Bank Fun Run was again an outstanding event by the Bendigo Health Foundation and despite participant numbers being a little under previous years, a record $140,000 was raised.

More than 1000 staff participated in development, education and training sessions and more than 200 staff have been trained as super users in the use of the Digital Medical Record as we prepare for the initial rollout of that project over coming months.

Congratulations to all four of our Residential Aged Care Facilities that were reaccredited against the Australian Aged Care Quality Agency standards in 2015. This is a significant achievement and confirmation of the dedication and commitment of our aged care staff.

We saw our volunteer numbers continue to grow to well in excess of 300. This group, passionate about Bendigo Health, can be seen throughout the organisation assisting patients and their loved ones and providing a smile during what can be a stressful experience. We are very proud of our volunteers and cannot thank them enough for the dedication and commitment they have to our health service and our community. Our auxiliary members, when combined, have donated more than 1500 years of service to Bendigo Health, an incredible contribution and one for which we are hugely indebted.

As the reporting period came to a close we said farewell to Board Members, Aileen Berry and Dean Laurence. Together they made a significant contribution to Bendigo Health and we wish them every success in the future. Replacing them are Dr Umair Masood and Michael McCartney - we welcome their expertise, leadership and contribution as we move forward.

Finally, our incredible staffing group of 3500 who have all worked extremely hard coping with the record demand for our services, across all 23 Bendigo Health sites throughout the Loddon Mallee region.

Thank you for the work you have done in the last 12 months and thank you in advance for your commitment and dedication over the next year.

You have all worked tirelessly for our patients and their families and it is the caring, passionate and trustworthy staff across all of our services that make Bendigo Health great.

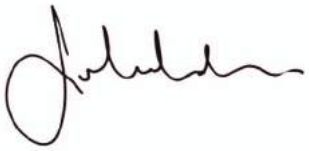
STRATEGIC PLAN ACHIEVEMENTS

Our Strategic Plan 2013-18 was launched in July 2013. It sets out the vision and strategic goals for Bendigo Health for five years. This was our third full year of the current plan which is embedded in all of our annual divisional and department business plans.

As you can see from the list of highlights, we are making progress in each of our four strategic goals and I am confident that our community knows what we stand for and where our priorities lie.

With the new hospital set to open in early 2017, and the strategic plan entering its penultimate year, it is exciting watching our relationship with the community strengthen. We have made significant gains in working with, and supporting, our partners for the good of the region.

Once again our staff shone as they embraced a range of new projects along with their day to day roles. We truly are going from good to great.



John Mulder

CEO

1.1 Educate, Inform and Empower our Community to take control of their health and their healthcare

- All of the Bendigo Health Residential Services had the Bendigo Health Dental Service attend and provided 100% of residents with the opportunity to receive dental care.
- The Dry July 2015 fundraising campaign raised $82,432.
- Bendigo Health Books for Babies initiative commenced in September to coincide with International Literacy Day.
- The Language and Literacy project progress includes: Books for Babies supplied now for full 12 months; maternity staff received three presentations by the literacy project worker during December regarding the necessity of this early literacy initiative; Book Box Library program now in Jenny's Early Learning Centre (Hospital campus) and Bendigo & District Aboriginal Cooperative (BDAC) Medical Clinic in Forrest Street; Children's Literacy website in development with Communities for Children team; Dolly Parton Imagination Library has sufficient funds to commence sign up of first children in 2017; City of Greater Bendigo (COGB) community grant received by Communities for Children for the contribution of the literacy project to the Book Cubby program at the Goldfields Library.
- The Fun Run was an excellent very well run event by the Bendigo Health Foundation. Numbers were a little lower this year but funds were higher–$140,000 raised. The new half marathon was very popular.
- The health priorities have been determined for the two health promotion committees at Bendigo Health as tobacco cessation, nutrition and physical activity, and diabetes education. Dental Services will also have an extra focus on oral health.
- All patients that are referred from Acute Outpatients, are 100% compliant with having their height and weight documented on the medical questionnaire.
- The smoke free processes are being developed and rolled out throughout Bendigo Health with a standardised format by the Hospital Admission Risk Program (HARP) and the Community Health teams.
- A specific smoke free program plan is being developed with the Maternity Services team.
- Bendigo Health is working actively with the Murray Primary Health Network on the Health Pathways initiative, this will in time develop pathways for lifestyle risks. Workshops were attended in March by Bendigo Health Executive Directors and Clinical Directors.

- The Chief Speech Pathologist and the Consumer Participation Officer have attended Module 1 of the Health Literacy course conducted by the Centre for Culture, Ethnicity and Health. Project development is underway for follow up work for Health Literacy at Bendigo Health.
- Additional funding was provided by the Department of Health and Human Services to continue work on the Strengthening Hospital Responses to Family Violence Project.
- Inpatient Rehabilitation and Evaluation Unit staff actively participated in the April Falls Day on 1 April. The importance of reducing falls risk factors for patients to improve the safety of the environment was emphasised to all staff and patients.
- A working party for survivorship was established by Cancer Services with the purpose of creating a program for survivorship with a needs analysis and sustainability. The program includes a focus and wellbeing, self-sufficiency and use of community services.

1.2 Deliver best practise person-centred care

- The Studer initiative of Executive Rounding with patients commenced on a weekly basis in the Surgical Unit and Medical Imaging.
- Audiology was included in the newly developed generic General Practice referral form by Bendigo Health Referral Centre. This form will be applied for external referrals from all professionals to Bendigo Health Audiology.
- The Social Work Department led ongoing education, support and information to staff to ensure that the environment at Bendigo Health remains culturally sensitive.
- A video conferencing facility was made available to Echuca Regional Health, Swan Hill District Health, Castlemaine Health, Kyneton District Health Service and Maryborough District Health Service to have access to a mental health clinician after hours to enable urgent assessment of patients. Education and training was provided to relevant staff and the first assessment successfully completed.
- Discussions are being held with the three urgent care centres in the region, Castlemaine, Kyneton and Maryborough, regarding use of telehealth for after hour's assessments with the Rural South Community Mental Health team. Education is being rolled out to the urgent care centre staff.
- An evaluation of the mental health Telehealth in the Home Project demonstrated a favourable response from patients and clinicians involved. The project was a joint initiative between Psychiatric Services and Murray Primary Health Network Partners in Recovery Program. The project provided for the provision of consultations by Bendigo Health clinicians to patients within their own homes.
- Carer Support Services supported the development of a sustainable framework regarding support of parents, carers and siblings of a family member living with mental illness.
- The Chief Executive Officer committed to Studer – Hardwiring Excellence as a regular agenda item at the Business Unit Managers meeting in order to disseminate information further for managers and ensured key messages of the organisation are communicated.
- Patient Leader Rounding sessions were conducted monthly by the Inpatient Rehabilitation and Evaluation Unit Nurse Unit Manager. The Nurse Unit Manager of the Surgical Unit commenced Leader Rounding on patients once per week.
- Marjorie Philips Unit (MPU) successfully introduced the use of video conference for case conferences. This allowed staff from rural areas to participate without driving, but also our local lead clinicians can participate without the added difficulty of attending the unit with restricted car parking. Increased time management for lead clinicians as they can continue on with their work until ready to discuss their patient.
- The Telehealth in the Home Project was completed by Psychiatric Services.
- Advance Care Planning in the Acute Health division is progressing well and General Practitioner engagement is also progressing to avoid patients being transferred to the hospital against their wishes.
- Education of medical staff commenced in the Intensive Care Unit for Hospital Medical Officers (HMOs) and Registrars to be aware of need to refer to the Advance Care Planning co-ordinator if a patient is not for intubation and being transferred to the ward.
- The Medical Unit continued with Advance Care Planning referrals for eligible patients with 93% on the last audit received.
- Case Management Services (CMS) liaised with the BDAC to organise culturally sensitive training on healing families and Acquired Brain Injury (ABI). The CMS ABI Case Managers also work directly with the Njernda Aboriginal Corporation in Echuca and the

Mallee District Aboriginal Corporation to provide support for people with an ABI, and training for workers across the Loddon Mallee region.

- 50% of the Specialist Clinics waiting list validation was completed by March with an average of 30% of patients removed from the waiting list as a result of the auditing activities.
- 35.1% of dialysis patients are on home dialysis which meets the Department of Health and Human Services key performance indicator set at 35%.

2.1 Build a high performing workforce

- Ongoing consolidation and embedding of the Studer initiatives continued across Bendigo Health. Monthly coaching with the Chief Executive Officer, Executive Directors and Directors in the organisation provides great insight into the progress of the organisation with Studer initiatives, which largely must be driven from a senior management level. All senior leaders are asked to review the intent of rounding and remember it is about listening to the needs of our staff and feeding back outcomes.
- Many of the Senior Executive team including the Chief Executive Officer are undertaking Executive Rounding with staff, along with three of the Directors of Nursing. Ongoing coaching with these EDs/DONs is occurring to ensure the process is maintained and they are providing feedback to staff when they discover processes to improve, or feedback for units. There was an overwhelming positive response from staff regarding this and the Senior Leaders are reaping the rewards of such a positive initiative.
- An Associate Midwife Managers (AMM) study day was held in November. The evaluations received from the AMM group were very positive and all felt this was worthwhile to continue next year. Speakers presented on: Performance Review and Development Planning (PRDP) completion; Women's and Children's Services model of care for the new hospital; WEIS funding; Kronos; the new mortality and morbidity database; and VHIMS education.
- Six maternity staff were selected and attended the Melbourne based neonatal baby check course in November. After the course Dr Andy Lovett has spent individual time with each midwife ensuring competency for completing baby checks. Having midwives trained in this procedure will assist with a more timely discharge process for new families.
- The Department of Health and Human Services funding rounds for Aboriginal traineeships opened in September and two applications were submitted by People and Culture in collaboration with Residential Aged Care to develop two Aboriginal Personal Care Assistant Trainee roles.
- The medical workforce continued to be strengthened in the Healthy Communities and Continuing Care Division (HCCC). HCCC now have two fulltime rehabilitation specialists following the commencement of a new full-time specialist in November. A second geriatric registrar to primarily service the acute units was approved as part of the orthogeriatrics business case. The orthogeriatric business case was approved by Group Executive in November and commenced early February. This will build on the successful Rehabilitation in Orthopaedics service (RIO).
- 11 Bendigo Health nurses completed the Certificate in Gerontological Nursing Course during 2015 and 19 nurses completed the Advanced Clinical Nursing management course in 2015.
- A staff survey and a learner survey regarding patient knowledge and satisfaction with student contact while they received care at Bendigo Health was conducted as part of the Best Practice Clinical Learning Environment (BPCLE) action plan. Survey results showed that staff and learners see Bendigo Health as providing a positive learning environment.
- The position of Chief Medical Officer (CMO) was appointed to, with the new incumbent commencing with Bendigo Health in June.
- Collaborative Health Education and Research Centre (CHERC) coordinated and hosted a Regional Stroke Symposium in February at the Bendigo Capital Theatre with key note speaker Dr Nawaf Yassi. Dr Yassi is a consultant Neurologist at the Royal Melbourne Hospital and is highly experienced in practical acute stroke assessment and management. He has also been involved in acute stroke system redesign, leading to significant improvements in stroke treatment times, which have since been implemented on an international scale. Other speakers included Professor Leanne Carey and Dr Janice Collier from the Florey Institute of Neuroscience and Katherine David from the National Stroke Foundation. This conference was attended by 73 delegates from regional Victoria, and included a mixture of nursing, allied health and medical professionals. Evaluations reflected that all who attended found the day very informative and the information relevant to their workplace.

- 40 new nurses are participating in the 2016 Bendigo Health Graduate Nurse Program.
- Safe Manual Handling (SMH) education was provided to 256 Bendigo Health staff between January and March.
- 1102 staff development sessions were attended from July to March with 183% of the set target achieved.
- A project to promote Bendigo Health as an employer of choice was developed in line with workforce planning activities and involved production of five short videos featuring staff from different clinical and non-clinical areas across Bendigo Health. The videos will be used to promote Bendigo Health at various career expos, on our website, intranet social media platforms.

2.2 Deliver a world-class healthcare experience

- The concept of volunteer discharge telephone calls that was piloted in the Surgical Unit was highlighted as an opportunity for the Orthopaedic Unit. Nurse Unit Manager (NUM) will liaise with Volunteer Manager and NUM Surgical Unit to progress and formalise this arrangement.
- Volunteers are going to assist with handing out family experience surveys for the Intensive Care Unit. Surveys numbered to indicate how many handed out versus return rate to determine source of low return, previously not measured. Increase profile of survey with clinical champion speaking to staff at monthly meetings. Noted increase in return for the month of August.
- Haven Housing officer was employed with Bendigo Adult Community Mental Health Team (BACMHT) to liaise between Haven management and BACMHT management and has begun distributing the established Haven housing survey to past and current patients of the Housing Access program.
- The change management issues identified through transition planning interviews were entered onto the change management issues report. 100% of the clinical managers moving into the new building participated in a transition planning interview. The relocation toolkit has been reviewed in readiness for 'The Move' planning.
- The Staff Education and Training committee and eLearning committees were consolidated. The newly revised committee will provide guidance and advice in relation to education and training initiatives across the health service. In preparation for the rollout of the Digital Medical Record (DMR) and Electronic Medical Record (EMR) basic level ICT skills sessions are being offered regularly. A learning centre room was identified on the Bendigo Hospital campus and was be set up in early 2016. The room allows staff to have direct access to new equipment prior to the transition to the new facility.
- Bendigo Health Executive endorsed the continuation of the physiotherapy led post arthroplasty review clinic to be embedded into usual Bendigo Health business. This staffing framework allows for orthopaedic surgeon time to be used more efficiently to manage patients that are ready to undertake surgery and has led to improved patient outcomes. It has the ability to impact positively on the orthopaedic outpatient clinic waiting times and waiting lists.
- Complex Care Service in Medical Unit opened and training is commencing to increase the skill of the nurses to care for continuous positive airway pressure (CPAP) patients.
- The Bendigo Allied Health Research and Education group, a collaboration between Bendigo Health and La Trobe University, held a research showcase for allied health leaders from these organisations in November. Highlights of the session included the presentation of a collaborative research register that has been developed by the group and a presentation of models to increase allied health research capacity. One of the outcomes of the session was to develop a paper to discuss options for models to increase research capacity that could be implemented locally.
- The research seminar series continued monthly with presentations in this period including: Strengthening Hospital Responses to Family Violence at Bendigo Health; Workforce Planning Project; and Healthcare Ethics.
- The Bendigo Health Foundation provided gifts for patients in Alexander Bayne Centre (ABC) to provide to their children when visiting on Christmas Day.
- The 2015 Night of White event held by Bendigo Health Foundation was planned well and enjoyed by those who attended, numbers were about the same as last year with a total of $21,000 raised.
- A shared care model between Hospital in the Home (HITH) and the Diabetes Service for clients with Type 2 diabetes was formalised to assist with timely discharge and follow up in the community.
- The Memorandum of Understanding (MoU) between Peter MacCallum Cancer Centre and Bendigo Health for Cancer Services was signed.

- The equipment procurement process for the Bendigo Hospital Project was 95% complete at the end of March. All equipment packages are now currently out to market.
- Customer service training was arranged for the Meet and Greet volunteers in preparation for their role in the new hospital.
- The entire Inpatient Rehabilitation and Evaluation Unit was realigned to mirror the unit structure in the new hospital. E3R now houses both Orthopaedic Rehabilitation and Geriatric Evaluation Management (GEM) which will be moving to level 4 of the new building, and N3R houses both Neuro Rehabilitation and GEM which will be moving to level 5. Staff will now go through a similar process to determine the work area they prefer to specialise in as we transition to the new hospital. It was anticipated to complete this work early so all staff had the opportunity to understand the structure and determine if they had any additional learning needs. Early transition will also allow for the change management process to settle before the introduction of DMR and increased training needs for the new hospital.
- 204 super users were trained in the use of the Digital Medical Record (DMR) during February. 76% of the nominated Super Users have attended the required DMR training. 100% attendance at required DMR training has been achieved by Cancer Services, Cardiology, Intensive Care Unit, Infection Prevention and Control Unit, Medical Imaging, Orthopaedic Unit, Patient Services, Vahland Complex and Quality@BH.
- The EMR implementation plan was drafted with the go live date agreed as December 2017.
- Using questions that were co-designed with consumers, the Rural Health Team (RHT) and Aged Care Assessment Services (ACAS) completed a phone survey of 10 clients from each program per month since early 2014. Since the survey, the results and themes showed that consumers view staff as trustworthy, professional and knowledgeable and most consumers felt they were able to ask questions about their care. Comments also indicated that consumers would access services again if needed. The trended results are displayed for staff to view.
- The Referral Centre commenced registering clients referred by hospitals onto the My Aged Care platform commencing from May 7.
- Story time commenced in the Paediatric Specialist Clinics on March 17 with feedback received from the volunteers involved in the program being positive.
- The Chief Speech Pathologist worked as a representative of Allied Health heads of department to communicate quality activities within the area of consumer participation. This will be included in the project work done with Health Literacy, with participation in monthly quality audit cycles and review of scheduled organisation wide consumer input. Allied Health specific consumer information will be gathered in relation to specific and targeted quality improvement activities.
- A new Department of Health and Human Services resource was released, Older People in Hospital, which provides clinicians with evidence-based information and simple strategies to minimise the risk of functional decline for older people in hospital. It is underpinned by the principles of person-centred practice. A Bendigo Health working group was formed and a number of actions identified to ensure this resource is utilised across Bendigo Health and in the community.
- 95% of patients who received services from Bendigo Health (Bendigo Hospital campus – TBH) between October and December rated their overall hospital experience as either ‘very good’ or ‘good’.
- Marjorie Philips Unit implemented a new process to ensure patients are provided a survey leading up to their discharge, which has assisted in a greater return of satisfaction surveys. A staff member has been identified to coordinate discharges and this role includes the offering of the survey. This has led to an increase in patient satisfaction surveys being completed by 157%.
- AIDET (Acknowledge, Introduce, Duration, Explanation, Thankyou) training, the structured communication tool that promotes engagement between different people, was well attended with a total of 264 staff being trained by the end of March.

3.1 To support the development of a highly integrated health system across the Loddon Mallee region

- Community programs developed relationships with the Aboriginal Community Controlled Health Organisations in the Loddon Mallee region. Recent events undertaken as a part of the relationship: Acquired Brain Injury (ABI) group, Case Management Services, and Njernda banner; Cafe style memories with female elders of Bendigo & District Aboriginal Cooperative. Work continues with relationship building and maintenance.

- Carer Support Services worked with groups in the Loddon Mallee community to promote sustainable caring through: supporting the Carers Victoria Mingle 2015 event held in Mildura; commenced the sustainable caring process in Mildura with Annecto and Carers Victoria; and completed Outside the Locker Room in partnership with Goulburn Valley Football League.
- The Talking Matters Bendigo (TMB) speech pathology drop in clinic service evaluation was undertaken by three honours students in the School of Education at La Trobe University. Their focus was on the confidence and experience of parents accessing the clinic. Feedback of this evaluation was provided to stakeholders as part of the three year anniversary review of TMB in November. Outcomes demonstrated a positive impact perceived by parents as well as provided recommendations for ongoing improvement in access to TMB clinics. Further formal research and evaluation is planned by the TMB reference group to obtain a vigorous evaluation of longer term outcomes on the impact of the clinic and the TMB partnership.
- A mental health legal aid lawyer attended the Alexander Bayne Centre twice weekly with provision made for the lawyer to meet privately with patients on the ward.
- The contract for the provision of supply services to Maryborough District Health Service commenced in January.
- Bendigo Health hosted a delegation from South West Healthcare, who are undertaking due diligence regarding implementation of Kronos.
- Partnerships continue with Castlemaine, Rochester and Kyabram with patients from both our elective surgery waiting list and specialist waiting list being scheduled and treated at these hospitals inclusive of both Elective Surgery Information System (ESIS) and non ESIS.
- A meeting was held with the Castlemaine Health Chief Executive Officer and Executive team with the Bendigo Health Executive Directors of Acute Health and Healthy Communities and Continuing Care considering further opportunities for the organisations working together.
- The education package was completed by the Rural South Community Mental Health Team for the Living Well project in Mt Alexander Shire.
- An information session and tour of the Alexander Bayne Centre was conducted with the Mallee and District Aboriginal Service (MDAS) staff to enhance knowledge and strengthen partnerships between the two services.
- Accommodation is now being offered to women travelling from Mildura to Bendigo for the BreastScreen Assessment Clinic with very positive feedback received from the women.
- Negotiations have been ongoing between the software vendor (HealthIQ), Bendigo Health and Echuca Regional Health to pilot the Inter-hospital Transfer (IHT) module between these organisations.
- Medical Oncology are currently supporting the CHERC Project Officer appointed by Loddon Mallee Integrated Cancer Services to review the Department of Health and Human Services document 'Role of a Regional Cancer Centre' which will involve a region wide stakeholder review, needs and gap analysis.
- Discussions were held with both Mount Alexander and Macedon Ranges Shires regarding initial involvement by Rural South Community Mental Health Team in the suicide prevention committees.

4.1 To continuously improve the quality and safety of our services

- The transition to 'FreeGo' enteral feeding pumps across acute, sub-acute and home enteral nutrition occurred in August which ensured up to date feeding pumps were being used at Bendigo Health and also associated cost savings with the giving sets used with the pumps.
- All four of the Residential Aged Care facilities were re-accredited. Golden Oaks Nursing Home and Simpkin House successfully met all 44 outcomes in July on its Australian Aged Care Quality Agency reaccreditation audit. Positive comments regarding Simpkin House, in particular about work around Occupational Violence and staff health and wellbeing project. Gibson Street Complex was compliant on the unannounced accreditation visit from the Australian Aged Care Quality Agency in July.
- Occupational Health and Safety (OHS) and Psychiatric Services signed on to a Workhealth Improvement Network Program for Alexander Bayne Centre staff as a joint venture with Department of Health and Human Services (DHHS). The project commenced on January 18. The project looks at personal health and wellbeing plans for staff, compliance with training and education requirements including occupational violence, measurement of safety culture within the unit and understanding the risk assessment processes.

- The OHS Department worked with Buildings and Infrastructure developing an operations manual for the use of a drone for checking of cleanliness of roof gutters and assistance with Building and Infrastructure risk management. Operators risk assessment and Safe Work Method Statement completed and operational use is ready to commence. Staff authorised to use the drone taken through a formal training program including competencies measured to fly the drone. Utilisation of the drone to inspect building roofs and gutters commenced with inspections of two Bendigo Health buildings. This resulted in elimination of the requirement of staff to access roofs. Both roof areas were declared risk free for blocked gutters and fire risk. The risk assessment model is finalised and this project is now complete.
- Bendigo Health achieved 76% compliance for clinical staff receiving the flu vaccination in 2015. More than 2,800 staff were immunised.
- A Quality Improvement Summary (QIS) submission was lodged for the Recall Protocol 'Development of a formal process to manage notification for recalls and TGA alerts' by Supply Services for the Quality Awards program and was the recipient of October 2015 Quality Award Finalist.
- The ISO9001:2008 accreditation framework was successfully reaccredited for Payroll Services and Supply Services, with the achievement celebrated.
- Additional Falls Co-ordinator hours were approved by Group Executive which assist in efforts to prevent falls and harm from falls. The position was recruited to in January.
- A process and meeting schedule was established in preparation for the next organisational accreditation for Psychiatric Services. Clinical audits are occurring as per the schedule in all units across the division with results being reviewed and monitored by the Clinical Risk and Standards Committee monthly.
- The Specialist Clinics project was been developed with a range of new reports developed by the Performance Reporting Unit and disseminated. Discussions are occurring with senior medical staff via clinical directors meeting and individually regarding increased ownership in triaging of referrals and management of long standing referrals. Urgent versus routine classification of referrals to be brought in line with the Department of Health and Human Services (DHHS) definition. Additional Valcheck resource has been approved for six months. The Valcheck process is resulting in significant referrals removed being from list. The waiting list started at 6979, with 68% urgent referrals seen in 30 days as of 30 October 2015. The waiting list 6871 as of 16 December 2015 with 76% urgent referrals seen within 30 days during November. The DHHS comparison report was received and analysis indicates that the median time for urgent appointments decreased for most specialities. The report also shows improved categorisation between urgent to routine appointments.
- A Food Safety Audit was completed by an independent third party across the organisation showing all venues and food preparation areas fully compliant.
- Food Services trained a record number of Bendigo Health staff from across the organisation in food handling including food services assistants, occupational therapists and nurse unit managers.
- The Quality Aged Care audit occurred for the community programs of Case Management Services (Home Care Packages) and Carer Support Services (National Respite for Carers Program) in October. The audit was held in Bendigo and the eight regional offices. Accreditation was maintained with all standards met and some opportunities identified for improvement. Staff were well organized and accustomed to audits.
- The community program quality review meeting was established in response to the number of accreditation audits undertaken by the programs. The programs are accredited against NSQHS, Quality Aged Care Standards (and previously the Community Common Care Standards), and the Human Services Standards (disability). With two audits per year the meeting is a vehicle to review improvements and the requirements for each audit. It is well attended by the nominated managers and team leaders of the community programs.
- Formal commencement of the Workhealth Improvement Network Project occurred in the inpatient psychiatric units of Alexander Bayne Centre, Vahland Complex and the Marjorie Phillips Unit.
- Implementation of an electronic chemical management system rapidly progressed with the finalisation and submission of all chemicals used within Bendigo Health being provided to ChemWatch for inclusion into the chemical register. This information included chemical type, volume and storage location which will result in a formal manifest and safe systems for the use of chemicals.
- Healthy Communities and Continuing Care had a successful disability audit outcome from February with a three year certificate received. Staff were encouraged that the auditors noted their skills,

passion and commitment to providing high quality services that make a real difference in people's lives.

- To further accurately record and report on incidents and near miss events, the OHS Department was scrutinising all OHS related incidents to ensure correct evaluation of the injury and risk was recorded. This resulted in a clearer picture of the causes of injury and evidence that occupational violence related incidents are the most significant cause of musculoskeletal related injuries identified by staff.
- Gastroenterology Medicare benefits schedule (MBS) outpatient clinic commenced weekly in May.

4.2 To operate sustainably and with financial efficiency

- The Business Improvement Project continues with Applied Aged Care Solutions (AACS) consultants. This has involved screening of new and current residents, higher ACFI submissions to Medicare, staff training, recruitment of the clinical documentation manager, pain nurse and physiotherapy. Capital works for Golden Oaks site have been approved by Bendigo Health Board of Directors. Meeting has been held with Buildings and Infrastructure (B&I) to progress the design for the Golden Oaks sites.
- Since the commencement of the ACFI/clinical Co-ordinator within the Residential Service team: 20 category changes and 18 new residents were submitted in October; seven category changes and 11 new residents were submitted in November; 13 new category and six new residents were submitted in December 2015. Residential Services was $60,000 positive to budget at end December.
- The Chief Speech Pathologist negotiated access to two clinical spaces at Bendigo Community Health Services for the paediatric speech caseload. This will be for one day per week and commenced in October. A service level agreement was established. Solutions for ICT access, client file access, resource supplies all completed and enacted. There will be no changes to triage or client allocation processes. Staff engagement and consultation in the process is positive and ongoing. Processes for orientation to the site including OHS systems were scheduled.
- Both the mobile image intensifier and mobile x-ray units were replaced and are in use by Medical Imaging.
- The Bendigo Health hand hygiene compliance continued to meet the state benchmark which is now set at 80%, with 82% achieved overall July to September for the acute campus.
- Additional funding for dental was received with commitment from Dental Health Services Victoria (DHSV) to fund all activity undertaken at Bendigo Health even above target.
- Two new sub-acute inpatient initiatives commenced, an orthogeriatric service, and to enhance Geriatric Evaluation Management (GEM) on acute units. The activity for both initiatives showed an increase in February and March.
- The Marjorie Philips Nurse Unit Manager had discussions with the Psychiatric Services Business Director and Director of Nursing regarding the sustainability of having a Clinical Nurse Specialist (CNS) position on the unit Monday to Friday. The position has been trialled on the unit over an extended period of time. The benefits of the position have been great as the position is responsible for the educational needs of students, graduate nurses and other staff. Pressure is relieved from ward staff with the role of preceptoring. Staff are able to have students work alongside them, but together with the CNS the learning opportunities are greater, and documentation is of a higher standard.
- A clinical document education program and strategic plan have been adopted and are now in place by Information Services.
- The Speech Pathology Department and La Trobe University now working together to develop a student led clinic with Talking Matters Bendigo. La Trobe have confirmed the clinic meets the requirements of their curriculum and Bendigo Health confirms supervision capacity exists to support the clinic. Potential was identified to enable this to be trialled in 2016, with one clinician supervising up to three students. Benefits of this would be flexibility to offer more frequent sessions as well as reduced demand on capacity of Bendigo Health and supporting partners to provide clinicians to staff the clinic.

BENDIGO HOSPITAL PROJECT

It's hard to imagine this time next year, the new Bendigo Hospital will have been open and operating for about six months. This means all the work, commitment and dedication that went into the design, construction and preparation for the transition into the new facility will have come to fruition.

For Bendigo Health, the last financial year has seen a shift from construction into transition as builder, Lendlease, finished the façade and glazing and the fit out in some areas. This triggered the start of Quality Assurance inspections with our staff – of which there are six stages.

Now, the facility is a far cry from the concrete shell it was a little over 12 months ago. Natural light flows throughout the 46 courtyards and terraces, while splashes of colour make each floor warm and friendly and reflect the 10 Local Government Areas that make up the Loddon Mallee region.

Equipment was procured and is being installed and the environmental features, such as the 770 solar panels, were installed and began capturing energy. We have opened the doors many times to the local media who have been fantastic in capturing moments of the hospital's development and sharing it with the local community. Coverage included, the Emergency Department, Intensive Care Unit, Theatres, the Bendigo Cancer Centre and the ICT Data Centre.

Behind the scenes, staff have been engaged in a number of Completion and Transition (CAT) Groups, which involve representatives from Bendigo Health, Exemplar Health and the Department of Health and Human Services. It is within these groups where we come together with the overall goal of producing the best possible outcome for the opportunity that presents itself – a new world class hospital.

One of those groups focused on the early handover of the kitchen and supply departments who, with great anticipation, are set to move into the facility on July 5. On June 23, we recognised our Food Services staff at a special dinner prior to their transition to Spotless Services, the operators of the new kitchen. Those staff will always be part of the Bendigo Health family and we thanked them for their outstanding contribution to Bendigo Health and wished them every success moving forward.

Away from the new hospital building itself, landscaping began in earnest with the closure of Mercy Street and various car parks on the Anne Caudle Centre site. We say a big thank you to staff, patients and visitors to these areas for their patience during those times. The end result will be spectacular. Decommissioning of the old kitchen and stores, staff amenities and Perrin Plaza began and demolition will begin shortly, paving the way for an incredible landscaped community area.

Restoration work continued on the Anne Caudle Centre campus heritage listed buildings and this area, known as the Heritage Quad, will bring our grand buildings back into architectural significance.

Models of Care continued to be refined, while Studer, an improvement and excellence framework, has been adopted throughout the organisation. This will equip our staff to deliver world class care in a world class facility.

The Electronic Medical Record (EMR) project team have had a big year, with the development and implementation of the Digital Medical Record (DMR) about to go live. Bendigo Health selected Intersystems as the EMR preferred vendor to partner through this journey and work began on the planning and design of the project. The financial year also saw the opportunity to review and renew some of the core infrastructure to support and run our clinical systems, while the EMR project team continued to build to 15 staff, with another six roles to be recruited for the EMR implementation.

Over the next 12 months, the focus for Bendigo Health will be on education and training for transitioning staff and volunteers to familiarise themselves with the new environment. Of course, there's The Move, a major logistical event in its own right, planned for the end of January 2017 and work is well underway around that.

An enormous amount of work from our entire dedicated, committed and passionate staffing group has gone into the new hospital and we thank them for their continued effort and expertise. We also thank the Exemplar Health consortium members for their passion and thoroughness to deliver an outstanding facility for our community.

Now, just months away from opening the doors to our state of the art facility, the end of a once in a lifetime opportunity for Bendigo and the Loddon Mallee region is about to be realised.

From there, an incredibly exciting new journey begins.

"OVER THE NEXT 12 MONTHS, THE FOCUS FOR BENDIGO HEALTH WILL BE ON EDUCATION AND TRAINING FOR TRANSITIONING STAFF AND VOLUNTEERS TO FAMILIARISE THEMSELVES WITH THE NEW ENVIRONMENT."

BENDIGO HEALTH QUALITY AWARDS

Winner 2015

Advance Care Planning Project CHERC and Medical Services

Before the Advance Care Planning Project Bendigo Health had no formal process, policy or procedures in place for Advance Care Planning, rather policies only related to treatment limitations in CPR. Refusal of Treatment certificates were available through Victorian legislation, but these did not form part of Bendigo Health patient medical records.

Data showed that 13% of in-hospital cardiac arrests over the past 10 years had occurred in patients where CPR was deemed to not have been medically beneficial. Further MET data showed approximately 21% of MET calls were for patients who had already documented that they were not for resuscitation.

Based on the successful Respecting Patient Choices Program a documentation system was developed that supported patients to record their choices for future medical treatment which complied with relevant legislation.

With the introduction of Advance Care Planning, staff education included training of 140 staff as Advance Care Planning facilitators and 48 in-services in over 30 units throughout Bendigo Health to more than 600 staff. Internally a further 10 presentation have been conducted to more than 200 staff and externally 10 presentations have been given to a variety of audiences including consumer groups.

“DATA SHOWED THAT 13% OF IN-HOSPITAL CARDIAC ARRESTS OVER THE PAST 10 YEARS HAD OCCURRED IN PATIENTS WHERE CPR WAS DEEMED TO NOT HAVE BEEN MEDICALLY BENEFICIAL.”

From left: Aileen Berry, Adam Woods, Elizabeth Stevenson, Meagan Adams, Dr Jason Fletcher, Bob Cameron.

Finalists 2015-16

Judging for the overall winner has commenced with the Quality Care Council who will present the award at this year's annual general meeting in November.

July 2015

Development of an OT Stroke Screening Tool
Occupational Therapy

August 2015

Life Support Concession Eligibility
Renal Dialysis Unit

September 2015

Streamlining Processes to Reduce Coding Turnaround Time
Health Information Services

October 2015

Development of a Formal Process to Manage Notification for Recalls and TGA Alerts
Supply Services

November 2015

Wrong Route Drug Administration – a Safety and Risk Initiative
Anaesthetics Department

February 2016

Development of Language Specific Interpreter Services
Dental Services

March 2016

Outstanding Quality Improvement Culture
Women's Mental Health Team

April 2016

Community Based Conversation Group for Clients with Communication Difficulties
Outpatient Rehabilitation Services

May 2016

Development of the Loddon Mallee Acquired Brain Injury Network Website
Case Management Services

June 2016

Telehealth in the Home
Rural North Community Mental Health Teams and Bendigo Adult Community Mental Health Team

VOLUNTEERS

Bendigo Health thanks the many motivated and enthusiastic volunteers who demonstrate our values of Caring, Passionate and Trustworthy when helping others. Volunteers are integral to our health service and provide invaluable support to staff, patients and visitors.

Bendigo Health currently employs almost 330 volunteers who help out by generously giving their time, energy and care to patients, staff, residents and visitors. They assist in many areas across the organisation including palliative care, intensive care, emergency, inpatient and outpatient rehabilitation, child and adolescent and special care baby unit, gift shop, discharge lounge and our five residential aged care facilities.

How Our Volunteers Help

Bendigo Health's volunteers help in a variety of ways including assistance with basic administrative tasks, providing companionship to patients, residents and visitors, provision of transport between sites, contacting discharged patients for their feedback and more recently reading stories to our children in the specialist paediatric clinics and our children's ward. Volunteers are also helping to prepare Bendigo Health for the transition into the new hospital.

The vast majority of our volunteers are involved in a companioning role and how they provide companionship is different in each area. For example, in our clinical spaces and aged care services, our volunteers provide companionship by being involved in an activity program or one-on-one visiting. In the Day Procedure Unit, volunteers provide companionship by sitting with an anxious patient before and after a procedure and within palliative care, volunteers comfort a dying patient or a grieving family. More recently we created a role for volunteers to provide companionship to our mums and babies in the Special Care Baby Unit and to young children in our specialist outpatient clinics and the children's ward.

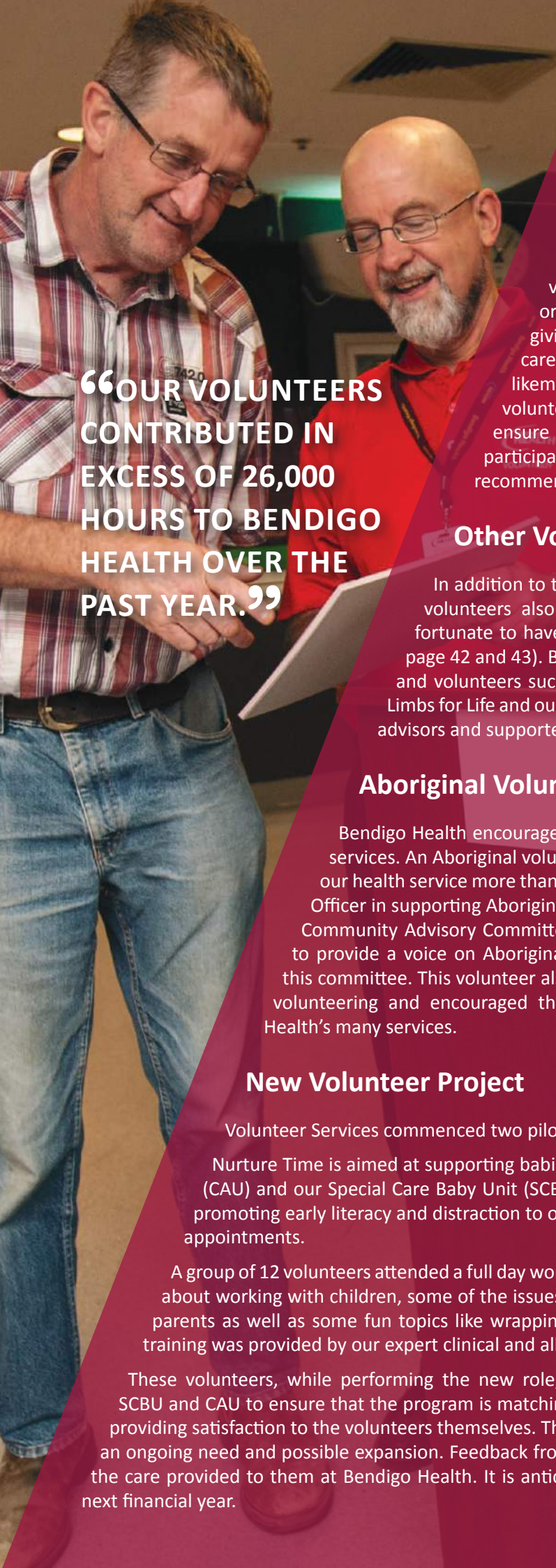
In the 2015 year volunteers helped approximately 29,000 people to navigate their way through the healthcare setting simply by being a friendly face and offering their time to listen to people who need to use the services of Bendigo Health.

Our volunteers help in the provision of service, are an integral part of the Bendigo Health team and bring a sense of community and warmth into what can often be a daunting experience.

Behind the traditional clinical face of the health service volunteers help with administrative tasks such as mail outs, construction of files and information packs for patients and carers as well as communication and marketing packs for Bendigo Health programs, and with the move to the new hospital imminent volunteers have also helped with document scanning to ensure that Bendigo Health will be paper light.

Volunteer Fast Facts

Our volunteers contributed in excess of 26,000 hours to Bendigo Health over the past year. This is the third consecutive year that such a contribution has been given by our volunteers. They constructed almost 40,000 files and admission packs and assisted with more than 64,000 contacts and activities with patients, residents and visitors in more than 30 areas across the organisation.



"OUR VOLUNTEERS CONTRIBUTED IN EXCESS OF 26,000 HOURS TO BENDIGO HEALTH OVER THE PAST YEAR."

Orientation of Our Volunteers

As part of Bendigo Health's process of engagement, all prospective volunteers are required to attend orientation prior to their commencement. This is an opportunity for volunteers to determine whether Bendigo Health is the organisation that suits their volunteering needs, as well as giving clear guidelines to their roles and strategies for self-care. It is also an occasion for the volunteers to meet with likeminded people. At Bendigo Health we ensure that our volunteers have been given the right tools and resources to ensure they are safe and confident when volunteering. 99% of participants enjoyed the orientation so much they said they would recommend it to others.

Other Volunteers

In addition to the almost 330 volunteers at Bendigo Health, many other volunteers also contributed to our services. The organisation is very fortunate to have several auxiliaries that raise much needed funds (refer page 42 and 43). Bendigo Health is also grateful to other community groups and volunteers such as Heartbeat, Central Victorian Stroke Support Group, Limbs for Life and our honorary parish visitors and chaplains and our consumer advisors and supporters.

Aboriginal Volunteer Program

Bendigo Health encourages Aboriginal and Torres Strait Islander volunteers into its services. An Aboriginal volunteer joined the meet and greet desk at the front door of our health service more than 12 months ago and assists the Aboriginal Hospital Liaison Officer in supporting Aboriginal patients and visitors. This volunteer has also joined the Community Advisory Committee as an Aboriginal consumer and uses this opportunity to provide a voice on Aboriginal matters or concerns on topics that filter their way to this committee. This volunteer also assisted the Director of Volunteer Services to promote volunteering and encouraged the Indigenous community to volunteer across Bendigo Health's many services.

New Volunteer Project

Volunteer Services commenced two pilot projects called Nurture Time and Story Time.

Nurture Time is aimed at supporting babies, children and parents in our Child and Adolescent Unit (CAU) and our Special Care Baby Unit (SCBU), while Story Time aims to provide an opportunity for promoting early literacy and distraction to our young patients waiting in the specialist clinics for their appointments.

A group of 12 volunteers attended a full day workshop which provided them with a greater understanding about working with children, some of the issues and complexities of care for both the children and their parents as well as some fun topics like wrapping and cuddling babies and singing nursery rhymes. This training was provided by our expert clinical and allied health professionals.

These volunteers, while performing the new role, are also providing feedback to the Unit Managers of SCBU and CAU to ensure that the program is matching the needs of our patients and their families while also providing satisfaction to the volunteers themselves. The pilot finished on June 30 and it was assessed there was an ongoing need and possible expansion. Feedback from patients, family and staff has been very positive about the care provided to them at Bendigo Health. It is anticipated that this valuable program will continue into the next financial year.

Volunteer Walking Group

In order to match our strategic agenda of Healthy Communities, Volunteer Services commenced a monthly walking group in September 2015. The aim of the group is to provide volunteers with an opportunity to gather and do something healthy and social. The volunteers are joined by the Director of Volunteer Services who likes to use this as an opportunity to find out what is and isn't working for our volunteers. The volunteers do a lap of Kennington Reservoir before enjoying a cuppa together. The volunteers themselves have been very positive about the opportunity to meet each other while doing some exercise.

Hospitals Volunteer Benchmarking Exercise

In March, Bendigo Health instigated a fourth Hospital Volunteer Services benchmarking exercise, via the Leaders of Health Volunteer Engagement (LOHVE) Network - also a Bendigo Health initiative. This year 45 hospitals from across Australia provided information about their volunteer programs including: number of volunteers, number of staff working with volunteers and the types of programs.

A full report will be provided to help Bendigo Health better understand where our volunteer programs sit in comparison to similar size health organisations. This has become an annual benchmarking exercise, with other hospitals already reaching out to the network and encouraging more hospitals to get involved next year.

Leadership in Health Volunteering Conference

Volunteer Services at Bendigo Health partnered with Barwon Health to host and present Australia's first Leadership in Health Volunteering Conference. The conference was held at Simonds Stadium in Geelong for more than 125 delegates consisting of volunteer managers/co-ordinators, executive and management of health and community organisations. The one day conference focussed on three particular themes of leadership: Identity, Innovation and Influence. Gabrielle Williams (Parliamentary Secretary for Carers and Volunteers) opened the conference. while keynote speaker Steve Moneghetti (Olympian and world champion athlete) inspired delegates before the remainder of the day focussed on the themes in various presentations and panel discussions. This format allowed the day to be interactive so delegates could gain knowledge and ask advice from our experts. Bendigo Health CEO John Mulder was involved in a CEO Panel about influencing up, while Bendigo Health Board member Aileen Berry presented on creating an identity before joining a panel on the same subject. The conference received very positive feedback from delegates. More than 90% stated they liked the conference, almost 92% said they would recommend the conference to their peers and 93% of delegates wanted Bendigo Health and Barwon Health to partner again to host another conference.

Minister for Health Volunteer Awards 2016

Bendigo Health's Volunteer Reference Group nominated a number of volunteers for the Minister for Health Volunteer Awards in May.

Categories nominated by Bendigo Health were:

- Outstanding Lifetime Achievement Award
- Outstanding Cultural Inclusion Award
- Innovation Award
- Improving Patient Experience Award.

Twelve representative volunteers and their supporters attended the awards ceremony which was held on May 18 at the recently renovated Abbotsford Convent. While none of our Bendigo Health nominees were successful in bringing home a Minister for Health Volunteer Award they were all winners in the eyes of Bendigo Health.

Volunteer Recognition Ceremony

Fifty one volunteers were honoured for 5, 10 and 15 years of service - totalling 385 collaborative years of service to Bendigo Health. An intimate ceremony was held to recognise these volunteers who were joined by family and friends and members of the Bendigo Health staff, executive and board. Bendigo Health Board chair, Bob Cameron, and Executive Director Healthy Communities and Continuing Care, Liz Hamilton, thanked and congratulated each volunteer and presented them with a certificate and a pin.

Pastoral Care Volunteers

Pastoral Care Chaplains are available for a listening presence, emotional support, prayer and ritual or spiritual guidance. Anyone can refer patients or

families, or make a self-referral. In 2015 a referral flowchart was implemented to enable staff to determine the best way of making a referral dependent on the urgency and availability of chaplains, given the time and day and the noted faith background of the person needing a referral.

Pastoral Care has grown significantly from a dozen Christian chaplains in 2013 to a multifaith team of 30 people in 2016. In 2015, the team grew to include Jewish, Muslim and Sikh chaplains. Our faith community employed and volunteer chaplains have a variety of available hours, with some visiting in the evenings and on weekends and many available for urgent/end of life calls at any time.

The number of patients who are seen by a chaplain in any week has increased significantly over the past 12 months. Reported figures for combined January and February for 2015 were 270 visits and the same period in 2016 had 835 visits. While numbers of visits have increased, the quality of time spent with people has also increased as our chaplains share de-identified stories of lengthy visits in which people have deeply explored how their spirituality impacts their life and their health.

Creating a form for recording a volunteer chaplain visit in a patient's record without breaking confidentiality have been a significant part of quality improvement for 2015-16.This will enable a multidisciplinary team to be aware that a visit has occurred, a particularly important part of handover and family feedback after an end of life referral. Automated, de-identified systems of notifying faith based chaplains of inpatients have also been developed to assist in planning visits to those of specific faith communities.

Regular events, such as the three memorial services held each year, worship services in residential services, and the annual pastoral care forum have been very well attended and appreciated by members of the community.

Future planning for the new Bendigo Hospital's sacred space and environs has been a major focus of 2015-16, and we look forward to welcoming people into our universal sacred space in 2017.

"OUR VOLUNTEERS HELP IN THE PROVISION OF SERVICE, ARE AN INTEGRAL PART OF THE BENDIGO HEALTH TEAM."

INFECTION PREVENTION AND CONTROL

Successful infection prevention and control (IPC) practice requires a range of strategies to prevent and manage infection across Bendigo Health.

The IPC program has the responsibility for preventing and managing infection by minimising risk of local transmission through prompt identification of at-risk individuals, timely application of precautions, and maintenance of compliance with safe practices including isolation of infection, compliance with hand hygiene and antibiotic stewardship. Surveillance of infection and prompt feedback to speciality groups is also essential to reduce health care acquired infection. Including our consumers in their care is integral to reducing risk of infection. This is achieved through providing information on their health condition and treatment options in a format and language that they can understand. IPC have a series of brochures which are widely available across Bendigo Health which provide information on infection control, hand hygiene, and significant infections. IPC information is also available via the Bendigo Health internet site. Staff are also kept up to date via the IPC intranet site and electronic noticeboards.

Hand Hygiene compliance

Bendigo Health has maintained a high level of compliance with hand hygiene. Staff are monitored continually throughout the year on the hospital campus. Hand hygiene data is submitted quarterly to Hand Hygiene Australia. Bendigo Health has consistently met or surpassed the 80% compliance rate ensuring safe care for our patients across the acute service. Hand hygiene monitoring has also been extended to dental services, inpatient rehabilitation and residential care sites this year. Liaison staff have been trained to collect hand hygiene compliance data to enable feedback to teams on their hand hygiene compliance which is vital to improvement. The Infection Prevention Control team have also worked closely with the new Bendigo Hospital team to ensure alcohol based hand rubs (ABHR) will be positioned strategically throughout the new facility to ensure ease of access for staff, patients and visitors. The use of ABHR facilitates clean hands and compliance with the '5 moments of hand hygiene', a World Health Organisation initiative which Bendigo Health participates in.

Patients and visitors are encouraged to use ABHRs while an inpatient or when visiting. This assists to reduce the risk of transmission of infection to our patients, residents and clients. ABHRs are strategically positioned across Bendigo Health to ensure ease of access and use by all who work, are cared for, or access our services.

Maintaining a clean, safe environment and equipment

Bendigo Health maintains a high level of environmental cleaning evidenced by consistently excellent internal and external cleaning audit results. This year IPC commenced auditing of cleaning via fluorescent marker - ultraviolet methods. This technique monitors the cleaning of frequently touched surfaces and provides timely feedback to the cleaning teams. Thorough cleaning of high risk surfaces is paramount in stopping the transmission of significant microorganisms from environmental surfaces.

IPC along with the sterilising services unit ensure reprocessing of equipment and instrumentation meets Australian standards ensuring microbiologically safe invasive procedures for our patients. The processing of equipment and instruments is audited annually and results are benchmarked across regional Victorian public hospitals. Bendigo Health consistently demonstrates high compliance with national requirements. At present Bendigo Health is reviewing and developing policies and practices to ensure compliance with the newly revised Australian standard for cleaning, disinfecting and sterilising medical devices which can be reprocessed. Health services have a five year period to ensure compliance with the new standard. Bendigo Health is well advanced to meet these new requirements. This will be facilitated when processing transitions to the new Bendigo Hospital facilities which provide state of the art reprocessing equipment and systems.

Staff Influenza vaccinations

Bendigo Health staff, students on placement, volunteers and contractors of Bendigo Health have been offered vaccination via the staff immunisation service. Clinics have been made widely available to provide vaccination against vaccine preventable diseases in line with the DHHS immunisation guidelines for health care workers and the National Health Medical research council Australian immunisation guidelines. The program includes the annual influenza vaccination. The aim of the service is to reduce vaccine preventable diseases among staff to avoid outbreaks. All vaccinations provided are free of charge.

This year 78% of clinical staff received the annual influenza vaccination. More than 3,200 influenza vaccinations were delivered to staff, students on placement, volunteers, contractors of Bendigo Health and immediate household contacts of staff who wished to participate in the program. This contributes to increasing the immunity against influenza for all Bendigo Health teams and promotes health and wellbeing during the peak influenza season. Bendigo Health surpassed the DHHS target of 75% influenza vaccination of direct care staff this year.

Management of Antibiotic use

Bendigo Health has clinical governance systems in place to ensure safe and appropriate antibiotic prescribing. Antibiotic Stewardship requires ongoing effort by healthcare providers to optimise antibiotic use among hospital patients in order to improve patient outcomes, ensure cost-effective therapy, and reduce adverse outcomes of antibiotic use including antibiotic resistance. Effective hospital programs have been shown to reduce inappropriate antibiotic use by 22-36%. Bendigo Health utilises the IDEA3S software program, a restriction system which requires criteria to be met prior to the prescribing of certain targeted antibiotics. Resistance patterns of locally acquired micro -organisms are also monitored, this monitoring informs antibiotic use and restriction at Bendigo Health.

Bendigo Health pharmacy conducts national antibiotic audits throughout the year, results are benchmarked with other participating hospitals and feedback is given to prescribers. Systems are in place to obtain specialist advice for difficult antibiotic prescribing, this is provided internally by intensivists and is overseen by Professor Lindsay Grayson, Director of Infectious Diseases, Austin Health. Infectious disease physicians have provided education on antibiotic use to Loddon Mallee Murray medical general practitioners, this assists to keep prescribers up to date. Antibiotic use is also monitored in Bendigo Health residential care facilities via an annual survey. Results from this survey are benchmarked against national participants.

Consumers and appropriate carers are also informed on the use of antibiotics. When a patient is prescribed antibiotics, information is provided about when, how and for how long to take them, as well as potential side effects. A brochure – 'Antibiotics, information for hospitalised patients' was developed this year to assist to inform our consumers.

Surveillance of Infection

IPC promotes best practice via policies, education of staff, auditing and feedback from surveillance results. A team of staff, the IPC liaison team, a team of over 60 health care representatives from across Bendigo Health, work closely with the lPC unit to reduce healthcare acquired infection and promote safe practice in their work unit. The liaison team assist with auditing, education, quality improvement activities and receive regular educational updates. Together the unit and the team provide a comprehensive and effective IPC program.

Surveillance of infection occurs across the acute, subacute and residential care sites of Bendigo Health.

Bendigo Health IPC submit monthly infection data to the state surveillance body, VICNISS. All data submitted to VICNISS over the past twelve months has been within the state aggregate.

Infection is continually monitored in all patients:

- undergoing total hip and knee replacement
- who require artificial ventilation in the Intensive care unit (ICU)
- who receive a pacemaker
- who require renal dialysis
- who require a central venous catheter in the intensive care unit(a large invasive vascular catheter)

IPC monitors vascular catheters, surgical site infection in targeted surgical groups, blood stream infections and prevents and managers outbreaks.

As at end June 2016, in the ICU there has not been a single ventilator associated infection/event for more than 1,360 days or a central line associated infection for more than 1,818 days. The ICU follow 'bundles of care' which are interventions based on proven best practise to ensure zero infection due to ventilators and central catheters. Practice is also audited, for example insertion of central catheters is audited in the theatre and ICU setting to ensure insertion practices meet best practise guidelines and policy.

The Infectious Diseases Service (IDS)

The Infectious Diseases Service (IDS) welcomed the Federal Government's public listing of the new Hepatitis C treatments in March. Planning and development of new protocols prior to the medications being available on the Pharmaceutical Benefit Scheme (PBS) ensured the smooth transition for clients in the service, to access the treatments in a timely manner.

The new oral medications reduce the treatment time to eight or twelve weeks for uncomplicated Hepatitis C clients.

The IDS will continue to manage complicated and complex clients referred from general practitioners.

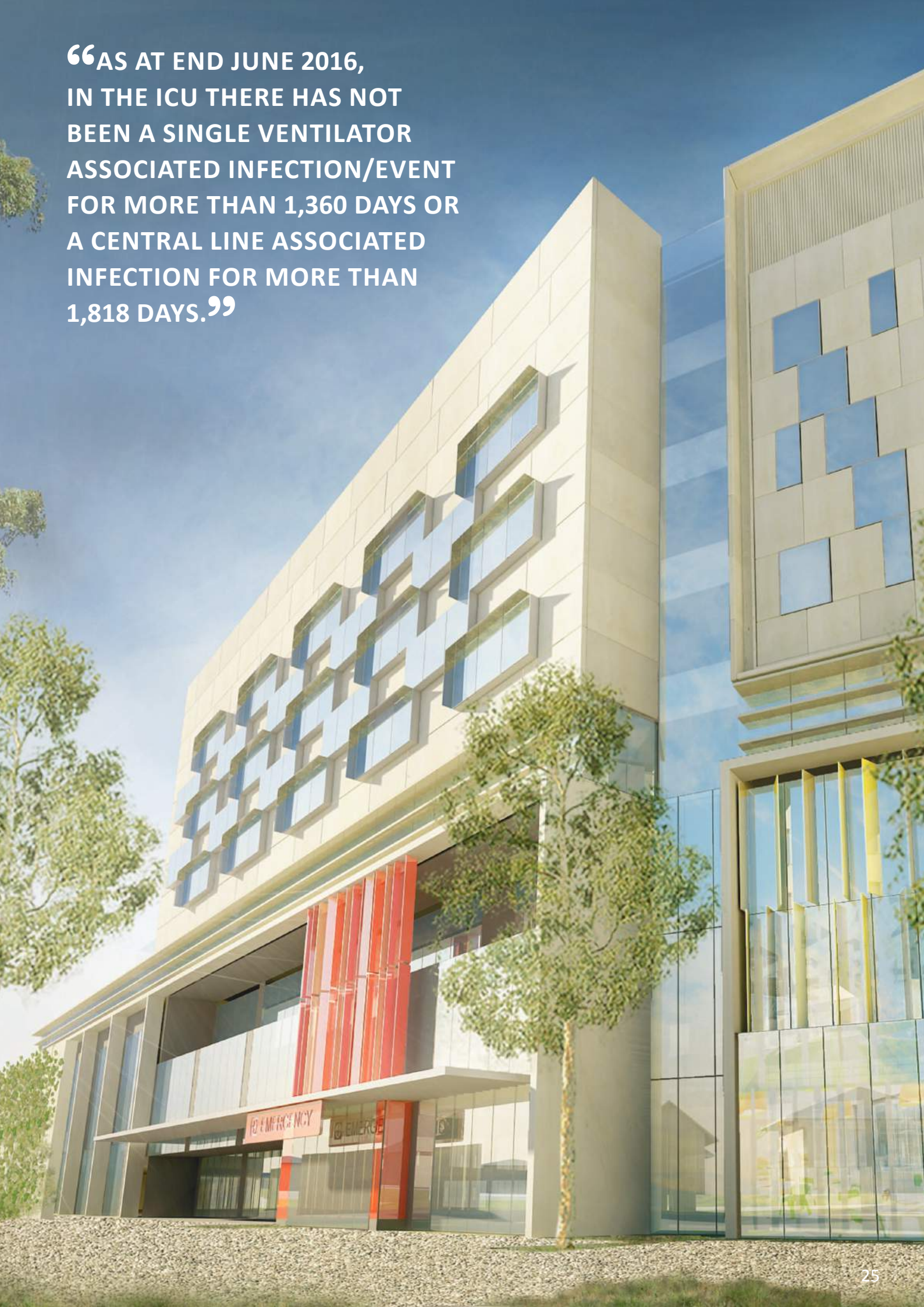
The IDS has worked with local and regional General Practitioners (GPs) to increase their knowledge and capacity, so that uncomplicated clients are treated in the Primary setting.

The IDS has developed protocols and supported local Community Health Drug and Alcohol Services and local Aboriginal Health services to introduce the assessment and treatment of clients specific to their agencies so as to reduce the need to attend Tertiary clinics.

There has been a high demand for treatment from clients engaged in the service and new referrals and the IDS continues to commence to treat approximately ten to twelve new clients each month and have up to forty on treatment during the month.

In 2015 the Infectious Diseases Service was a primary partner in a submission to the Department of Health and Human Services specific funding for a Loddon Mallee Region Sexually Transmissible Infection and Blood Borne Virus program. This funding has been secured with Bendigo Community Health Services as the lead agency. The IDS will continue to work collaboratively with all partner agencies to achieve successful outcomes for the program.

Other infectious diseases treatments and management, such as HIV, tuberculosis and chronic infections, have remained stable in the last year. Some of these patients have required translating and/or support to ensure adherence to medication regimens.



“AS AT END JUNE 2016, IN THE ICU THERE HAS NOT BEEN A SINGLE VENTILATOR ASSOCIATED INFECTION/EVENT FOR MORE THAN 1,360 DAYS OR A CENTRAL LINE ASSOCIATED INFECTION FOR MORE THAN 1,818 DAYS.”

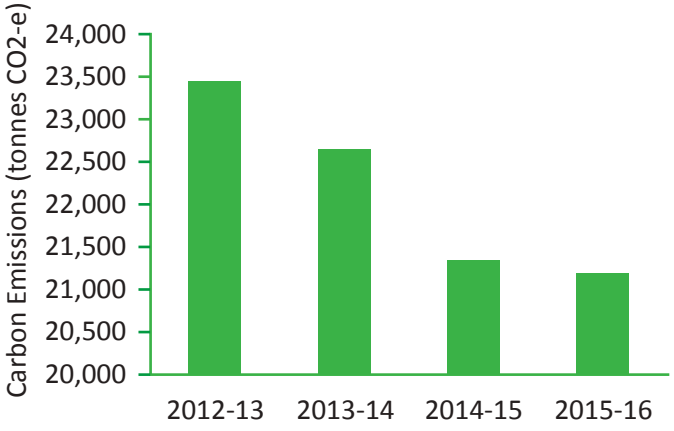
ENVIRONMENTAL PERFORMANCE

Bendigo Health strives to minimise the environmental impacts associated with its operations to the greatest extent possible. It is the organisation's intention to pursue a vision of sustainability to achieve a fairer, safer and healthier world and to integrate this into its business operations.

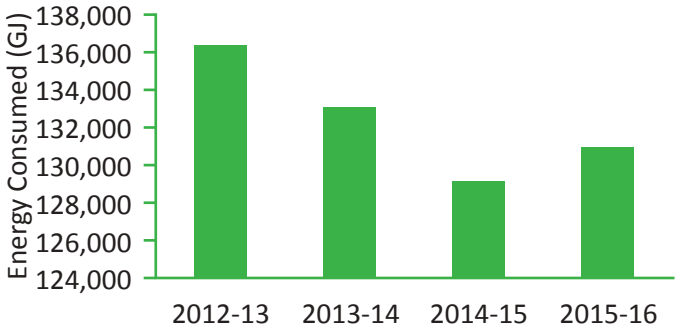
The organisation is committed to publishing an environmental report annually to share information about its environmental footprint, detail the monitoring undertaken and demonstrate improving performance.

The charts below show Bendigo Health's environmental performance in terms of energy consumption, carbon emissions and water consumption across all facilities. The organisation's baseline year has been set at 2012-13 to align with the start of the current Strategic Plan and allow for reporting against the plan's targets.

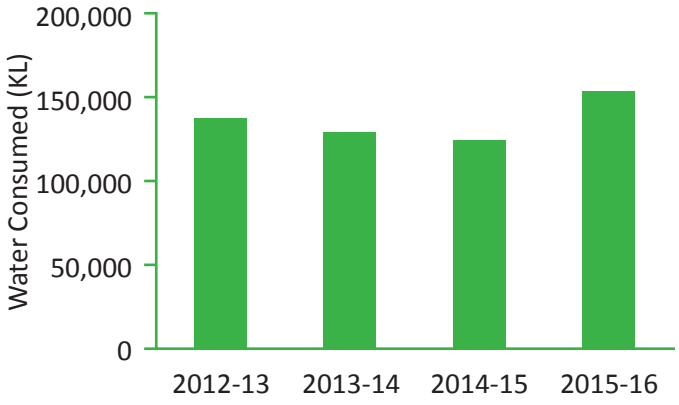
Carbon Emissions



Energy consumption



Water consumption



The graphs detailed on page 24 are an overview of Bendigo Health's environmental performance based on the data available and verified at the time this report was prepared. More detailed information will be provided in the Environmental Report 2015-16, including waste generation and comparison of performance against organisation targets in the Strategic Plan 2013-18.

Energy usage decreased 4.1% from the baseline year and increased 1.4% in the past year due to a range of factors such as optimisation of the hospital's chillers and steam boilers, milder weather (eg. less very hot and very cold days) offset against various works associated with the construction of the new hospital.

Carbon emissions decreased 9.5% from the baseline year and 0.6% in the past year as a result of the decrease in energy consumption, particularly reduced gas consumption.

Water consumption increased 11.8% from the baseline year and 23.9% in the past year due to significant refurbishment of the gardens and lawns on the Lucan Street campus, increased patient activity and additional staff and contractors. Several leaks were also identified and repaired.

A highlight for the reporting period was seeing the new hospital's environmental sustainability principles transform from designs and plans on paper into the new hospital building. Environmental features incorporated in the hospital include cogeneration and trigeneration plants to supply electricity plus hot water and chilled water, collection of rain water from the roof of the building, a 200 kW solar photovoltaic (PV) system to generate electricity, double glazed windows, energy and water efficient equipment and appliances, use of reclaimed and recycled water where possible for toilet flushing and irrigating gardens, plus the ability to measure energy and water consumption (sub-metering) by area within the hospital and use this information to demonstrate our performance on an environmental display screen in the entrance of the building.

"A HIGHLIGHT FOR THE REPORTING PERIOD WAS SEEING THE NEW HOSPITAL'S ENVIRONMENTAL SUSTAINABILITY PRINCIPLES TRANSFORM FROM DESIGNS AND PLANS ON PAPER INTO THE NEW HOSPITAL BUILDING."

BOARD OF DIRECTORS

The Hon. Bob Cameron

Mr Cameron was a long serving Victorian Minister from 1999 until 2010 and Bendigo West MP from 1996-2010. He has a history of serving and working with community organisations including being a former board member of the Anne Caudle Centre, and is a lawyer by occupation. Mr Cameron was appointed Chair of Bendigo Health Board of Directors from 1 July 2015. He is also Chair of the Governance and Remuneration Committee, and a member of the Finance, Audit, Medical Advisory, Visiting and the New Bendigo Hospital Project Steering Committees.

Term of appointment expires 30/6/2018

Dean Laurence

MCom (Syd), MBA, Dip CM, CPA, MAICD

Mr Laurence is a qualified accountant and has over 30 years senior executive experience across a number of industries, including recently in the not for profit mental health sector. Mr Laurence is currently managing a large family private office in Melbourne, prior to which he ran his own consultancy specialising in Business Strategy and Corporate restructuring. He is a Director and Chairman of Finance and Risk at Ermha Incorporated, a not for profit mental health provider, and as well as other Directorships works with Leadership Victoria in their mentoring programs and is involved with the Victorian Cancer Council Relay for Life. Mr Laurence was appointed to the Board of Bendigo Health in July 2014 and is a member of the Governance and Remuneration, Strategic Planning and Population Health and Visiting Committees.

Term of appointment expires 30/6/2016

Ms Aileen Berry

Ms Berry is an independent communications consultant with more than 30 years' experience in journalism, media and marketing in Australia and overseas. Since moving to Bendigo in 2010, she has become a partner in a local Bendigo business and is active in her school community. A director of the Royal Women's Hospital for nine years until June 2013, Ms Berry was appointed to the Board of Bendigo Health in October 2013 and is a member of the Quality Care Council, Community Advisory, Major Projects and Visiting Committees and Chair of the Medical Advisory Committee. Ms Berry is also involved in inter country adoption advocacy in both a state and a national capacity.

Term of appointment expires 30/6/2016

Mr Geoff Michell

Dip CE MBA MAICD

Mr Michell is a consultant and director on a number of Boards. His Board experience includes being Managing Director of Coliban Water from 1998 to 2008 and previously a non-executive director on the Boards of Aspire Cultural and Charitable Foundation, Lower Murray Water, Wimmera Catchment Management Authority, Discovery Science & Technology Centre and Bendigo Telco. Within Bendigo Health, Mr Michell is Chair of the Audit Committee and Strategic Planning and Population Health Committee and a member of the Finance, Governance and Remuneration, Major Projects and Visiting Committees.

Term of appointment expires 30/06/2016

Ms Sue Clarke

G/Dip SociSci (CD), G/Dip Bus, GAICD, ANZSOG Fellow.

Ms Clarke is a consultant in the health sector and a partner in a local retail business. She is a Director and Chair of Haven; Home, Safe, Murray Primary Health Network, Ambulance Victoria, Zonta Club Bendigo and a Patron of the Community Foundation for Bendigo and Central Victoria. She joined the Board of Bendigo Health in 2010 and is a member of the Finance, Strategic Planning and Population Health, Governance and Remuneration, Major Projects and Visiting Committees and Chair of the Quality Care Council.

Term of appointment expires 30/6/2016

Mr Adam Woods

CA BApSci

Mr Woods is Head of Business Systems Services at Bendigo and Adelaide Bank Ltd with responsibility for implementation and management of critical Finance, Treasury and Human Resource systems and is Program Director for the redy social payments platform. Within Bendigo Health, he is Chair of the Major Projects Committee and Finance Committee and a member of the, Audit and Visiting Committees.

Term of appointment expires 30/06/2017

Ms Margaret O'Rourke

FAICD

Ms O'Rourke is a consultant in telecommunications and economic development projects with a lead consultancy role in the Aspire Cultural and Charitable Foundation. She is Deputy Chair of Bendigo Kangan TAFE and Director Goulburn Murray Water (GMW). Within Bendigo Health, Ms O'Rourke is chair of the Community Advisory Committee and a member of the Audit, Governance and Remuneration, Major Projects and Visiting Committees.

Term of appointment expires 30/6/2018

Ms Marilyn Beaumont

DipAppSci Nursing Studies MAICD

Ms Beaumont is a consultant in the health sector and a board member of a number of organisations including Chair, Australian Women's Health Network. With a general and psychiatric nursing background, she was the Executive Director of Women's Health Victoria, a statewide women's health promotion and advocacy service between 1995 and 2010. Ms Beaumont's work includes holding the position of Australian Nursing Federation Federal Secretary between 1987 and 1995. From 1982 to 1987 she was the ANF South Australian Branch Secretary. Her previous Board work has included Northern Melbourne Medicare Local, Northern Health, Melbourne Health, Commonwealth Health Insurance Commission and HESTA.

Marilyn joined the Board of Bendigo Health in 2015 and is a member of the Quality Care Council, Strategic Planning and Population Health and Visiting Committees.

Term of appointment expires 30/6/2018.

Ms Dianne Foggo AM

Ms Foggo AM was appointed to the Board in August 2015. She works as a private conciliator and mediator primarily in industrial disputes. She worked as a teacher in Victoria, SA and the NT and was President of Australian Education Union and a Vice President of the ACTU. Ms Foggo was a Commissioner at the Fair Work Commission for 19 years and the Deputy Chancellor of Victoria University.

She is a Life Member of the AEU and the IR Society of Victoria and was awarded an Honorary Doctorate at Victoria University in 2011. Dianne was awarded an Order of Australia (AM) in 2015 in recognition of her work in governance and administration in the university sector, the representation of women and industrial relations. She is currently an independent member of the Victoria Police Review Steering Committee to implement the 2015 VEOHRC Report.

Ms Foggo is a member of the Finance, Medical Advisory and Visiting Committees and the Quality Care Council.

Term of appointment expires 30/6/2018

Attendance at Board Meetings 2015-16

	2015							2016				
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Bob Cameron	●	●	●	●	●	●	No Meeting	●	●	●	●	●
Geoff Michell	●	●	●	●	●	●		●	●	●	●	●
Margaret O'Rourke	●	●	●	●	●	●		●	●	●	●	●
Sue Clarke	●	●	●	●	●	●		●	●	●	●	●
Adam Woods	●	●	●	●	●	●		●	●	●	●	●
Aileen Berry	●	●	●	●	●	●		●	●	●	●	●
Dean Laurence	●	●	●	●	●	●		●	●	●	●	●
Marilyn Beaumont Appointed 11 August 2015		●	●	●	●	●		●	●	●	●	●
Dianne Foggo Appointed 8 September 2015			●	●	●	●		●	●	●	●	●

● = Leave of absence ● = Apology ● = in attendance

COMMITTEES

Quality Care Council

The Quality Care Council is a sub-committee of the Board responsible for overseeing and monitoring the quality processes throughout Bendigo Health, for the purpose of achieving continuous quality improvement in all operational aspects of care and service delivery.

The council monitors the standard of care and services delivered to patients and clients, including the clinical practice and clinical competence of staff. It is the council's role to oversee and monitor the clinical risk management program, review reports on health and safety of staff where relevant to quality of care, receive reports ensuring accreditation is achieved and to regularly report to the Board of Directors on the overall quality, effectiveness, appropriateness and use of services rendered to patients and clients of the hospital.

The council meets bi-monthly and comprises of:

Ms Sue Clarke (Board Director and committee Chair)

Mr Adam Woods (Board Director) until December 2015

Ms Aileen Berry (Board Director) until July 2015

Ms Marilyn Beaumont (Board Director) from October 2015

Ms Dianne Foggo AM (Board Director) from December 2015

Mr John Mulder (Chief Executive Officer)

Ms Robyn Lindsay (Acting Executive Director Medical Services from July 2015 until October 2015 and Executive Director Acute Health from October 2015)

Dr Grant Rogers (Acting Chief Medical Officer (CMO) from July 2015 until December 2015

Dr John Edington (Acting CMO) from December 2015 until June 2016

Dr Humsha Naidoo (Executive Director Clinical Support Services/CMO) from June 2016

Mr Peter Faulkner (Executive Director of Nursing and Executive Director Bendigo Hospital Project)

Ms Liz Hamilton (Executive Director Healthy Communities and Continuing Care)

Ms Andrea Noonan (Executive Director People and Culture)

Assoc Prof Philip Tune (authorised Psychiatrist)

Dr Jason Fletcher (medical staff representative)

Ms Yvonne Wrigglesworth (Acting Director Quality Education and Research) from July 2015 until December 2015

Ms Megan Kairns (Risk and Quality Manager until January 2016 and Director Quality and Risk from February 2016)

Ms Andrea Floyd (Manager Quality and Risk) from February 2016

Ms Frances Sheean (co-opted consumer representative)

Ms Ruth Harris (Community Advisory Committee Member)

Audit Committee

The Audit Committee is a sub-committee of the Board. It is responsible for the preparation and management of the Strategic Audit Program, internal and external audits and exercises due diligence by the organisation in the specific areas of financial and risk management functions. Preparation of the annual financial statements of Bendigo Health is overseen by the Audit Committee.

The committee meets quarterly and comprises of:

Mr Geoff Michell (Board Director and Committee Chair)

Mr Bob Cameron (Board Chair)

Ms Margaret O'Rourke (Board Director)

Mr Adam Woods (Board Director)

In attendance:

Mr John Mulder (Chief Executive Officer/Executive Sponsor Risk Management)

Mr Andrew Collins (Chief Financial Officer)

Ms Yvonne Wrigglesworth (Acting Director Quality Education and Research) from July 2015 until December 2015

Ms Megan Kairns (Acting Director Quality and Risk from December 2015 until February 2016 then Director Quality and Risk)

Ms Kathie Teasdale (Auditor General's Representative)

Mr Paul Fraser (Internal Auditors, RSM Bird Cameron)

Mr Adam Wilson (Internal Auditors, RSM Bird Cameron) from July to February 2016

Mr John Lau (Internal Auditors, RSM Bird Cameron) from February 2016

Mr Michael McCartney (external member)

Finance sub-committee

The role of the Finance sub-committee is to advise the Board of Directors on matters relating to the use of financial resources by Bendigo Health.

The committee examines the monthly financial statements in order to satisfy itself that they are prepared in accordance with Department of Health and Human Services accounting requirements and sound accounting principles and standards. The committee examines the budgets to ensure they are a true representation of Bendigo Health's forecast financial position. It advises the board on financial and other performance indicators designed to monitor the ongoing and prospective financial health of the organisation. The committee monitors funds and investments to ensure they are held in accordance with the Board's investment policy.

The committee meets monthly and comprises of:

Mr Adam Woods (Board Director) (Committee Chair)

Mr Bob Cameron (Board Chair)

Mr Geoff Michell (Board Director)

Ms Sue Clarke (Board Director)

Ms Dianne Foggo (Board Director) from November 2015

Mr John Mulder (Chief Executive Officer)

In Attendance:

Mr Andrew Collins (Chief Financial Officer)

Mr Seppe Marsili (Director of Finance)

Mr Scott Cornelius (Director Performance, Planning and Budgeting)

Governance and Remuneration Committee

The Governance and Remuneration Committee is a sub-committee of the Board responsible with making recommendations on specific matters relating to its corporate governance responsibilities and assisting the Board in determining policy and good practice for senior executive remuneration, ensuring this follows guidelines issued by the Government Sector Executive Remuneration Panel (GSERP).

The committee ensures the remuneration levels for the Chief Executive Officer and senior executives are positioned relative to other comparable health organisations and that remuneration packages are sufficient to attract and retain senior executives. The committee may also, where appropriate, canvass other human resources related issues which may impact on the ability of Bendigo Health to attract and retain high quality senior executives.

The committee may make recommendations on the Board's annual performance reviews and oversees the process for determining the training needs of the Board. It oversees the process of induction for new directors and makes recommendations on all matters relating to the remuneration or payment of expenses of directors. The committee reviews the Board's governance policies and sub-committee terms of reference on a regular basis.

The committee meets at least twice a year and on an as needs basis and comprises of:

Mr Bob Cameron (Board Chair and Committee Chair)

Ms Sue Clarke (Board Director)

Ms Margaret O'Rourke (Board Director)

Mr Geoff Michell (Board Director)

Mr Dean Laurence (Board Director) until June 2016

Mr John Mulder (Chief Executive Officer)

Medical Advisory Committee

The role of the Medical Advisory Committee is to advise the Board of Directors on the overall quality, effectiveness and appropriateness of clinical services rendered to patients of Bendigo Health.

In relation to the further development of clinical services, the committee provides expert advice on areas such as service planning, workforce issues and development of best practice care models within Bendigo Health. It provides advice regarding strategic direction of Bendigo Health consistent with the Strategic Plan. Where appropriate, the Medical Advisory Committee also has a two-way communication role where information from this committee may be taken back to clinicians for information and feedback.

The committee meets bi-monthly and comprises of:

Ms Aileen Berry (Board Director and Committee Chair) until June 2016

Mr Bob Cameron (Board Chair)

Ms Dianne Foggo (Board Director) from October 2015

Mr Adam Woods (Board Director) until February 2016

Mr John Mulder (Chief Executive Officer)

Ms Liz Hamilton (Executive Director Healthy Communities and Continuing Care)

Ms Robyn Lindsay (Acting Executive Director Medical Services from July 2015 to October 2015 and Executive Director Acute Health from October 2015)

Assoc Prof Philip Tune (Executive Director Psychiatric Services)

Mr Peter Faulkner (Executive Director Bendigo Hospital Project and Chief Nursing and Midwifery Officer)

Mr David Rosaia (Acting Executive Director Surgical Services) until December 2015

Dr Grant Rogers (Acting Chief Medical Officer) until December 2015

Dr John Edington (Acting Chief Medical Officer) from December 2015 until June 2016

Dr Diana Badcock (Staff Specialist Nominee)

Dr Emma Broadfield (staff specialist nominee and Chair Medical Staff Group) from February 2016

Dr Greg Harris (visiting medical officer)

Dr Manny Cao (visiting medical officer)

Dr Saman Moeed (Chair, Medical Staff Group) until February 2016

Strategic Planning and Population Health Committee

The role of this committee is to oversee the preparation of the organisation's 2013-18 Strategic Plan and to monitor the progress of its implementation. In doing so, the committee works with the Board, staff and stakeholders to articulate Bendigo Health's strategic vision, goals and objectives in response to community needs and issues, population and health trends as well as external policy and legislative requirements.

The committee meets as required and comprises of:

Mr Geoff Michell (Board Director and Committee Chair)

Ms Sue Clarke (Board Director)

Mr Dean Laurence (Board Director) until June 2016

Ms Marilyn Beaumont (Board Director) from October 2015

Mr John Mulder (Chief Executive Officer)

Ms Yvonne Wrigglesworth (Acting Director Quality Education and Research from July 2015 until December 2015 then Director, Strategy, Planning and Governance from January 2016)

Ms Kath Crème (Strategic and Business Planning Co-ordinator)

Ms Penny Bolton (Community Advisory Committee Member)

Ms Kathleen Pleasants (Community Advisory Committee Member)

Dr Saman Moeed (Medical Staff Group Representative) until February 2016

Dr Emma Broadfield (Chair, Medical Staff Group) from February 2016

Visiting Committee

The role of the Visiting Committee is to connect the Board with Bendigo Health staff. Committee members visit various departments/units of the health service to have a better understanding of the day-to-day operations, challenges and initiatives.

The committee meets monthly and comprises of:

Ms Margaret O'Rourke (Board Director and Convenor)

Mr Bob Cameron (Board Chair)

Ms Sue Clarke (Board Director)

Ms Aileen Berry (Board Director) until June 2016

Mr Geoff Michell (Board Director)

Mr Adam Woods (Board Director)

Mr Dean Laurence (Board Director) until June 2016

Ms Marilyn Beaumont (Board Director) from August 2015

Ms Dianne Foggo (Board Director) from September 2015

Mr John Mulder (Chief Executive Officer)

All Executive Directors

Dr Saman Moeed (Medical Staff Group Representative) until February 2016

Dr Emma Broadfield (Medical Staff Group Representative) from February 2016

Ms Yvonne Wrigglesworth (Director, Strategy, Planning and Risk) from December 2015

Community Advisory Committee

The Community Advisory Committee (CAC) provides advice to the Board on achieving effective community input for Bendigo Health's Strategic Plan, Annual Report, Quality of Care Report and assists in monitoring the quality of services and publications provided by Bendigo Health.

Functions of the committee include developing a Community Participation Plan and an annual work plan for community engagement. The committee also acts as a conduit to the Board for the various consumer committees across Bendigo Health.

The committee meets bi-monthly and comprises of:

Ms Margaret O'Rourke (Board Director and Committee Chair)

Ms Aileen Berry (Board Director) until June 2016

Chief Executive Officer (ex officio)

Ms Liz Hamilton (Executive Director Healthy Communities and Continuing Care)

Ms Ruth Harris (community member)

Mr Daniel O'Brien (community member)

Ms Kathleen Pleasants (community member)

Ms Robyn Tickner (community member)

Ms Jodie Rasmussen (community member)

Rev Rex Fisher (community member)

Ms Heather McNeil (community member)

Ms Sally Fraser (community member)

Ms Gabby Gamble (community member)

Ms Penny Bolton (community member)

Mr Matthew Gromadzki (community door member)

Mr Shaun Makepeace (Acting Director, Communications and Marketing) from March 2015

Ms Yvonne Wrigglesworth (Acting Director Quality Education and Research) from July 2015 until December 2015

Ms Sarah McAdie (Director, Communications and Marketing) from 2015 until March 2016

Mr Ben Lemmens (Community Door Member)

Major Projects Committee

This committee is responsible for monitoring the progress of significant projects managed and overseen by the Executive Directors of Bendigo Health and considers advice and makes recommendations to the Board on future development initiatives.

The committee receives reports from Executive Directors and project advisers and other relevant groups to monitor progress and assess proposals to ensure the outcomes meet the strategic objectives of Bendigo Health. The committee receives reports on risks, issues and change management strategies. The committee also considers proposals for naming and recognition of significant contributions under the relevant Board policies.

The committee meets bi-monthly and is comprised of:

Mr Adam Woods (Board Director and Committee Chair)

Ms Aileen Berry (Board Director) until June 2016

Ms Sue Clarke (Board Director)

Ms Margaret O'Rourke (Board Director)

Mr Geoff Michell (Board Director)

In attendance:

Mr John Mulder (Chief Executive Officer)

Mr Andrew Collins (Chief Financial Officer)

Mr Peter Faulkner (Executive Director Bendigo Hospital Project)

Ms Andrea Noonan (Executive Director People and Culture)

Mr Bruce Winzar (Executive Director Information Services)

Human Research Ethics Committee

Bendigo Health's Human Research Ethics Committee (HREC) is appointed by and reports to the board of directors and consists of representation sufficient to satisfy the requirements of the National Health and Medical Research Council for constitution of institutional ethics committees. The functions of the HREC are both advisory and executive. They include consideration of the ethical implications of all proposed research projects and monitoring of approved projects until completion to ensure they continue to conform to approved ethical standards. The HREC ensures statutes relevant to ethical considerations are complied with in the formulation and conduct of research practices and policies within Bendigo Health. It also establishes procedures to assist the examination and review of research proposals and protocols for new forms of treatment and therapy.

The committee meets at least ten times annually and comprises:

Dr Bev Ferres (Committee Chair)

Ms Robyn Lindsay (Executive Director member)

Ms Angela Allen (pastoral care representative)

Rev Rex Fisher (pastoral care representative)

Mr Greg Westbrook (Legal experience member)

Ms June Wilde (Legal experience member)

Mr Brian Loughran (Lay member)

Mr David Conley (Lay member)

Ms Naomi Fountain (Lay member)

Ms Frances Pascoe (Lay member)

Dr Robert Champion (Research experience member)

Ms Nicole Johnson (Research experience member)

Dr Peter O'Meara (Research experience member)

Dr Helen Hickson (Care and counselling member)

Mr Tim Adam (Care and counselling member)

Ms Michelle Hogan (Care and counselling member)

Ms Robyn Lindsay (Executive Director member) until January 2016

Dr Grant Rogers (Care and Counselling member) until December 2015

Dr John Edington (Care and Counselling Member from March 2016)

EXECUTIVE DIRECTORS

John Mulder

CHIEF EXECUTIVE OFFICER

MBA (Monash) BHA ASA ACHSM CHE FAICD

John Mulder was born in Colac and quickly advanced his career in health to become the manager of the Apollo Bay, Lorne, Winchelsea and Beeac Hospitals at the young age of 26. He has held executive positions at a number of health services, including Mercy and Wangaratta Base and was Chief Executive Officer (CEO) at Grace McKellar Centre Geelong and the Werribee Hospital. He also spent 10 years at Barwon Health as deputy CEO. John has held the position of CEO at Bendigo Health since June 2007 and has found his time here to be both challenging and rewarding. The commitment by the Victorian Government to build a new hospital for Bendigo is a career highlight for John. He has worked tirelessly to achieve this and looks forward to the day when this new world class hospital opens its doors.

John has a Bachelor of Health Administration, a Masters of Business Administration and is a member of the Australian Society of Certified Practicing Accountants. John is also Fellow of the Australian Institute of Company Directors and the Australian College of Health Service Management. With such extensive experience in the health industry, he is certainly well qualified to lead Bendigo Health in its bid for Healthy Communities and World Class Healthcare.

Liz Hamilton

EXECUTIVE DIRECTOR HEALTHY COMMUNITIES AND CONTINUING CARE

BAppSci (OT) Cert Workplace Ldship ACHSM GAICD

Liz Hamilton graduated as an Occupational Therapist approximately 30 years ago, working initially as a clinician in acute care, rehabilitation, community health and aged care assessment prior to moving into management positions. Management roles have included: Chief Occupational Therapist, Home Therapy Co-ordinator, Community Programs Manager, then Director of Aged and Residential Care Services at Austin Health before coming to Bendigo Health in 2007.

Liz really enjoys starting new programs to assist clients to remain in the community, having started the first dementia extended aged care at home, intermittent care and transition care programs in Victoria. Liz is also highly committed to seeing staff develop and take on new roles and responsibilities.

Associate Professor Philip Tune

EXECUTIVE DIRECTOR PSYCHIATRIC SERVICES

MBBS FRANZCP

Philip Tune started at Bendigo Health in late 2006 as the Clinical Director of Psychiatry, returning to the part of Victoria where he spent the first 10 years of his life, having worked as a consultant psychiatrist for 10 years in Melbourne (in hospital based and private practice). He then took on additional responsibilities as the Executive Director of Psychiatric Services. Phil has found the Psychiatric Services Division staff to be dedicated to good patient outcomes and the managers committed, hardworking and highly skilled. Phil's subsequent development of a Bendigo-based training program for psychiatrists, involvement in teaching psychiatry to Monash University medical students, rejuvenation of the local research program in psychiatry and participation in the design of the Bendigo Hospital Project have all provided additional dimensions to a complex and stimulating role.

Andrew Collins

EXECUTIVE DIRECTOR CORPORATE SERVICES AND CHIEF FINANCIAL OFFICER

BAC CPA MAICD

Andrew Collins joined Bendigo Health in October 2005 as Chief Financial Officer (CFO). He has more than 20 years' experience in executive management roles within the health industry, spanning both the public and private sectors. His private sector health experience includes both profit and not-for-profit organisations.

Andrew manages Bendigo Health's annual budget, which is in excess of $375 million. He has worked hard to increase understanding of the financial structure across the organisation. As a result of these efforts there is now increased transparency regarding Bendigo Health's financial position and this has helped business managers to own their departmental budget and understand how it fits within the organisation's overall budget.

As well as his role as CFO Andrew is Executive Director of Corporate Services which encompasses the following departments: Finance, Payroll, Salary Packaging, Performance Reporting, Procurement, Supply, Environmental services, Food services, Corporate Support and Buildings and Infrastructure division.

Andrew participates in several state-wide committees and is a Director of Bendigo Primary Care Centre Ltd.

Robyn Lindsay

EXECUTIVE DIRECTOR ACUTE HEALTH

BPhysio MHlthSci Hlth Svc Mgt Cert

GAICD ACHSM

Robyn Lindsay has over 15 years' experience working in health care as a physiotherapist and more recently in health management roles. She came to Bendigo Health in 1997 to take up a clinical physiotherapy role and has had the pleasure of working in such diverse programs such as Outpatient Rehabilitation Services, acute and subacute inpatient wards, Aged Psychiatric Services and the Emergency Department. Along with a period of time working in the United Kingdom in clinical roles, previous managerial positions at Bendigo Health have included the Chief Physiotherapist, Manager of Subacute Community Services and Director of Allied Health. After completing a Bachelor of Physiotherapy and Masters of Health Sciences, Robyn has completed the Australian Institute of Company Directors course and attained a professional certificate of Health Systems Management (University of Melbourne). Robyn's substantive executive role in organisational development allowed her the opportunity to contribute directly to strategic planning, quality improvement, risk management, service redesign, education and research.

Robyn's current role as Executive Director of Acute Health provides an opportunity to support and empower clinicians to provide high quality acute health services and to be actively involved in preparing for the opening of the new Bendigo Hospital.

Andrea Noonan

EXECUTIVE DIRECTOR PEOPLE AND CULTURE

BBus (HRM)

Andrea Noonan brings more than 20 years' experience gained in a range of industries from manufacturing through to professional services, aligning well with the range of employment groups at Bendigo Health. Andrea obtained a Bachelor of Business in Human Resources Management at La Trobe University and has extensive experience in relation to improving processes within the human resources environment and sound occupational health and safety knowledge. During her career, Andrea has worked on a number of significant change management programs in large corporations, incorporating all aspects of human resources management and industrial relations.

Peter Faulkner

CHIEF NURSING AND MIDWIFERY OFFICER

EXECUTIVE DIRECTOR BENDIGO HOSPITAL PROJECT

RN Master Hlth Admin Grad Dip Hlth Svc Mgt Cert Contract Mgt FCHSM CHE GAICD

Peter Faulkner started his career in the health industry as a psychiatric nurse and worked for 10 years as a psychiatric nurse clinician and clinical manager in child and adolescent, adult and aged care psychiatry. He spent four years as an advisor to the Victorian Minister for Health on psychiatric services and a further five years leading modernisation projects in psychiatric services. Peter moved into the management of acute hospitals in 1994, and has managed a number of hospitals and aged care services in both rural and metropolitan settings in Australia. He was responsible for the commissioning and operations of Casey Hospital – a new 230 bed public hospital in Melbourne, the first to be built under the Public Private Partnership model. More recently, Peter has undertaken an expatriate assignment in the United Arab Emirates, where he worked as chief operating officer for the University Hospital Sharjah, in addition to other consulting projects in Dubai and North Africa.

As well as his undergraduate nursing qualification, Peter holds a Graduate Diploma in Health Services Management and a Master of Health Administration from the Royal Melbourne Institute of Technology. He holds a Contract Management in Public, Private Partnerships Certificate from Melbourne University and is a Graduate of the Australian Institute of Company Directors and a Fellow of the Australasian College of Health Service Management.

Most recently, Peter took up responsibility as Executive Director for the Bendigo Hospital Project.

Bruce Winzar

EXECUTIVE DIRECTOR INFORMATION SERVICES

EXECUTIVE DIRECTOR BENDIGO HOSPITAL PROJECT

Dip of Bus (Information Processing) BAS (Computing) Grad Dip Mgt

Bruce Winzar has been in the information and communication technology (ICT) industry since 1976 and has held several senior ICT roles within both the private and public sector, including operating his own consulting business. Bruce has pursued a lead role in specifying and supervising the delivery of new models for services in health and local government and provided project management for a range of large projects funded by both State and Federal Governments.

Bruce chairs several project control groups and is the executive sponsor for the implementation of the Electronic Medical Record (EMR) project for Bendigo Health.

Bruce's expertise covers business and management systems and he has worked across three tiers of government and facilitated a number of significant regional economic development initiatives for central Victoria. Bruce has a passionate interest for delivery of fair and equitable telecommunications services to the rural and remote sector of Australia and is a member of the iBendigo and iLoddonMallee working groups to advance smart city strategies for the Loddon Mallee region.

ORGANISATIONAL CHART

Healthy Communities and Continuing Care Division

Executive Director/Chief Allied Health Officer (CAHO)

Liz Hamilton

CONTINUING CARE
- Continence Clinic
- Dental Services
- Diabetes Education
- Hospital in the Home (HITH)
- Hospice and Evaluation Unit
- Hospital Admission Risk Program (HARP)
- Loddon Mallee Regional Palliative Care Consortium
- Outpatient Rehabilitation
- Palliative Care
- Post-Acute Care
- Medi-Hotel
- Residential In Reach Service
- Restorative Care
- Specialist Clinics
- Transition Care Program (TCP)

ALLIED HEALTH
- Aboriginal Services
- Audiology
- Exercise Physiology
- Occupational Therapy
- Physiotherapy
- Podiatry
- Psychology
- Nutrition and Dietetics
- Social Work
- Speech Pathology

COMMUNITY PROGRAMS
- Aged Care Assessment Service (ACAS)
- Carer Support Services
- Case Management Services
- Community Health
- Deaf Access Victoria
- Home Nursing Support
- Referral Centre
- Regional Continence Services
- Rural Health Team
- Wound Management Service

COMMUNITY PARTICIPATION
- Community Participation Support Officer
- Cultural Diversity and Interpreting Services
- Pastoral Care
- Volunteer Services

HEALTHY COMMUNITIES RESIDENTIAL SERVICES
- Carshalton House
- Gibson Street
- Golden Oaks
- Simpkin House

Psychiatric Services Division

Executive Director, Associated Professor

Philip Tune

- Aged Persons Mental Health Team
- Alexander Bayne Centre (ABC)
- Bendigo Adult Community Mental Health (BACMH) Team
- Castlemaine Community Mental Health Team
- Kyneton Community Mental Health Team
- Maryborough Community Mental Health Team
- Child and Adolescent Mental Health Services (CAMHS)
- Consultation Liaison Psychiatry
- Echuca Community Mental Health Team
- Swan Hill Community Mental Health Team
- Enhanced Crisis Assessment Team
- Marjorie Phillips Unit (MPU)
- Prevention and Recovery Care Service (PARC)
- Primary Mental Health
- Psychiatric Regional Triage
- Psychiatric Services Professional Development Unit (PSPDU)
- Vahland Complex Team
- YPARC
- Youth Mental Health Team (YEIT and YEPS)

Clinical Support Services Division

Executive Director Clinical Support Services/Chief Medical Officer (CMO)

Dr Humsha Naidoo

CHIEF MEDICAL OFFICER
- Advance Care Planning Project
- GP Liaison Officer
- HMO Support Unit
- Infection Prevention and Control Unit
- Medico-legal
- Mortuary
- Pathology (Australian Clinical Labs)

DEPUTY CMO

REGIONAL DIRECTOR MEDICAL SERVICES

QUALITY and RISK
- Quality @ BH

CLINICAL SUPPORT SERVICES
- Medical Imaging
- Pharmacy

CHIEF MEDICAL INFORMATION OFFICER

Acute Health Division

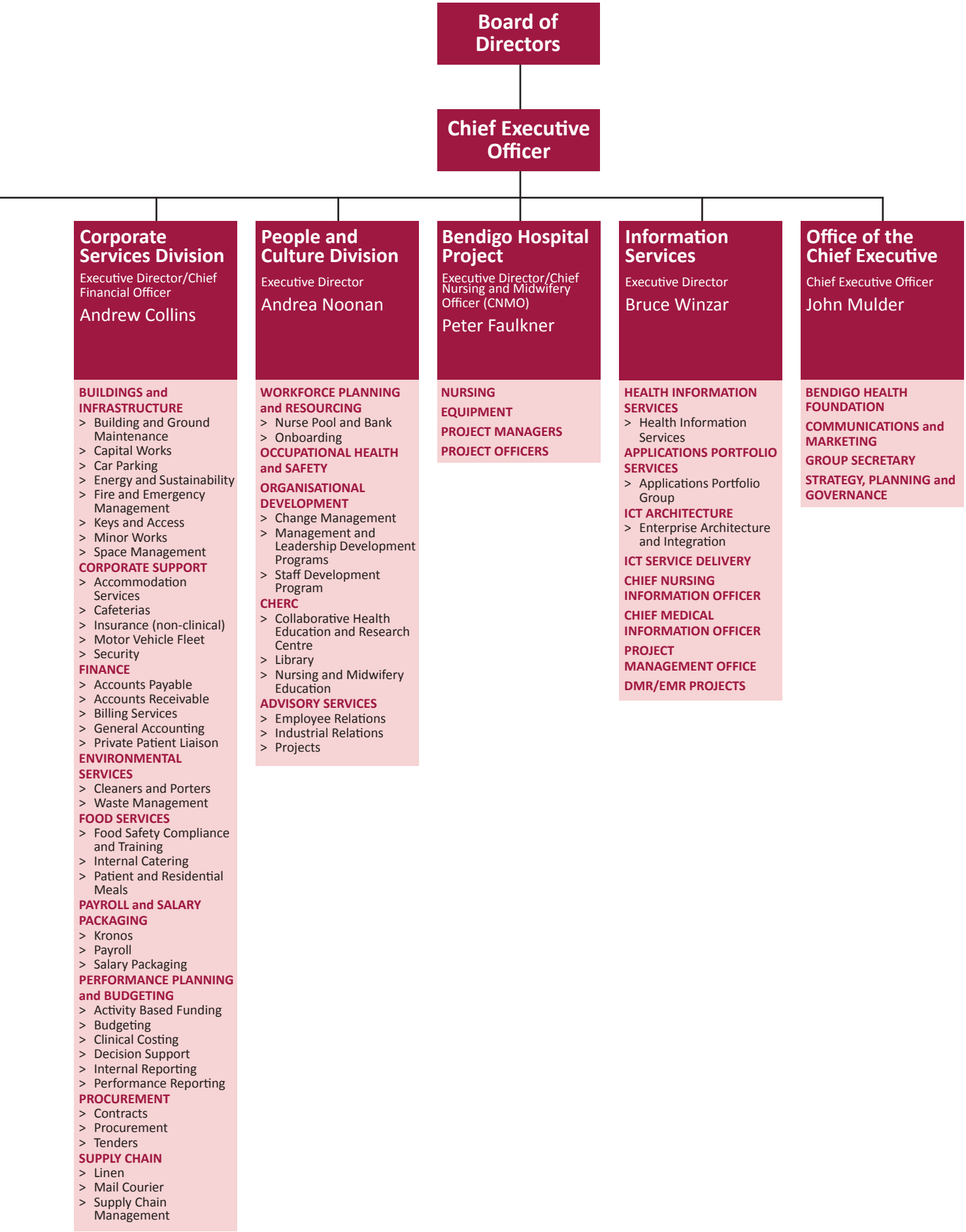
Executive Director

Robyn Lindsay

INPATIENT and EMERGENCY SERVICES
- Access and Demand
- After Hours Management
- Elective Surgery Waiting List Management
- Pre-Admission
- Discharge Lounge
- Patient Transport
- Inpatient Units:
  - Medical
  - Orthopaedics
  - Surgical
  - Sub Acute and GEM
  - Intensive Care
  - Coronary Care
- Emergency Department

INTERVENTIONAL and SPECIALTY SERVICES
- Women's and Children's Services:
  - CAU/SCBU
  - Maternity/Labour
  - Women's Health Clinics
  - MAMTA/Domiciliary
- Interventional
  - Theatre
  - Day Surgery
  - Surgical Admissions
  - Anaesthetics
  - CSSD
  - Organ Donation
- Cardiology and Respiratory Services
- Renal Services

CANCER SERVICES
- Medical Oncology
- Radiation Oncology
- Surgical Oncology
- Loddon Mallee Integrated Cancer Service (LMICS)


Board of Directors
Chief Executive Officer
Corporate Services Division
Executive Director/Chief Financial Officer
Andrew Collins
BUILDINGS and INFRASTRUCTURE
> Building and Ground Maintenance
> Capital Works
> Car Parking
> Energy and Sustainability
> Fire and Emergency Management
> Keys and Access
> Minor Works
> Space Management
CORPORATE SUPPORT
> Accommodation Services
> Cafeterias
> Insurance (non-clinical)
> Motor Vehicle Fleet
> Security
FINANCE
> Accounts Payable
> Accounts Receivable
> Billing Services
> General Accounting
> Private Patient Liaison
ENVIRONMENTAL SERVICES
> Cleaners and Porters
> Waste Management
FOOD SERVICES
> Food Safety Compliance and Training
> Internal Catering
> Patient and Residential Meals
PAYROLL and SALARY PACKAGING
> Kronos
> Payroll
> Salary Packaging
PERFORMANCE PLANNING and BUDGETING
> Activity Based Funding
> Budgeting
> Clinical Costing
> Decision Support
> Internal Reporting
> Performance Reporting
PROCUREMENT
> Contracts
> Procurement
> Tenders
SUPPLY CHAIN
> Linen
> Mail Courier
> Supply Chain Management
People and Culture Division
Executive Director
Andrea Noonan
WORKFORCE PLANNING and RESOURCING
> Nurse Pool and Bank
> Onboarding
OCCUPATIONAL HEALTH and SAFETY
ORGANISATIONAL DEVELOPMENT
> Change Management
> Management and Leadership Development Programs
> Staff Development Program
CHERC
> Collaborative Health Education and Research Centre
> Library
> Nursing and Midwifery Education
ADVISORY SERVICES
> Employee Relations
> Industrial Relations
> Projects
Bendigo Hospital Project
Executive Director/Chief Nursing and Midwifery Officer (CNMO)
Peter Faulkner
NURSING
EQUIPMENT
PROJECT MANAGERS
PROJECT OFFICERS
Information Services
Executive Director
Bruce Winzar
HEALTH INFORMATION SERVICES
> Health Information Services
APPLICATIONS PORTFOLIO SERVICES
> Applications Portfolio Group
ICT ARCHITECTURE
> Enterprise Architecture and Integration
ICT SERVICE DELIVERY
CHIEF NURSING INFORMATION OFFICER
CHIEF MEDICAL INFORMATION OFFICER
PROJECT MANAGEMENT OFFICE
DMR/EMR PROJECTS
Office of the Chief Executive
Chief Executive Officer
John Mulder
BENDIGO HEALTH FOUNDATION
COMMUNICATIONS and MARKETING
GROUP SECRETARY
STRATEGY, PLANNING and GOVERNANCE

BENDIGO HEALTH FOUNDATION

The Bendigo Health Foundation is dedicated to improving the healthcare of those in central Victoria by raising valuable funds for Bendigo Health. Every donation is an investment in the health and wellbeing of our community.

We would like to take this opportunity to thank all of our donors for their generous donations. Their support has enabled Bendigo Health to purchase much needed equipment across the organisation and to make a real difference.

Equipment was purchased for a wide range of areas within Bendigo Health as listed below.

Child and Adolescent Mental Health Service

Alexander Bayne Centre

Anaesthetic Unit

Bendigo Community Palliative Care

BreastScreen

Cardiac Rehabilitation

Child and Adolescent

Chum House

Emergency Department

Hospice

Intensive Care Unit

Inpatient Rehabilitation

Lung Function Laboratory

Majorie Phillips Unit

Maternity

Medihotel

Oncology

Orthopaedic

Outpatient Rehabilitation

Outpatients

Paediatric Rehabilitation

Palliative Care

Perioperative Services

Physiotherapy

Psychiatric Services

Rehabilitation and Geriatrics

Residential Services

Respiratory Medicine

Rural Health Team

Special Care Baby Unit

Speech Pathology

Surgical Waiting room

Urology

Women's and Children's

Women's Health

Youth Prevention and Recovery Care

Bendigo Health Foundation Donor Organisations

Bayer Australia Ltd
Beattie Windarra Pty Ltd
Bendigo Bank
Bendigo Breast Cancer Support Services Network
Bendigo East Bowling Club
Bendigo Magistrates' Court
Bendigo Mazda
Bendigo Parents and Step Parents Facebook Group
Bendigo Radiology
Bendigo Senior Secondary College
Bendigo South East College
Bendigo Stadium
Bendigo Toyota
Bicycle Network
Bill Wilkinson Optical Centre
Boort Golf Ladies
City of Greater Bendigo
Collier Charitable Fund
Commonwealth Bank
Country Women's Association - Campaspe Branch
Creative Arts Entertainment
Danny Clapp 'The Good Guys'
DeAraugo and Lea Electrical Contractors
Department of Health and Human Services - Bendigo Smart Centre
Donald Cant Watt Corke
Dry July Foundation
Eagle Boys Pizza Bendigo
e+ Architecture
Exemplar Health
Fit Republic
Good Guys Foundation
Healthscope Pathology
Heartbeat Victoria - Bendigo Branch
Henkel Street Christmas Eve Candle Night
Inner Wheel Club of Bendigo
Insite Architects
It's Her Gym
Jenny's Early Learning Centre
Kamarooka Welfare League Inc
La Trobe University
Lendlease Group Pty Ltd
Lions Club of Bendigo Inc
Lions Club of Lockington Inc
Newbridge Hotel Social Club
Paul Sadler Swimland
Rotary Club of Kangaroo Flat
Southern Cross Austereo
Strathdale Quilters Inc
Subway Kangaroo Flat
Tatts Bowlers Melbourne
Telstra Business Centre Bendigo
The Bendigo Country Talent Club
The Children's Book Council of Australia (Victorian Branch) Inc
The Hindsight Charity Club Inc
The Hospital Research Foundation
The Lioness Club of Golden City
The Schaller Studio
Vietnam Veterans' Association of Australia
Volksclub Bendigo

Collier Trust Executive Secretary Wendy Lewis with Bendigo Health CEO John Mulder, Emergency Department Director Diana Badcock and Emergency Department Nurse Unit Manager Brenton Dillon.

Dry July ambassadors Robyn Lindsay, Trudy Haines, Robin Monro, Graeme Stewart.

Bendigo Health Foundation Board

Members provide strong leadership for the foundation and utilise their strong links with the community to maximise our fundraising opportunities.

Scott Elkington (Chair)
Matt Bowles
Danny Clapp
Sue DeAraugo
Michele Morrison
Peter Leerson
Nick Papaz
Peter Faulkner (Bendigo Health representative)
Sonya Kuchel
Neil Beattie

Bendigo Health Foundation Charitable Trust

Trustees:
Hamish Hope (Chair)
Garry Quinn
Robin Monro

FUNDRAISING

$140,000
BENDIGO BANK FUN RUN

$27,000
COLLIER CHARITABLE FUND

$21,342 2015
$13,693 2016
NIGHT OF WHITE BALL

$5,459
COLLECTION BOXES

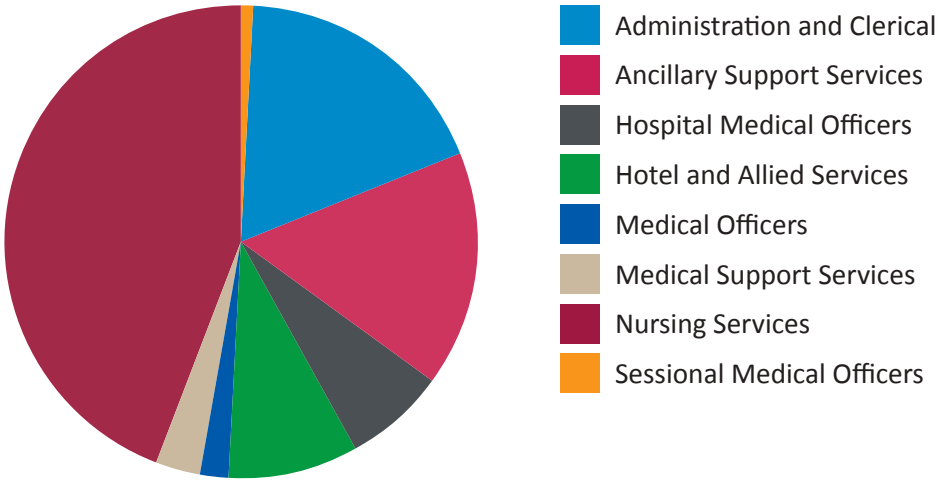
$152,500
BEQUESTS

$9,558
WORKPLACE GIVING

$82,432
DRY JULY

$12,713
GRILL'D

Full-Time equivalent staff employment June 2016



The total ICT expenditure incurred during 2015-16 is $25.31 million (excluding GST) with the details shown below.

Information and Communications Technology (ICT) expenditure

($ million)	BAU ($ Million)	Non-BAU ($ Million)	TOTAL ($ Million)
TOTAL ICT Expenditure	23.83	1.48	25.31

Full time equivalent figures 2015-16

Hospitals Labour Category	JUNE Current Month FTE*		JUNE YTD FTE**	
	2015	2016	2015	2016
Nursing Services	1,077	1,103	1,061	1,084
Medical Support Services	195	196	187	192
Medical Officers	46	49	47	48
Hotel & Allied Services	241	245	246	244
Hospital Medical Officers	142	152	142	148
Ancillary Support Services	240	239	229	236
Administration & Clerical	428	434	423	430
Sessional Medical Officers	19	15	18	19
Total	2,388	2,432	2,353	2,401

AUXILIARIES

The auxiliaries and support groups across Bendigo Health continued their hard work to raise much needed funds during the 2015-16 financial year. These funds enabled them to purchase new equipment, fund scholarships and provide a more comfortable caring environment for our patients.

Child and Adolescent Auxiliary

The longest serving hospital auxiliary with 87 years of service, the Child and Adolescent Auxiliary hosted two fundraising functions. A luncheon and linen party raised a total of $1,676 allowing the auxiliary to purchase a variety of medical equipment for the Child and Adolescent Unit.

A further $1,525 was raised from collection tins at McDonald's Nursery, Me 2 U Fashions, Strathdale Pharmacy and Strathdale Variety Store.

Intensive Care Auxiliary

The Intensive Care Auxiliary raised funds of $14,456 through morning teas, raffles, a fashion parade, funeral catering and monthly trading tables. They also held an exhibition of craft work that this year was extended to a two-day event.

The auxiliary is now saving its funds to assist the Critical Care Unit in the new Bendigo Hospital.

Bendigo Palliative Care Auxiliary

The Bendigo Palliative Care Auxiliary celebrated its 25th year of service and held a number of fundraising events during the year. These included the Doll and Teddy Show, a Christmas light tour, a charity golf day at Belvoir Park and an afternoon of music. A new event, a luncheon at the Bendigo Stadium, raised more than $808. Donations of money were also given at wedding anniversaries and a 90th birthday in lieu of presents.

The auxiliary purchased a number of smaller items for hospice, community palliative care and Chum House day respite. Two of the larger items purchased included three new Compact Oxygen Concentrators for the community palliative care office totalling $5,400 and five Airflow trio specialised mattresses totalling $19,700 for hospice.

Carshalton House Auxiliary

In 2015-16 financial year the Carshalton House Auxiliary raised $8,265 through their annual garden party, a garden bulb drive, raffles, a craft stall, trivia night and a country and western afternoon.

The auxiliary made improvements to Carshalton House which included the purchase of new TVs for the residents' main dining room and the respite room, cups and saucers for the tea trolley, garden beds, new prints for one of the corridors and an outdoor seat.

Friends of Simpkin House

Fundraising by Friends of Simpkin House concentrated on raffles with a raffle during a Mother's Day fundraiser at the Bendigo Stadium contributing $235.

The auxiliary purchased 45 polo fleece blankets for the residents' beds at Simpkin House. One of the biggest expenses has been repairing the pianola; however the new selection of music is delighting the residents.

Friends of Oncology

Friends of Oncology raised $15,454.10 to assist the Oncology Unit to provide a comfortable environment for patients undergoing treatment at Bendigo Health. The total came from a Girls Night In event, which raised $2,700, along with other donations.

Purchases for the Oncology Unit amounted to $35,000 for the year, and the group looks forward to identifying items for the new hospital.

Joan Pinder Nursing Home Auxiliary

The Joan Pinder Nursing Home had another busy year raising funds through raffles, a sausage sizzle and monthly cake stalls at the Bendigo Hospital main entrance.

The auxiliary purchased a number of items including two televisions, garden items and shed, a barbecue and a large executive table and chairs. The auxiliary also funded an annual visit from an animal farm and paid a donation to the Delta Society for the weekly visits from Delta dogs Kaiser and Bella.

Orthopaedic Ward Auxiliary

The Orthopaedic Ward continued to raise much needed funds for the Orthopaedic Unit through raffles, the main one being a fuel raffle that raised $2,348.35.

The Auxiliary donated urinal holders at a cost of $1,363.64 and continue to work with staff to determine the best equipment to purchase for the unit.

"THE AUXILIARY IS NOW SAVING ITS FUNDS TO ASSIST THE CRITICAL CARE UNIT IN THE NEW BENDIGO HOSPITAL."

WORKPLACE SAFETY

In the 2015-16 financial year the Occupational Health and Safety (OH&S) Department continued to be proactive in the delivery of risk management strategies.

Safe Manual Handling (SMH)

In the past year Bendigo Health has continued to educate staff across the service in best practice techniques to ensure SMH practices are adhered to. This included increased demand for assessments of patients with increasing BMIs and complex health needs. Our data has identified the number of bariatric patients being managed across the organisation is an average of 26 per day.

The SMH team have conducted 137 training and education sessions resulting in 1,286 staff receiving training. SMH education has included education sessions for local funeral directors, demonstrating the latest transferring and manual handling techniques, as well as the specialised bariatric equipment and systems used for this care. A new deceased bariatric pack has been well received across all of the funeral directors.

We have extended our SMH education to several outside agencies including the local State Emergency Services and external Health Services. This education included demonstrations of the use of slide sheets, hover matt and hoverjack patient lifting and transferring systems, and the practical demonstration of these systems using a large suit manufactured to resemble a bariatric patient.

Our SMH system now includes fully developed safe operating procedures for all manual handling techniques and this system and is now available for all staff on our intranet site.

Stephen Morley, Bendigo Health's Safe Manual Handling Co-ordinator, has been re-elected as president of the Safe Patient Handling Special Interest Group for Victoria. He has presented at this group on various SMH topics including bariatric management scenarios for practical education and training sessions.

Management of Occupational Violence and Aggression (OVA)

Work Health Improvement Network Project

Our OH&S Team introduced a Work Health Improvement Network Project (WIN) developed for Bendigo Health Inpatient Psychiatric Services to improve the health, safety and wellbeing of staff working within these areas.

A Project Co-ordinator was appointed as part of the initiative. The co-ordinator conducted a staff survey that identified mental health wellbeing as the staff's highest priority. Thirteen Plan Do Study Act models for improvement were developed and introduced ranging from focussing on ageing workforce, staff mental health and wellbeing opportunities, planning for transition to retirement, conducting training on how to have crucial conversations and new models of clinical supervision. One of the project initiatives was the implementation of a system known as 'shift close' where staff gather at the end of a shift and discuss issues that worked well and recognise staff that have made positive contributions during the shift.

Occupational Violence and Safety Work Plan - Alexander Bayne Centre

Our OH&S Team in conjunction with staff at Alexander Bayne Centre, Bendigo Health's adult inpatient psychiatric services unit, implemented a formal intervention program to minimise the risk of occupational violence and aggression within the unit.

This initiative resulted from an increase in the occurrence of violence and aggression incidents and an increase in staff injuries and WorkCover claims within the unit. A working party consisting of the Psychiatric Services executive team, senior management, ward staff and the OH&S manager was established. A safe work plan was developed that included 15 individual initiatives and controls developed to minimise these risks.

Since the implementation of this program, WorkCover claims for occupational violence have reduced from four claims in 2014-15 to one claim in 2015-16 within the unit.

Establishment of Management OH&S Committee

Bendigo Health has implemented an OH&S Management Committee. The committee will look at the existing designated work groups to assist with transition to the new hospital and focus on future initiatives including safety culture, education and training of staff and management OH&S responsibilities.

Reduction of Manual Handling Risks

To provide a greater control of manual handling risks for staff, the OH&S Team has been successful in obtaining funding for assessing risks in Podiatry and Maternity Services departments. Risks identified in Podiatry relate to awkward postures when providing services to clients in residential and home based care. Risks identified in Maternity also relate to awkward and sustained postures when assisting with childbirth and breastfeeding. Formal ergonomic assessment of the tasks has been funded and includes evaluation of the individual tasks, postural and procedural recommendations and evaluation of equipment used to ensure it is suitable for the task. Funding has also been received for purchase of two hover mats for the birthing suites.

Reducing the risk of Working at Heights

Bendigo Health has embraced new technology to minimise the risk of working at heights and on roofs. The purchase of a drone, that includes digital camera technology relaying images back to computers and smart phones, has reduced the requirement to access roofs or utilise scissor lifting equipment to inspect lighting or damage to roofs and gutters.Specific safe operating procedures have been developed to ensure compliance with the standards for drone utilisation and specific staff have been trained in the use of the drone.

WorkCover Premium Projections for 2016-2017

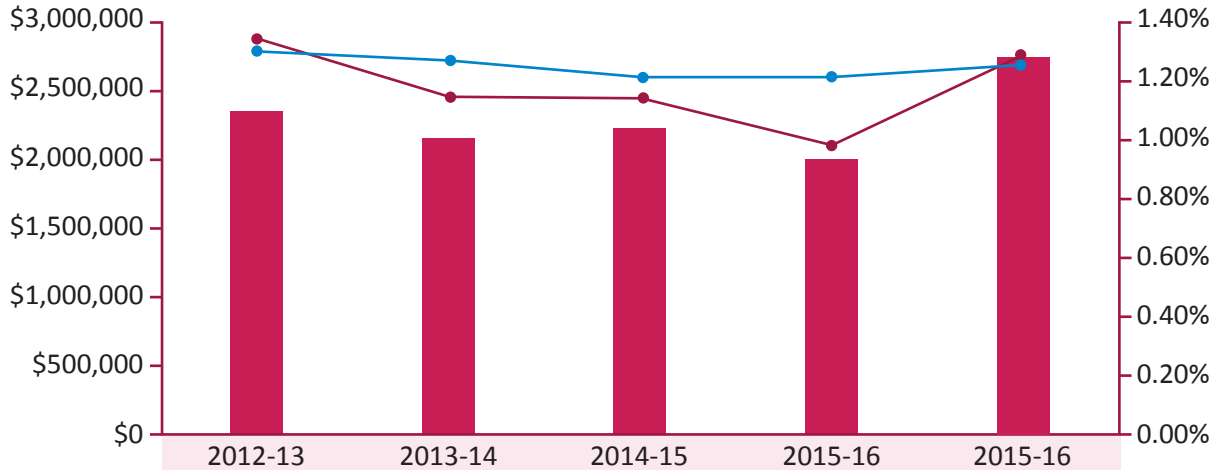
The OH&S Department has received initial premium projections for 2016-2017 workers compensation premium. Analysis of the projected premium identified for Bendigo Health will increase from 0.98% to 1.27%. This increase resulted from several Workers Compensation claims during March to June 2015 involving occupational violence and manual handling injuries.

Bendigo Health's new drone being demonstrated to our OH&S committees as part of the annual refresher day course.

Summary of WorkCover claims 2015-16

	2015-16	2014-15	2013-14	2012-13	2011-12
Number of standard claims	26	43	35	46	50
No of lost time claims	10	31	22	25	29
Number of WorkCover days paid	496	3891	1952	2541	3323
Total workers compensation payments paid. (Including lost time and medical expenses)	139,070	883,016	502,122	676375	1,272,412

Premium and Premium Rates



	2012-13	2013-14	2014-15	2015-16	2015-16
Premium (excl GST)	$2,354,004	$2,156,542	$2,226,431	$2,003,845	$2,728,723
Current Risk Prem.Rate	1.33%	1.15%	1.14%	0.98%	1.27%
Weighted Industry Rate	1.30%	1.26%	1.21%	1.21%	1.26%

Occupational Violence

Occupational violence statistics	
Occupational violence statistics	2015-16
1. WorkCover accepted claims with an occupational violence cause per 100 Full Time Equivalent	.13 per 100 FTE
2. Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	.798 claims per 1000000 hrs worked
3. Number of occupational violence incidents reported	404
4. Number of occupational incidents reported per 100 FTE	17 per 100 FTE
1. Percentage of occupational violence incidents resulting in a staff injury, illness or condition	4.2%

ATTESTATIONS DECLARATIONS

Attestation on Data Integrity

I, Bob Cameron certify that the Bendigo Health Care Group has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Bendigo Health Care Group has critically reviewed these controls and processes during the year.

Mr Bob Cameron

Chair – Board of Directors

Bendigo Health

Attestation for compliance with the Ministerial Standing Direction 4.5.5 – Risk Management Frame Work Processes

I, Bob Cameron certify that the Bendigo Health Care Group has complied with Ministerial Direction 4.5.5 – Risk Management Framework and Processes. The Bendigo Health Care Group Audit Committee has verified this.

Mr Bob Cameron

Chair – Board of Directors

Bendigo Health

Responsible Bodies Declaration

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for Bendigo Health Care Group for the year ending 30 June 2016.

Mr Bob Cameron

Chair – Board of Directors

Bendigo Health

STATUTORY COMPLIANCE

Freedom of Information

The Freedom of Information Act 1982 provides the public with a means of obtaining information held by the organisation. During the 2015-16 financial year, 432 requests were received. Of these, 327 were granted full access, 42 were granted partial access, four were denied in full, 11 were withdrawn, four were not proceeded with, 17 had no documents and 27 were not yet finalised as at 30 June 2016.

Of the documents that were granted partial or no access, exemptions used by this agency were: s.25A(1) was used in two requests, s.33(1) was used in 34 requests, s.35(1)(b) was used in seven requests and s.38 was used in 14 requests.

Of the 20 requests outstanding from 2014-15, 15 were granted full access, three were granted partial access, one was denied in full and one had no documents.

Building and Maintenance

Bendigo Health complies with the Building Act 1993 under the guidelines for publicly owned buildings issued by the Minister for Finance 1994 in all redevelopment and maintenance issues.

There are no maintenance orders. All renovations to existing buildings confirm to the Building Act 1993.

All existing buildings comply with regulations in force at the time of construction. There are no orders to cease occupancy or to undertake urgent works. All sites are subject to a fire safety audit and risk assessment according to revised standards as directed by the Department of Health.

Statement on National Competition Policy

Bendigo Health supports and complies with the Victorian Government's Competitive Neutrality Policy as outlined in the Guide to Implementing Competitive Neutral Pricing Principals.

Victorian Industry Participation Policy

Bendigo Health complies with the Victorian Industry Participation Policy Act 2003. The aim of the act is to open and expand market opportunities to both country and metropolitan Victorian, as well as national businesses so as to promote employment and business growth in Victoria. The policy applies when the Victorian Government's funding or the provision of a grant exceeds $1 million in regional Victoria and Bendigo Health ensures that it evaluates all tenders equally and transparently.

Availability of Other Information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Bendigo Health and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable);

a. A statement of pecuniary interest has been completed

b. Details of shares held by senior officers as nominee or held beneficially

c. Details of publications produced by the department about the activities of the Health Service and where they can be obtained

d. Details of changes in prices, fees, charges, rates and levies charged by the Health Service

e. Details of any major external reviews carried out on the Health Service

f. Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial report and Report of Operations

g. Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit

h. Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services

i. Details of assessments and measures undertaken to improve the occupational health and safety of employees

j. General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations, and

k. A list of major committees sponsored by the Health Service, the purpose of each committee and the extent to which the purposes have been achieved.

Statement on the Application of Employment and Conduct Principles

Bendigo Health is committed to upholding the principles of merit and equity in all aspects of the employment relationship. To this end, we have policies and practices in place to ensure all employment related decisions, including recruitment, promotion, training and retention are based on merit. Any complaints, allegations or incidents involving discrimination, vilification, bullying or harassment are taken seriously and addressed. All staff are provided with education and training on their rights and responsibilities and are provided with the necessary resources to ensure equal opportunity principles are upheld.

Carers Recognition Act 2012

Bendigo Health Care Group -

(a) takes all practicable measures to ensure that its employees and agents have an awareness and understanding of the care relationship principles; and

(b) takes all practicable measures to ensure that persons who are in care relationships and who are receiving services in relation to the care relationship from the care support organisation have an awareness and understanding of the care relationship principles; and

(c) takes all practicable measures to ensure that the care support organisation and its employees and agents reflect the care relationship principles in developing, providing or evaluating support and assistance for persons in care relationships.

Protected Disclosure Act 2012

Bendigo Health Care Group has a protocol, (including policy) consistent with the requirements of the Protected Disclosures Act 2012, which supports staff to disclose improper or corrupt conduct within the Group.

Car parking fees

Bendigo Health complies with the DHHS hospital circular on car parking fees effective 1 February 2016 and details of car parking fees and concession benefits can be viewed at http://www.bendigohealth.org.au/Patients_Families.asp?PageID=18.

Vehicle Parking Protocol Policy

Patient parking

a) Public patient and visitor car park fees are a flat rate for all day parking. This fee is detailed below and will be reviewed annually in December. Visitors car parks: $3 entry (no time limit).

b) Temporary parking permits can be issued to patients needing to use car parks on a temporary but frequent basis for a given term.

c) Permits will be issued on request from the treating department's unit manager. Requests should be made to Buildings & Infrastructure department.

d) The permit will display such details as expiry date, car registration number and location.

e) Long term patients such as those in renal dialysis are given parking permits that allow them to park in the red parking areas as often as required. These are issued on an annual basis and requested through departments to the Buildings & Infrastructure access officer.

f) Patient parking spaces will be signed and have red line marking.

g) Veterans will be issued parking permits on presentation of their DVA card. These permits must be displayed when using BHCG Veteran parking facilities. Veteran spaces are for Veteran use only.

h) Veteran parking spaces are signed and are to have orange line marking and a 'V' painted on the asphalt within the parking space.

i) Disabled parking spaces will be marked with standard disabled signage and blue line marking with the appropriate disabled symbol painted on the asphalt.

j) Disabled parking permits issued by the Greater City of Bendigo must be displayed. Only those with disabled parking permits are permitted to use disabled parking spaces at BHCG.

DISCLOSURE INDEX

The annual report of Bendigo Health is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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FRD 22G	Nature and range of services provided	Inside Cover
Management and structure		
FRD 22G	Organisational structure	36
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FRD 22G	Significant changes in financial position during the year	FR
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SD 4.2(g)	Specific information requirements	FR
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Victorian Industry Participation Policy Act 2003		
Building Act 1993		
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STATEMENT OF PRIORITIES

The Victorian Government's priorities and policy directions are outlined in the Victorian Health Priorities Framework 2012-2022.

All deliverables below in the Statement of Priorities: Part A have been met.

In 2015-16 Bendigo Health will contribute to the achievement of these priorities by:

Statement of Priorities: Part A – Strategic priorities

Domain	Action	Deliverables	Outcome
Patient experience and outcome	Drive improved health outcomes through a strong focus on patient-centred care in the planning, delivery and evaluation of services, and the development of new models for putting patients first.	Preparation for the new Bendigo Hospital with service redesign initiatives that focus on patient experience, improved patient outcomes that include the review and documentation by June 30 of remaining operational Models of Care.	Achieved. Operational Model of Cares complete: • Subacute Ambulatory • Women's and Children's Health • Surgical Services (Interventional Suite) • Internal Medicine • Medical Imaging • Subacute Inpatients
		Service redesign initiatives will be monitored and measured for improvement in patient outcomes and experience via identification of Clinical Sensitive Indicators, Hospital Standardised Mortality Ratios and Victorian Healthcare Experience Survey.	Achieved. The service redesign initiatives have been spread across the different services within the organisation. All of these projects have a positive effect on the VHES scores, on specific Clinical Service indicators and further to that staff engagement.
	Strengthen the response of health services to family violence. This includes implementing interventions, processes and systems to prevent identify and respond appropriately to family violence at an individual and community level.	Implement an organisation-wide Family Violence Assessment and Response Protocol and associated documentation, systems and processes (by June 30).	Achieved. The clinical Family Violence Assessment and Response Protocol has been amended and is now available on PROMPT. The Family Violence Assessment Form (FVAF) MR230 and the iPM Referral tab are being trialed in Women's Health.
		Roll out an education program for clinical staff on identifying and responding to family violence (by June 30).	Achieved. Since July, the Family Violence Assessment and Response education program has been rolled out to 67 clinical staff with positive evaluation feedback. Clinical leads continue to roll out the Family Violence Assessment and Response education program in ED, Women's Health and Mental Health services.

Domain	Action	Deliverables	Outcome
		Promote Bendigo Health's stance against family violence both internally eg. posters in public areas, information in Enewsletter; and externally eg. participation in White Ribbon Day activities (by December 30).	Achieved. Posters promoting Bendigo Health's stance against family violence are displayed in prominent locations across the organisation. Bendigo Health is actively participating in White Ribbon Day planning activities and is represented on the 'Bendigo Walks Against Violence' committee which is convened by City of Greater Bendigo.
	Improve the health outcomes of Aboriginal and Torres Strait Islanders by increasing accessibility and cultural responsiveness of the Victorian health system.	Cultural awareness education sessions are available to all staff via Staff Development program.	Achieved. Great Manager Graeat Results session attended by staff in March on Working with Diversity.
		Bendigo Health attendance at all regional NAIDOC activities.	Achieved. Manager of Aboriginal Hospital liaison/Chair of Aboriginal Advisory committee attended several NAIDOC events throughout the week commencing Monday 6 July, including the flag raising ceremony at the Town Hall.
		Participation in 1 Aboriginal and Torres Strait Islander reconciliation activity.	Achieved. During Reconciliation Week May 27 - June 2 the Aboriginal Health Liaison Officer and AHLO Manager attended the Aboriginal Health and Wellbeing Forum to contribute to dialogue and shape state policy related to this plan.
		Continue to support Bendigo Health Aboriginal Health Liaison Officer as Chair of Bendigo Aboriginal Inter-agency Group.	Achieved. Bendigo Aboriginal Inter-agency Group will review terms of reference and ensure the meeting is meeting the needs of the members. DHHS and BH AHLO continue to review the meeting but have continued with current Terms of reference ongoing.
		Continue Aboriginal Workforce Planning activities.	Achieved. A range of activities are underway in relation to Aboriginal Workforce Planning. We anticipate that we will receive correspondence regarding the outcome of our funding application to the Department of Health and Human Services to update Bendigo Health's Aboriginal Employment plan this quarter. June 30 – Funding was received and BH is completing the work to update the plan.

Domain	Action	Deliverables	Outcome
	Implement an organisation-wide approach to advance care planning including a system for identifying, documenting and/or receiving advance care plans in partnership with patients, carers and substitute decision makers so that people's wishes for future care can be activated when medical decisions need to be made.	By June 2016, advance care plans will be in place for: 25% of Health Improvement Program patients, 10% of Transition Care patients, 100% of hospice patients, 100% of ICU patients, 100% of Medical patients, 25% of Oncology patients, 50% of dialysis patients and 100% of aged care residents.	Achieved. 16% of phase one site patients had an ACP and 92 % had a medically initiated Limitation of Medical Treatment. 0% of phase two site patients had an ACP and 20% had a medically initiated Limitation of Medical Treatment.
Govern-ance, leadership and culture	Demonstrate an organisational commitment to Occupational Health and Safety, including mental health and wellbeing in the workplace. Ensure accessible and affordable support services are available for employees experiencing mental ill health. Work collaboratively with the Department of Health and Human Services and professional bodies to identify and address systemic issues of mental ill health amongst the medical professions.	Bendigo Health will continue to strengthen organisational policies, protocols and provision of supports, including free counselling services through the Employee Assistance Program. Health and wellbeing program includes education for staff to assist in the identification of mental ill health by December 31.	Achieved. Bendigo Health has an Employee Assistance Program, supported by the Employee Assistance and Support Policy and a Staff Support Protocol. These documents are reviewed on a regular basis to ensure they are effective and based on the best available evidence. Quarterly reports regarding the utilisation of the staff Employee Assistance Program are provided to Executives.
	Monitor and publically report incidents of occupational violence. Work collaboratively with the Department of Health and Human Services to develop systems to prevent the occurrence of occupational violence.	Executive level committee established by December 31 to implement strategies in response to the Auditor General's report into Occupational Violence.	Achieved. The Executive led OHS committee has been established and is operational. Members of the committee received training/ education with respect to the role the committee must play in meeting our OHS obligations in line with the OHS Act.
		Finalisation of the Prevention of Occupational Violence Policy and promotion to staff and managers by December 31.	Achieved. OHS department have contributed toward the development and implementation of the Occupational Violence Policy by presentation of the policy and discussion regarding the content at all OHS committee meetings.

Domain	Action	Deliverables	Outcome
		Full evaluation of the Code Grey roll out by 30 June 2016.	Achieved. The initial implementation of the program was successful. The Executive Director People & Culture will be attending the Code Grey Working Group meeting and the higher level Emergency Management Committee meeting to progress this piece of work.
		Occupation Violence incidents to be routinely reviewed via Code Grey and Black Review committee.	Achieved. All incidents of Occupational Violence are being reviewed by the Code Grey and Code Black committees. The Code Grey project is currently being reviewed to ensure the model implemented is sustainable.
	Promote a positive workplace culture and implement strategies to prevent bullying and harassment in the workplace. Monitor trends of complaints of bullying and harassment and identify and address organisational units exhibiting poor workplace culture and morale.	Deliver targeted training and education to medical staff about bullying and harassment in the workplace.	Achieved. Education sessions have been delivered to all craft groups across the service, which covered all senior medical staff. All staff were briefed on the outcome of the VAGO report and the RACS report regarding bullying and harassment in the healthcare setting. In addition to this the briefing included information on what does and doesn't constitute bullying and harassment. All individuals were provided with copies of the code of conduct.
		Completion of a-learning module focused on Workplace Conduct and Behaviours by 50% of staff by June 30.	Achieved. 50% of staff completed training in Workplace Behaviours and Expectations module, including 1,096 staff had completed the on-line module and in excess of 700 staff have completed the module during orientation and by attending face to face sessions.
	Implement strategies to support health service workers to respond to the needs of people affected by ice.	Enhanced crisis assessment clinicians based in Emergency Department, who are directly involved in assessment and treatment of people affected by ice, commence employment by June 30.	Achieved. Additional enhanced crisis assessment team funding obtained and the position has commenced in the Emergency Department.
		Continue to resource the Drug and Alcohol clinician based full time in Emergency Department	Achieved. The curent Drug and Alcohol clinician position ends in July. A budget bid for this position ongoing in the 2017-2018 budget will be undertaken
		Delivery of specific training modules for staff in assessment and treatment of people affected by ice by June 30.	Achieved. Education sessions completed.

Domain	Action	Deliverables	Outcome
	Adopt the Healthy Choices: Food and Drink Guidelines for Victorian public hospitals, to increase the availability of healthy food and drinks for purchase by staff, visitors and the general public.	Bendigo Health has adopted the Guidelines and will continue to monitor reducing high fat, salt and sugar foods in hospital cafeterias.	Achieved. Bendigo Health have introduced new food offerings that are lower in fat and salt
		Promotion of Healthy Choices guidelines to third party providers in new hospital build.	Achieved. As part of the tender process for the new hospital retail food outlets, there is a requirement of the successful vendors for the provision of healthy food offerings, with requests for juice bars and healthy food choices.
Safety and quality	Ensure management plans are in place to prevent, detect and contain Carbapenem Resistant Enterobacteriaceae (CRE) as outlined in Hospital Circular 02/15 (issued June 16).	Ensure recently reviewed Multi-Resistant Organisms Policy is visible and understood by staff across Bendigo Health.	Achieved. Policies have been updated and approved for the management of patients with infection and multi-resistant organisms. IPC have commenced education of clinical staff on the newly revised policies, in particular regarding the management of patients with CPE which has required the introduction of a new level of precautions, 'Intensive precautions'.
		Increase visibility and awareness of Carbapenem Resistant Enterobacteriaceae risks via marketing materials (ie. posters).	Achieved. Information on CPE is available on the IPC intranet, noticeboard and internet site. Education has been provided to the IPC liaison team and also to regional infection control colleagues.
	Implement effective antimicrobial stewardship practices and increase awareness of antimicrobial resistance, its implications and actions to combat it, through effective communication, education, and training	Continue bi-monthly meetings of Antimicrobial Stewardship Committee. Complete 2015 National Antimicrobial Prescribing Survey. Work towards upgrading Antimicrobial Stewardship software to web based platform.	Achieved. Bi-monthly meetings of Antimicrobial Stewardship committee continue to occur. Antimicrobial Stewardship web-based software in pilot stage.
		Audit compliance of use of Antimicrobial Stewardship software.	Achieved. The use of Antimicrobial Stewardship software is audited as a part of the NAP survey undetaken.
		Targeted drug use audits as directed by Antimicrobial Stewardship committee.	Achieved. Drug audits taking place as directed.
	Ensure that emergency response management plans are in place, regularly exercised and updated, including trigger activation and communication arrangements.	All Emergency Response Plans reviewed and assessed by June 30 as part of transitioning and commissioning process to open new Bendigo Hospital in 2017.	Achieved. All Emergency Response Plans have been reviewed and assessed as part of transitioning and commissioning process to open new Bendigo Hospital.

Domain	Action	Deliverables	Outcome
	Develop perinatal mortality and morbidity review processes in alignment with the Clinical Practice Guideline for Perinatal Mortality.	Complete the organisational review of Mortality and Morbidity (M&M) framework in line with relevant clinical guidelines by December 31.	Achieved. M&M standardised templates have been reviewed and endorsed by Clinical Directors Meeting. The new M&M document suite is available for all acute craft groups to use. The process for governance has been completed for craft group M&Ms to be able to refer to the Acute Health and Clinical Support Services Quality & Risk Committee is now endorsed and embedded into the document suite.
Financial sustainability	Improve cash management processes to ensure that financial obligations are met as they are due.	Ensure debt collection and debt payment turnover days are maintained within the Department guidelines of 60 days.	Achieved. All targets set for the Finance Department have been met.
	Work with Health Purchasing Victoria to implement procurement savings initiatives.	Continue to build relationships with all stakeholders to encourage compliance with Bendigo Health Purchasing Protocol and to achieve savings.	Achieved. Procurement have continued building relationships. General ledger analysis has been completed.
		Develop relationships with Regional Health services.	Achieved. Bendigo Health is now providing supply to Castlemaine Health Services.
		Introduce Procurement Reform strategy to ensure compliance with Health Purchasing Victoria's policies.	Achieved. Bendigo Health is compliant with the HPV purchasing policy.
	Invest in revenue optimisation initiatives to ensure maximisation of revenue from both public and private sources.	Implementation of Clinical Documentation Program to maximise revenue per patient episode, including education programs for clinical and coding staff.	Achieved. The clinical documentation team has met and exceeded the acute multi-day stay target of average (1.8 WIES) with the final EOFY achievement of 1.82 WIES. A new team has been established with strong clinical focus and improved cross-functioning between departments. 100% increase in face-to-face education to medical craft groups (ward rounds, in-service, orientation and one-on-one query resolution). Establishment of CDI education through in-service to Acute Nursing staff.
		Improved private billing arrangement and recovery of revenue via electronic media.	Achieved. Residential Services with Finance have implemented direct debit payments.

Domain	Action	Deliverables	Outcome
Access	Implement integrated care approaches across health and community support services to improve access and responses for disadvantaged Victorian.	Review current relationships with Aboriginal organisations in the areas of Aged Care Assessment, Carer Support, Rural Health outreach, Case Management and Home Nursing to identify opportunities for improved collaboration.	Achieved. Home Nursing Services are working with the BDAC Aboriginal Liaison Officer to enhance access to community nursing services for people with urgent foot care needs. The collaborative approach includes advocating for prompt access to podiatry and, where applicable, the High Risk Foot Clinic. The Rural Health Team has been working with BDAC to deliver health promotion sessions to their Planned Activity Group commencing with Healthy Eating options.
		Continued representation on Boards of local Primary Care Partnerships.	Achieved. Community programs representatives attend Service Coordination meetings for both PCPs, and the Diabetes in Loddon Action Group (DiLAG). DiLAG has been instrumental in the establishment of shared care planning in Loddon.
		Develop protocols for collaboration with the newly established Murray Primary Health Network to improve support, effective services and improved care coordination for vulnerable and disadvantaged populations.	Achieved. Several Health Pathways under development with a number of Bendigo Health staff involved Progressing towards signing of Heads of Agreement for Health Pathways.
		Continue providing leadership in the Strengthening Health Services Project.	Achieved. Director of Nursing and Senior Manager Women's and Children's Services are members of the Murray Maternity Network Committee that meets in Echuca bi-monthly. This committee reports directly to the CEO forum for Strengthening Health Services.
	Progress partnerships with other health services to ensure patients can access treatments as close to where they live when it is safe and effective to do so, making the most efficient use of available resources across the system.	Identify collaborative opportunities (looking at clinical and non-clinical services and functions).	Achieved. Ongoing arrangements made with suitable regional hospital for patients waiting on our Colonoscopy waiting list to be scheduled at Castlemaine, Kyabram and Rochestor. Visting Medical Officers from Bendigo Health perform the procedures occurring on a monthly basis.
		Improve the utilisation of endorsed palliative care pathways within aged care facilities and commence discussions with members of the Loddon Mallee Aged Care Network.	Achieved. Clinical Nurse Consultant appointed to Aged and Disability role. Working with resdential aged care facilities to improve use of palliative care pathways.
		Strengthen ties with General Practitioners by establishing a system that allocates regional Community Mental Health Service staff to specific General Practitioners to provide support and education.	Achieved. A process of having staff specific staff allocated to GPs has been established and implemented across both the Northern and Southern Community Mental Health Teams.

Domain	Action	Deliverables	Outcome
	Optimise system capacity by ensuring that allocated points of care are implemented as per the Travis review recommendations.	Improve the flow of patients through Bendigo Health that require interventions from psychiatric services by implementing strategies aimed to: decrease long stay patients in Emergency Department, decrease the number of patients presenting to the Emergency Department, decrease in readmissions numbers	Achieved. The flow of patients through Bendigo Health requiring psychiatric interventions are linked to the model of care and community team realignment and short term treatment team.
	Reduce unplanned readmissions - with a focus on identifying high risk patients; delivering coordinated and integrated responses; and reducing the use of avoidable acute care services, where practicable and safe to do so.	Establish a complex long stay meeting for patients within acute Psychiatric inpatient service that have a length of stay greater than 20 days.	Achieved. Planning in progress to commence regular review of patients with a length of stay longer than 20 days.
	Ensure that policies, procedures and service models are in place to manage and monitor colonoscopy referrals and ensure timely access for patients with an urgent clinical need.	Deliver funded colonoscopy redesign project to identify strategies for reduced waiting times for patients.	Achieved. Over the last three years the referrals into the organisation on a monthly basis has had a three percent increase, this has primarily been in the category one patients. Bendigo Health staff continue to work with Murray Primary Health Network and Bendigo Community Health. The triage criteria that was developed has been placed into a policy format Final outcomes from the project at draft stage to be finalised following further consultation.
		Establishment of an Advanced Practice Nurse Endoscopist role to enhance patient experience and improve timeliness and access to diagnostic and treatment services.	Achieved. Nurse Endoscopist has completed training and supervision period awaiting final accreditation.
	Participate in the state-wide mental health acute bed visibility web- based tool. Develop Telehealth service models to facilitate the delivery of high quality and equitable specialist services to patients across regional Victoria.	Deliver a Psychiatric Services telehealth project to incorporate clinical and team conferencing models, training in use of technology and developing evaluation surveys for patients and families participating in pilots/ projects of 'Telehealth in the Home'. Project completed by June 30.	Achieved. Training for staff of Psychiatric Services in use of telehealth has been completed. Telehealth now being routinely used in CAMHS for the morning clinical intake meeting. The Telehealth in the Home Pilot Project has been completed.

FINANCIAL REPORT 2015-16

Annual Report - Statement of Priorities for 2015-16
Part B: Performance Priorities

Safety and quality performance

Key performance indicator	Target	Outcome
Compliance with NSQHS Standards accreditation	Full compliance	Full compliance
Compliance with the Commonwealth's Aged Care Accreditation Standards	Full compliance	Full compliance
Cleaning standards	Full compliance	Full compliance
Compliance with the Hand Hygiene Australia program	80%	83%
Percentage of healthcare workers immunised for influenza	75%	76.1%

Patient experience and outcomes

Key performance indicator	Target	Outcome
Victorian Healthcare Experience Survey - data submission	Full compliance	Achieved
Victorian Healthcare Experience Survey - patient experience Quarter 1	95% positive experience	88% achieved
Victorian Healthcare Experience Survey - patient experience Quarter 2	95% positive experience	95% achieved
Victorian Healthcare Experience Survey - patient experience Quarter 3	95% positive experience	93% achieved
Number of patients with surgical site infection	No outliers	No outliers
ICU central line associated blood stream infections (ICU CLABSI)	No outliers	No outliers
SAB rate per occupied bed days (1)	< 2 / 10,000	0.3
Maternity - Percentage of women with prearranged postnatal home care	100%	100%
Mental health - Percentage of seclusion events relating to an acute admission - composite seclusion rate	15%	5%
Mental health - Percentage of adult inpatients who are readmitted within 28 days of discharge	14%	16%
Mental health - Percentage of adult patients who have post-discharge follow-up within seven days	75%	74%
Mental health - Rate of seclusion events relating to an adult acute admission	< 15 / 1,000	7
Mental health - Percentage of aged patients who have post-discharge follow-up within seven days	75%	76%
Mental health - Rate of seclusion events relating to an aged acute admission	< 15 / 1,000	0
Mental health - Percentage of child and adolescent patients with post-discharge follow-up within seven days	75%	90%

Governance, leadership and culture

Key performance indicator	Target	Outcome
Patient Safety Culture	80%	87%

Financial sustainability performance

Key performance indicator	Target	Outcome
Finance		
Annual operating result ($m)	0.5	3.163
Trade creditors	< 60 days	43
Patient fee debtors	< 60 days	41
Public and private WIES (2) performance to target	100%	104%
Asset management		
Asset management plan	Full compliance	Full compliance
Adjusted current asset ratio	0.7	0.43
Days of available cash	14 days	8

(1) SAB is staphylococcus aureus bacteraemia

(2) WIES is a Weighted Inlier Equivalent Separation.

Access performance

Key performance indicator	Target	Outcome
Emergency care		
Percentage of ambulance patients transferred within 40 minutes	90%	89%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended times	80%	64%
Percentage of emergency patients with a length of stay less than four hours	81%	73%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	1
Elective surgery		
Percentage of elective patients removed within clinically recommended timeframes	94%	87%
Percentage of Urgency Category 1 elective patients removed within 30 days	100%	100%
10% longest waiting Category 2 and 3 removals from elective surgery waiting list	100%	95%
Number of patients on the elective surgery waiting list (3)	885	1,254
Number of hospital initiated postponements per 100 scheduled admissions	< 8 / 100	7
Number of patients admitted from elective surgery waiting list - annual total	4,764	4,477
Critical care		
Adult ICU number of days below the agreed minimum operating capacity (4)	0	7

(3) The target shown is the number of patients on the elective surgery waiting list as at 30 June 2016.

(4) The agreed minimum operating capacity is 6 ICU equivalents.

Part C: Activity and Funding

Funding type	Activity	2015-16 Activity Achievement
Acute Admitted		
WIES Public	21,363	22,299
WIES Private	3,823	4,052
WIES (Public and Private)	**25,186**	**26,351**
WIES DVA	538	572
WIES TAC	280	211
WIES TOTAL	**26,004**	**27,134**
Acute Non-Admitted		
Renal Dialysis - Home ABF	35	27
Subacute & Non-Acute Admitted		
Rehab Public	13,403	20,173
Rehab Private	3,290	4,320
Rehab DVA	985	854
GEM Public	17,794	11,063
GEM Private	5,055	2,739
GEM DVA	2,054	623
Palliative Care Public	2,947	3,918
Palliative Care Private	979	1469
Palliative Care DVA	225	209
Transition Care - Bed days	17,883	16,578
Transition Care - Home day	12,775	11,592
Subacute Non-Admitted		
Health Independence Program	50,147	50,653
Aged Care		
Residential Aged Care	82,444	78,425
HACC	64,510	73,146
Mental Health and Drug Services		
Mental Health Inpatient - Bed days	2,922	2448
Mental Health Inpatient - WOT	12,406	N/A
Mental Health Ambulatory	60,356	58,373
Mental Health Residential	10,958	13,027
Mental Health Sub Acute	11,688	10,367
Primary Health		
Community Health/ Primary Care Programs	8,824	8,032

Financials in Brief

A summary of the financial results for the year, from Annual Financial Reports, with comparative results from the preceding four financial years.

	2015/16 $000	2014/15 $000	2013/14 $000	2012/13 $000	2011/12 $000
Total Expenses	367,159	357,294	340,528	329,666	334,308
Total Revenue	366,553	347,270	332,869	323,160	329,699
Net Result Before Capital & Specific Items	3,163	3,138	2,948	1,608	721
Net Result for the Year	(606)	(10,024)	(7,659)	(6,506)	(4,609)
Accumulated Surpluses/(Deficits)	(40,116)	(39,480)	(29,620)	(22,109)	(15,276)
Total Assets	264,278	253,870	264,812	235,790	233,774
Total Liabilities	94,287	83,273	84,191	91,915	83,393
Net Assets	169,991	170,597	180,621	143,875	150,381

Operational Summary

Bendigo Health Care Group recorded a statement of priorities operating surplus for the 2015/16 financial year which was favourable to budget.

Consultancy Expenditure

				Expenditure		
CONSULTANT	PURPOSE OF CONSULTANCY	Start Date	End Date	Total Approved (ex GST) $'000	Expensed 15-16 (ex GST) $'000	Future Expense (ex GST) $'000
Angela Ballard	Workplace Investigation	Jul-15	Jun-16	23	23	0
Applied Aged Care Solutions Pty Ltd	Aged Care Funding Instrument Review	Jul-15	Dec-15	119	119	0
Capella Consulting Pty Ltd	Organisationals Re-alignment	Jul-15	Jul-15	13	13	0
Converge International Incorporating ResolutionsRTK Pty Ltd	Employee Assistance Program	Jul-15	Jun-16	42	42	0
Gnarwarre Group of Companies Pty Ltd	Governance Review	May-16	May-16	12	12	0
Heather Baker-Goldsmith Safety Solutions	Workplace Investigation	Jul-15	Oct-15	23	23	0
KPMG	Workplace Agreement Advice	Jul-15	Jul-15	22	22	0
Mediasmiths Asia Pac Pty Ltd	ICT Transition Plan	Apr-16	Jun-16	69	69	0
Minter Ellison	EMR Agreement and implementation plan preparation	Aug-15	Nov-15	24	24	0
Price Waterhouse Coopers	Business case and benefits realisation document - EMR	Aug-15	Nov-15	36	36	0
Rix Stewart Pty Ltd	Facility management assessment and advice	Mar-16	Jun-16	31	31	0

In 2015-2016, Bendigo Health engaged 28 consultancies where the total fees payable to the consultants were less than $10,000, with a total expenditure of $126,975.04 (excl GST).

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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Bendigo Health Care Group

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Bendigo Health Care Group which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Member's, Accountable Officer's and Chief Finance & Accounting Officer's Declaration.

The Board Members' Responsibility for the Financial Report

The Board Members of the Bendigo Health Care Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

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

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Bendigo Health Care Group as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Dr Peter Frost
Acting Auditor-General

MELBOURNE
7 September 2016

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

the attached financial statements for Bendigo Health Care Group have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable *Financial Reporting Directions*, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive operating Stat ement, Balance Sheet, Statement of Changes in equity, Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2016 and the financial position of Bendigo Health Care Group at 30 June 2016.

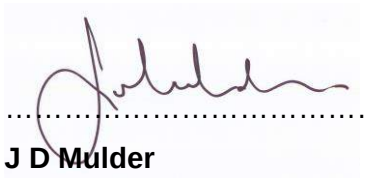
At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.

……

R G Cameron

Chair



……

J D Mulder

Chief executive officer

……

A B Collins

Chief Financial officer

Dated the 31st day of August 2016

at Bendigo

Bendigo Health Care Group
Comprehensive Operating Statement For the Year Ended 30 June 2016

	Note	2016 $'000	2015 $'000
Revenue from Operating Activities	2	338,338	323,596
Revenue from Non-operating Activities	2	12,140	11,658
Employee Expenses	3	(242,986)	(236,524)
Non Salary Labour Costs	3	(12,576)	(11,219)
Supplies & Consumables	3	(54,821)	(48,762)
Other Expenses	3	(36,932)	(35,611)
Net Result Before Capital & Specific Items		**3,163**	**3,138**
Capital Purpose Income	2	15,927	12,016
Depreciation	4	(16,753)	(17,277)
Expenditure for Capital Purpose Income	3	(3,091)	(7,901)
Assets Provided Free of Charge	2	148	0
NET RESULT FOR THE YEAR		**(606)**	**(10,024)**
COMPREHENSIVE RESULT		**(606)**	**(10,024)**

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

Bendigo Health Care Group
Balance Sheet
As at 30 June 2016

	Note	2016 $'000	2015 $'000
Current Assets			
Cash and Cash Equivalents	5	21,451	10,220
Receivables	6	11,784	10,591
Other Financial Assets	7	142	137
Inventories	8	2,485	2,416
Prepayments and Other Assets	9	1,004	950
Total Current Assets		**36,866**	**24,314**
Non-Current Assets			
Receivables	6	10,481	11,014
Property, Plant & Equipment	10	216,931	218,542
Total Non-Current Assets		**227,412**	**229,556**
TOTAL ASSETS		**264,278**	**253,870**
Current Liabilities			
Payables	11	16,973	11,909
Provisions	12	56,222	53,619
Other Liabilities	14	12,343	8,669
Total Current Liabilities		**85,538**	**74,197**
Non-Current Liabilities			
Provisions	12	8,749	9,076
Total Non-Current Liabilities		**8,749**	**9,076**
TOTAL LIABILITIES		**94,287**	**83,273**
NET ASSETS		**169,991**	**170,597**
EQUITY			
Property, Plant & Equipment Revaluation Surplus	15a	107,152	107,152
Restricted Specific Purpose Surplus	15a	3,915	3,885
Contributed Capital	15b	99,040	99,040
Accumulated Surpluses/(Deficits)	15c	(40,116)	(39,480)
TOTAL EQUITY	15d	**169,991**	**170,597**
Contingent Liabilities and Contingent Assets	19		
Commitments	18		

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

Bendigo Health Care Group
Statement of Changes in Equity
For the Year Ended 30 June 2016

	Note	Property, Plant & Equipment Revaluation Surplus $'000	Restricted Specific Purpose Surplus $'000	Contributions by Owners $'000	Accumulated Surplus/(Deficit) $'000	Total $'000
Balance at 1 July 2014		**107,152**	**4,049**	**99,040**	**(29,620)**	**180,621**
Net Result for the Year	15c	0	0	0	(10,024)	(10,024)
Transfer to accumulated surplus	15c	0	(164)	0	164	0
Balance at 30th June 2015	15d	**107,152**	**3,885**	**99,040**	**(39,480)**	**170,597**
Net Result for the Year	15c	0	0	0	(606)	(606)
Transfer to accumulated surplus	15c	0	30	0	(30)	0
Balance at 30th June 2016	15d	**107,152**	**3,915**	**99,040**	**(40,116)**	**169,991**

This Statement should be read in conjunction with the accompanying notes

Bendigo Health Care Group
Cash Flow Statement
For the Year Ended 30 June 2016

	Note	2016 $'000	2015 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		297,340	273,124
Capital Grants from Government		14,854	9,119
Patient and Resident Fees Received		29,493	28,505
Private Practice Fees Received		1,865	941
Donations and Bequests Received		515	411
GST Received from/(paid to) ATO		7,551	7,247
Recoupment from Private Practice for Use of Hospital Facilities		15	13
Interest Received		656	683
Other Capital Receipts		450	1,303
Other Receipts		23,892	27,059
Total receipts		**376,631**	**348,405**
Employee Expenses Paid		(251,345)	(246,169)
Non Salary Labour Costs		(12,576)	(11,217)
Payments for Suppliers & Consumables		(57,211)	(50,109)
Other Payments		(32,015)	(35,512)
Total payments		**(353,147)**	**(343,007)**
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	16	**23,484**	**5,398**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(16,000)	(12,308)
Proceeds from Sale of Property, Plant & Equipment		290	455
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		**(15,710)**	**(11,853)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		**7,774**	**(6,455)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**112**	**6,567**
CASH AND CASH EQUIVALENTS AT END OF YEAR	5	**7,886**	**112**

This Statement should be read in conjunction with the accompanying notes

Note 1: Summary of significant accounting policies

These annual financial statements represent the audited general purpose financial statements for Bendigo Health Care Group for the period ending 30 June 2016. The purpose of the report is to provide users with information about the Bendigo Health Care Group's stewardship of resources entrusted to it.

(a) Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements.*

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury & Finance, and relevant Standing Directions (SDs) authorised by the Minister for Finance.

The Health Service is a not-for-profit entity and therefore applies the additional Aus paragraphs applicable to "not-for-profit" Health Services under the AASs.

The annual financial statements were authorised for issue by the Board of Bendigo Health Care Group on .

(b) Basis of accounting preparation and measurement

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016, and the comparative information presented in these financial statements for the year ended 30 June 2015.

The going concern basis was used to prepare the financial statements.

These financial statements are presented in Australian dollars, the functional and presentation currency of Bendigo Health Care Group.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except for:

- non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

Revaluations are made and are re-assessed when new indices are published by the Valuer General to ensure that the carrying amounts do not materially differ from their fair values;

- available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised (i.e. other comprehensive income – items that may be reclassified subsequent to net result); and
- the fair value of assets other than land is generally based on their depreciated replacement value.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment, (refer to Note 1(j));
- superannuation expense (refer to Note 1(g); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(k)).

Consistent with AASB 13 *Fair Value Measurement*, Bendigo Health Care Group determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments, and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant FRDs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Bendigo Health Care Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Bendigo Health Care Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level

input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Bendigo Health Care Group's independent valuation agency.
Bendigo Health Care Group, in conjunction with VGV monitors the changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1(j);
- superannuation expense (refer to note 1(g)); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(k)).

(c) Reporting entity

The financial statements include all the controlled activities of the Bendigo Health Care Group.

Its principal address is:
Lucan Street
Bendigo, Victoria, 3550

A description of the nature of Bendigo Health Care Group's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Objectives and funding
Bendigo Health Care Group's overall objective is the provision of Health Services.

Bendigo Health Care Group is predominantly funded by accrual based grant funding for the provision of outputs.

(d) Principles of consolidation

Jointly controlled assets or operations

Interests in jointly controlled assets or operations are not consolidated by Bendigo Health Care Group, but are accounted for in accordance with the policy outlined in Note 1(j) Financial Assets.

Details of joint operations are set out in Note 21.

(e) Scope and presentation of financial statements

Fund Accounting

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

Services Supported By Health Services Agreement and Services Supported By Hospital and Community Initiatives

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

Residential Aged Care Service

The *Residential Aged Care Service* operations are an integral part of the Bendigo Health Care Group and shares its resources. An apportionment of land and buildings has been made based on floor space. The results of the two operations have been segregated based on actual revenue earned and expenditure incurred by each operation in Note 2 and 3 of the financial statements.

Comprehensive operating statement

The comprehensive operating statement includes the subtotal entitled 'net result before capital & specific items' to enhance the understanding of the financial performance of Bendigo Health Care Group. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, expenditure using capital purpose income and items of an unusual nature and amount such as specific income and expenses. The exclusion of these items is made to enhance matching of income and expenses so as to facilitate the comparability and consistency of results between years and Victorian Public Health Services. The 'net result before capital & specific items' is used by the management of Bendigo Health Care Group, the Department of Health & Human Services and the Victorian Government to measure the ongoing operating performance of Health Services.

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

- capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer Note 1 (f)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided;
- specific income/expense, comprises the following items, where material:
  - Voluntary departure packages
  - Write-down of inventories
  - Non-current asset revaluation increments/decrements
  - Diminution/impairment of investments
  - Restructuring of operations (disaggregation/aggregation of Health Services)
  - Litigation settlements
  - Non-current assets lost or found
  - Forgiveness of loans
  - Reversals of provisions
  - Voluntary changes in accounting policies (which are not required by an accounting standard or other authoritative pronouncement of the Australian Accounting Standards Board);
- Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), which have been recognised in accordance with Note 1 (j);
- Depreciation and amortisation, as described in Note 1 (g);
- Assets provided or received free of charge (refer to Notes 1 (f) and (g)); and
- Expenditure using capital purpose income, comprises expenditure which either falls below the asset capitalisation threshold or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

Balance sheet

Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered/settled more than 12 months after reporting period), are disclosed in the notes where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

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

Rounding

All amounts shown in the financial statements are expressed to the nearest $1,000 unless otherwise stated.

Minor discrepancies in tables between totals and sum of components are due to rounding.

(f) Income from transactions

Income is recognised in accordance with AASB 118 *Revenue* and is recognised as to the extent that it is probable that the economic benefits will flow to Bendigo Health Care Group and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

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

Government Grants and other transfers of income (other than contributions by owners)

In accordance with AASB 1004 *Contributions*, government grants and other transfers of income (other than contributions by owners) are recognised as income when Bendigo Health Care Group gains control of the underlying assets irrespective of whether conditions are imposed on Bendigo Health Care Group's use of the contributions.

Contributions are deferred as income in advance when Bendigo Health Care Group has a present obligation to repay them and the present obligation can be reliably measured.

Indirect Contributions from the Department of Health & Human Services

- Insurance is recognised as revenue following advice from the Department of Health & Human Services.
- Long Service Leave (LSL) – Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 05/2013 (update for 2014-15).

Patient and Resident Fees

Patient fees are recognised as revenue at the time invoices are raised or accrued when a patient is discharged or service provided.

Private Practice Fees

Private practice fees are recognised as revenue at the time invoices are raised or accrued when a patient is discharged or service provided.

Revenue from commercial activities

Revenue from commercial activities is recognised at the time invoices are raised.

Donations and Other Bequests

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

Dividend Revenue

Dividend revenue is recognised when the right to receive payment is established.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset, which allocates interest over the relevant period.

Sale of investments

The gain/loss on the sale of investments is recognised when the investment is realised.

Fair value of assets and services received free of charge or for nominal consideration

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

(g) Expense recognition

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Cost of goods sold

Costs of goods sold are recognised when the sale of an item occurs by transferring the cost or value of the item/s from inventories.

Employee expenses

Employee expenses include:

- wages and salaries;
- fringe benefits tax;
- leave entitlements;
- workcover premiums; and
- superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Defined contribution superannuation plans

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit superannuation plans

The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by Bendigo Health Care Group to the superannuation plans in respect of the services of current Bendigo Health staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

Employees of Bendigo Health Care Group are entitled to receive superannuation benefits and Bendigo Health Care Group contributes to both the defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

The name and details of the major employee superannuation funds and contributions made by the Bendigo Health Care Group are disclosed in Note 13: *Superannuation*.

Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated (i.e. excludes land assets held for sale, and investment properties). Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives, residual value and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health & Human Services. Assets with a cost in excess of $1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

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

	2016	2015
Buildings		
- Structure Shell Building Fabric	25 to 60 years	28 to 60 years
- Site Engineering Services and Central Plant	22 to 40 years	40 years
Central Plant		
- Fit Out	25 years	25 years
- Trunk Reticulated Building Systems	30 years	30 years
Landscaping & Grounds	22 to 40 years	22 to 40 years
Plant & Machinery	4 to 20 years	4 to 20 years
Medical Equipment	5 to 20 years	4 to 20 years
Computers and Communication	3 to 20 years	4 years
Furniture and Fitting	5 to 20 years	15 years
Motor Vehicles	2 to 8 years	7 years

As part of the buildings valuation, building values were separated into components and each component assessed for its useful life which is represented above.

Intangible produced assets with finite lives are depreciated as an expense on a systematic basis over the asset's useful life.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include:

Supplies and consumables

Supplies and services costs which are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Bad and doubtful debts

Refer to Note 1 (j) *Impairment of financial assets.*

Fair value of assets, services and resources provided free of charge or for nominal consideration

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer will be recognised at its carrying value.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

(h) Other comprehensive income

Other economic flows are changes in volume or value of assets or liabilities that do not result from transactions.

Net gain/ (loss) on non-financial assets
Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Revaluation gains/ (losses) of non-financial physical assets
Refer to Note 1(j) *Revaluations of non-financial physical assets.*

Net gain/ (loss) on disposal of non-financial assets
Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is the difference between the proceeds and the carrying value of the asset at the time.

Revaluations of financial instrument at fair value
Refer to Note 1 (i) *Financial instruments.*

Other gains/ (losses) from other comprehensive income
Other gains/ (losses) include:

- transfer of amounts from the reserves to accumulated surplus or net result due to disposal or derecognition or reclassification.

(i) Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Bendigo Health Care Group's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Financial assets and liabilities at fair value through profit or loss

Financial assets are categorised as fair value through profit or loss at trade date if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed by the Health

Service concerned based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies.

Financial instruments at fair value through profit or loss are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other comprehensive income. Any dividend or interest on a financial asset is recognised in the net result for the year.

Reclassification of financial instruments at fair value through profit or loss

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category, where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category, if there is the intention and ability to hold them for the foreseeable future or until maturity.

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category includes cash and deposits (refer to Note 1(j)), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Available-for-sale financial assets

Available-for-sale financial instrument assets are those designated as available-for-sale or not classified in any other category of financial instrument asset. Such assets are initially recognised at fair value. Subsequent to initial recognition, gains and losses arising from changes in fair value are recognised in 'other comprehensive income' until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in net result for the period. Fair value is determined in the manner described in Note 17.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of Bendigo Health Care Group's contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

(j) Assets

Cash and Cash Equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet.

Receivables

Receivables consist of:

- contractual receivables, which includes mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables; and
- statutory receivables, which includes predominantly amounts owing from the Victorian Government and Goods and Services Tax ("GST") input tax credits recoverable.

Receivables that are contractual are classified as financial instruments and categorised as loans and receivables. Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

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

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

Investments and other financial assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Investments are classified in the following categories:

- financial assets at fair value through profit or loss;
- loans and receivables; and
- available-for-sale financial assets.

Bendigo Health Care Group classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

Bendigo Health Care Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

All financial assets, except those measured at fair value through profit or loss are subject to annual review for impairment.

Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

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

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Property, plant and equipment

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger are transferred at their carrying amount.

More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 10 *Property, plant and equipment*.

Crown land is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Land and buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and accumulated impairment loss.

Plant, equipment and vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for fair value because of the short lives of the assets concerned.

Revaluations of non-current physical assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103F *Non-financial physical assets*. This revaluation process normally occurs at least every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are recognised in 'other comprehensive income' and are credited directly in equity to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103F, Bendigo Health Care Group's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised in the comprehensive operating statement. Refer to note 1(h) – 'comprehensive income'.

Impairment of non-financial assets

All non-financial assets are assessed annually for indications of impairment, except for inventories.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that same class of asset.

If there is an indication that there has been a reversal in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at

the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs of disposal.

Investments in joint operations

In respect of any interest in joint operations, Bendigo Health Care Group recognises in the financial statements:

- its assets, including its share of any assets held jointly;
- any liabilities including its share of liabilities that it had incurred;
- its revenue from the sale of its share of the output from the joint operation;
- its share of the revenue from the sale of the output by the operation; and
- its expenses, including its share of any expenses incurred jointly.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Bendigo Health Care Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Bendigo Health Care Group has transferred its rights to receive cash flows from the asset and either:
  (a) has transferred substantially all the risks and rewards of the asset; or
  (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where Bendigo Health Care Group has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Health Service's continuing involvement in the asset.

Impairment of financial assets

At the end of each reporting period Bendigo Health Care Group assesses whether there is objective evidence that a financial asset or group of financial asset is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Bad debts considered as written off and allowances for doubtful receivables are expensed. Bad debt written off by mutual consent and the allowance for doubtful debts are classified as 'other comprehensive income' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Where the fair value of an investment in an equity instrument at balance date has reduced by 20 percent or more than its cost price or where its fair value has been less than its cost price for a period of 12 or more months, the financial asset is treated as impaired.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading;
- impairment and reversal of impairment for financial instruments at amortised cost; and
- disposals of financial assets and derecognition of financial liabilities.

Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets.

(k) Liabilities

Payables

Payables consist of:

- contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the Health Service prior to the end of the financial year that are unpaid, and arise when the Health Service becomes obliged to make future payments in respect of the purchase of those goods and services. The normal credit terms for accounts payable are usually Nett 30 days.
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

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

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

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually

certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits

This provision arises for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

Wages and salaries, annual leave and accrued days off

Liabilities for wages and salaries, including non-monetary benefits and annual leave are all recognised in the provision for employee benefits as 'current liabilities', because the health service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- Undiscounted value – if the health service expects to wholly settle within 12 months; or
- Present value – if the health service does not expect to wholly settle within 12 months.

Long service leave (LSL)

Liability for LSL is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the health service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- Undiscounted value – if the health service expects to wholly settle within 12 months; and
- Present value – if the health service does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

Bendigo Health Care Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Employee benefit on-costs

Provisions for on-costs, such as payroll tax, workers compensation and superannuation are recognised together with provisions for employee benefits.

Superannuation liabilities

The Bendigo Health Care Group does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Health Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

(l) Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

For service concession arrangements, the commencement of the lease term is deemed to be the date the asset is commissioned.

All other leases are classified as operating leases.

Operating leases

Entity as lessor

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Entity as lessee

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. Leased asset are not recognised in the balance sheet.

Lease Incentives

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received by the lessee to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where

another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished.

(m) Equity

Contributed capital

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119A *Contributions by Owners*, appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners that have been designated as contributed capital are also treated as contributed capital.

Property, plant & equipment revaluation surplus

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

Financial asset available-for-sale revaluation surplus

The available-for-sale revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold that portion of the surplus which relates to that financial asset is effectively realised, and is recognised in the comprehensive operating statement. Where a revalued financial asset is impaired that portion of the surplus which relates to that financial asset is recognised in the comprehensive operating statement.

Specific restricted purpose surplus

A specific restricted purpose surplus is established where Bendigo Health Care Group has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

(n) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to note 18) at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

(o) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

(p) Goods and Services Tax ("GST")

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

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

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

Commitments for expenditure and contingent assets and liabilities are presented on a gross basis.

(q) Events after the reporting period

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Health Service and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period.

Adjustments are made to amounts recognised in the financial statements for events which occur between the end of the reporting period and the date when the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

(r) AASs issued that are not yet effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2016 reporting period. DTF assesses the impact of all these new standards and advises the Health Service of their applicability and early adoption where applicable.

As at 30 June 2016, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below. Bendigo Health Care Group has not and does not intend to adopt these standards early.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 9 *Financial Instruments*	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows: • The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and • Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.	1 Jan 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI). Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed.
AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9*	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 15 *Revenue from Contracts with Customers*	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*	Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: • the entity's right to receive payment of the dividend is established; • it is probable that the economic benefits associated with the dividend will flow to the entity; and • the amount can be measured reliably.	1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 Jan 2018	This amending standard will defer the application period of AASB 15 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: • A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; • For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and • For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).	1 Jan 2018	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified in AASB 15.
AASB 16 *Leases*	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	1 Jan 2019	The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase. Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. The amounts of cash paid for the principal portion of the lease liability will be presented

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
			within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement. No change for lessors.
AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* [AASB 116 & AASB 138]	Amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to: • establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; prohibit the use of revenue-based methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset.	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements* [AASB 1, 127 & 128]	Amends *AASB 127 Separate Financial Statements* to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 Jan 2016	The assessment indicates that there is no expected impact as the entity will continue to account for the investments in subsidiaries, joint ventures and associates using the cost method as mandated if separate financial statements are presented in accordance with FRD 113A.
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [AASB 10 & AASB 128]	AASB 2014-10 amends *AASB 10 Consolidated Financial Statements* and *AASB 128 Investments in Associates* to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that: • a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and • a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. •	1 Jan 2016	The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle* [AASB 1, AASB 2,	Amends the methods of disposal in AASB 5 Non-current assets held for sale and discontinued operations. Amends AASB 7 *Financial Instruments* by including further guidance on servicing contracts.	1 Jan 2016	The assessment has indicated that when an asset (or disposal group) is reclassified from 'held to sale' to 'held for distribution', or vice versa, the asset does not have to be reinstated in the financial statements. Entities will be required to disclose all types

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]			of continuing involvement the entity still has when transferring a financial asset to a third party under conditions which allow it to derecognise the asset.
AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of *AASB 124 Related Party Disclosures* to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.
AASB 2016-4 *Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities*	The standard amends AASB 136 *Impairment of Assets* to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 Jan 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 *Fair Value Measurement* is the same as the depreciated replacement cost concept under AASB 136.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2015-16 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- AASB 1056 *Superannuation Entities*
- AASB 1057 *Application of Australian Accounting Standards*
- AASB 2014-1 *Amendments to Australian Accounting Standards [PART D – Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts only]*
- AASB 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations* [AASB 1 & AASB 11]
- AASB 2014-6 *Amendments to Australian Accounting Standards – Agriculture: Bearer Plants* [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]
- AASB 2015-2 Amendments to Australian Accounting Standards – *Disclosure Initiative: Amendments to AASB 101* [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-5 *Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception [*AASB 10, AASB 12, AASB 128]
- AASB 2015-9 *Amendments to Australian Accounting Standards – Scope and Application Paragraphs* [AASB 8, AASB 133 & AASB 1057]
- AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*
- AASB 2016-1 *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses* [AASB 112]
- AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

(s) Category groups

Bendigo Health Care Group has used the following category groups for reporting purposes for the current and previous financial years.

Admitted Patient Services (Admitted Patients) comprises all acute and subacute admitted patient services, where services are delivered in public hospitals.

Mental Health Services (Mental Health) comprises all specialised mental health services providing a range of inpatient, community based residential, rehabilitation and ambulatory services which treat and support people with a mental illness and their families and carers.
These services aim to identify mental illness early, and seek to reduce its impact through providing timely acute care services and appropriate longer-term accommodation and support for those living with a mental illness.

Non Admitted Services comprises acute and subacute non admitted services, where services are delivered in public hospital clinics and provide models of integrated community care, which significantly reduces the demand for hospital beds and supports the transition from hospital to home in a safe and timely manner.

Emergency Department Services (EDS) comprises all emergency department services.

Aged Care comprises a range of in home, specialist geriatric, residential care and community based programs and support services, such as Home and Community Care (HACC) that are targeted to older people, people with a disability, and their carers.

Primary, Community and Dental Health comprises a range of home based, community based, community, primary health and dental services including health promotion and counselling, physiotherapy, speech therapy, podiatry and occupational therapy and a range of dental health services.

Residential Aged Care including Mental Health (RAC incl. Mental Health) referred to in the past as psychogeriatric residential services, comprises those Commonwealth-licensed residential aged care services in receipt of supplementary funding from the department under the mental health program. It excludes all other residential services funded under the mental health program, such as mental health funded community care units (CCUs) and secure extended care units (SECs).

Other Services not reported elsewhere - (Other) comprises services not separately classified above, including: Public Health Services including laboratory testing, blood borne viruses / sexually transmitted infections clinical services, Kooris liaison officers, immunisation and screening services, drugs services including drug withdrawal, counselling and the needle and syringe program, Disability services including aids and equipment and flexible support packages to people with disability, Community Care programs including sexual assault support, early parenting services, parenting assessment and skills development, and various support services. Health and Community Initiatives also falls in this category group.

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 2: Analysis of Revenue by Source

	Admitted Patients 2016 $'000	Non-Admitted 2016 $'000	EDS 2016 $'000	Mental Health 2016 $'000	RAC incl. Mental Health 2016 $'000	Aged Care 2016 $'000	Primary Health 2016 $'000	Other 2016 $'000	Total 2016 $'000
Government Grants	165,171	15,707	21,717	44,348	21,033	15,167	832	14,602	298,577
Indirect contributions by Department of Health and Human Services	127	14	17	32	19	11	1	18	239
Patient and Resident Fees	8,190	2,153	696	395	6,013	628	0	1,265	19,340
Business Units & Specific Purpose Funds	0	0	0	0	0	0	0	486	486
Interest & Dividends	344	39	46	88	59	31	2	44	653
Other Revenue from Operating Activities	5,995	2,563	1,390	1,101	479	367	53	7,095	19,043
Total Revenue from Operating Activities	**179,827**	**20,476**	**23,866**	**45,964**	**27,603**	**16,204**	**888**	**23,510**	**338,338**
Interest and Dividends	0	0	0	0	0	0	0	3	3
Other Revenue from Non-Operating Activities	0	0	0	0	0	0	0	12,137	12,137
Total Revenue from Non-Operating Activities (refer note 3a)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**12,140**	**12,140**
State Government Capital Grants	0	0	0	0	0	0	0	15,826	15,826
Net Gain/(Loss) on Disposal of Non-Current Assets (refer note 2a)	0	0	0	0	0	0	0	(184)	(184)
Assets Received Free of Charge (refer note 2b)	0	0	0	0	0	0	0	148	148
Other Capital Purpose Income	0	0	0	0	0	0	0	285	285
Total Capital Purpose Income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**16,075**	**16,075**
Total Revenue	**179,827**	**20,476**	**23,866**	**45,964**	**27,603**	**16,204**	**888**	**51,725**	**366,553**

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

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 2: Analysis of Revenue by Source (continued)

	Admitted Patients 2015 $'000	Non-Admitted 2015 $'000	EDS 2015 $'000	Mental Health 2015 $'000	RAC incl. Mental Health 2015 $'000	Aged Care 2015 $'000	Primary Health 2015 $'000	Other 2015 $'000	Total 2015 $'000
Government Grants	149,165	14,090	20,004	41,350	18,804	13,708	820	17,092	275,033
Indirect contributions by Department of Health and Human Services	1,197	134	160	301	184	107	6	160	2,249
Patient and Resident Fees	7,972	319	636	566	5,778	552	0	905	16,728
Business Units & Specific Purpose Funds	0	0	0	0	0	0	0	489	489
Interest & Dividends	332	37	44	83	108	30	2	47	683
Other Revenue from Operating Activities	11,203	4,483	1,809	2,381	1,235	850	83	6,370	28,414
Total Revenue from Operating Activities	**169,869**	**19,063**	**22,653**	**44,681**	**26,109**	**15,247**	**911**	**25,063**	**323,596**
Interest and Dividends	0	0	0	0	0	0	0	3	3
Other Revenue from Non-Operating Activities	0	0	0	0	0	0	0	11,655	11,655
Total Revenue from Non-Operating Activities (refer note 3a)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**11,658**	**11,658**
State Government Capital Grants	0	0	0	0	0	0	0	11,000	11,000
Net Gain/(Loss) on Disposal of Non-Current Assets (refer note 2a)	0	0	0	0	0	0	0	(242)	(242)
Other Capital Purpose Income	0	0	0	0	0	0	0	1,258	1,258
Total Capital Purpose Income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**12,016**	**12,016**
Total Revenue	**169,869**	**19,063**	**22,653**	**44,681**	**26,109**	**15,247**	**911**	**48,737**	**347,270**

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

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

	2016 $'000	2015 $'000
Proceeds from Disposals of Non-Current Assets		
Motor Vehicles	290	455
Total Proceeds from Disposal of Non-Current Assets	**290**	**455**
Less: Written Down Value of Non-Current Assets Sold		
Plant & Machinery	(3)	0
Medical Equipment	(49)	(7)
Non Medical Equipment	(2)	0
Motor Vehicles	(419)	(688)
Computers and Communications	(1)	0
Furniture & Fittings	0	(2)
Total Written Down Value of Non-Current Assets Sold	**(474)**	**(697)**
Net gain/(loss) on Disposal of Non-Current Assets	**(184)**	**(242)**

Note 2b: Assets Received Free of Charge or For Nominal Consideration

	2016 $'000	2015 $'000
During the reporting period, the fair value of assets received free of charge, was as follows:		
Computers and Communications	138	0
Medical Equipment	10	0
Total	**148**	**0**

In 2016, Computers and Communications were received from Loddon Mallee Rural Health Alliance as part of the Clinical Technology Infrastructure Refresh Program funding from the Department of Health & Human Services. The equipment provided will enhance the video conferencing facilities at Bendigo Health Care Group.

In 2016, Medical Equipment was received from The Humpty Dumpty Foundation. The equipment provided will enhance the ultrasound services at Bendigo Health Care Group.

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 3: Analysis of Expenses by Source

	Admitted Patients 2016 $'000	Non-Admitted 2016 $'000	EDS 2016 $'000	Mental Health 2016 $'000	RAC incl. Mental Health 2016 $'000	Aged Care 2016 $'000	Primary Health 2016 $'000	Other 2016 $'000	Total 2016 $'000
Employee Expenses	123,263	9,835	21,165	40,050	22,483	12,314	967	12,909	242,986
Non Salary Labour Costs	8,681	717	403	1,834	381	239	16	305	12,576
Supplies & Consumables	31,254	3,309	2,740	5,776	2,556	2,695	82	6,409	54,821
Other Expenses	19,757	1,716	4,390	4,527	2,239	1,932	112	2,259	36,932
Total Expenditure from Operating Activities	**182,955**	**15,577**	**28,698**	**52,187**	**27,659**	**17,180**	**1,177**	**21,882**	**347,315**
Expenditure for Capital Purposes	0	0	0	0	0	0	0	3,091	3,091
Depreciation & Amortisation (refer note 4)	8,825	751	1,384	2,517	1,334	829	57	1,056	16,753
Total Other Expenses	**8,825**	**751**	**1,384**	**2,517**	**1,334**	**829**	**57**	**4,147**	**19,844**
Total Expenses	**191,780**	**16,328**	**30,082**	**54,704**	**28,993**	**18,009**	**1,234**	**26,029**	**367,159**

	Admitted Patients 2015 $'000	Non-Admitted 2015 $'000	EDS 2015 $'000	Mental Health 2015 $'000	RAC incl. Mental Health 2015 $'000	Aged Care 2015 $'000	Primary Health 2015 $'000	Other 2015 $'000	Total 2015 $'000
Employee Expenses	118,942	9,239	20,115	39,702	22,271	11,757	694	13,804	236,524
Non Salary Labour Costs	7,786	702	360	1,562	338	198	10	263	11,219
Supplies & Consumables	27,653	2,910	2,196	4,935	2,114	2,160	45	6,749	48,762
Other Expenses	17,376	1,423	3,915	4,333	2,105	1,566	67	4,826	35,611
Total Expenditure from Operating Activities	**171,757**	**14,274**	**26,586**	**50,532**	**26,828**	**15,681**	**816**	**25,642**	**332,116**
Expenditure for Capital Purposes	0	0	0	0	0	0	0	7,901	7,901
Depreciation & Amortisation (refer note 4)	9,141	760	1,415	2,689	1,428	835	43	966	17,277
Total Other Expenses	**9,141**	**760**	**1,415**	**2,689**	**1,428**	**835**	**43**	**8,867**	**25,178**
Total Expenses	**180,898**	**15,034**	**28,001**	**53,221**	**28,256**	**16,516**	**859**	**34,509**	**357,294**

Note 3a: Analysis of Expense and Revenue by Internally Managed and Restricted Specific Purpose Funds

	Expense		Revenue	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Catering	1,711	1,585	1,858	1,730
Private Radiology	12	13	7,637	7,560
Palliative Care	898	605	56	19
Fundraising Activities	263	598	802	677
Research Trials	148	119	173	190
Business Services	314	52	1,273	1,213
Other	116	135	341	269
Total	**3,462**	**3,107**	**12,140**	**11,658**

Note 4: Depreciation

	2016 $'000	2015 $'000
Buildings	12,606	12,810
Landscaping & Grounds	41	31
Plant & Machinery	310	304
Non-Medical Equipment	159	217
Medical Equipment	2,350	2,353
Computers and Communication	815	1,087
Furniture and Fittings	44	46
Motor Vehicles	428	429
Total Depreciation	**16,753**	**17,277**

Note 5: Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

	2016 $'000	2015 $'000
Cash on hand	26	27
Cash at bank	13,399	4,917
Deposits at call	8,026	5,276
Total Cash and Cash Equivalents	**21,451**	**10,220**
Represented by:		
Cash for Health Service Operations (as per Cash Flow Statement)	7,886	112
Cash for Monies Held in Trust		
- Cash on Hand	10	10
- Cash at Bank	11,672	8,137
- Deposits at Call	430	360
	12,112	8,507
Cash for Joint Operation	1,453	1,601
Total Cash and Cash Equivalents	**21,451**	**10,220**

Note 6: Receivables

	2016 $'000	2015 $'000
CURRENT		
Contractual		
Trade Debtors	329	286
Patient Fees	2,268	3,741
Accrued Investment Income	27	11
Accrued Revenue - Other	8,050	5,713
Primary Care Clinic Loan	0	75
Less Allowance for Doubtful Debts		
Trade Debtors	(30)	(31)
Patient Fees	(150)	(177)
	10,494	**9,618**
Statutory		
GST Receivable	1,290	973
	1,290	**973**
Total Current Receivables	**11,784**	**10,591**
NON CURRENT		
Statutory		
Department of Health & Human Services – Long Service Leave	10,481	11,014
	10,481	**11,014**
Total Non-Current Receivables	**10,481**	**11,014**
Total Receivables	**22,265**	**21,605**

(a) Movement in allowance for doubtful debts

	2016 $'000	2015 $'000
Balance at beginning of year	208	203
Amounts written off during the year	(142)	(82)
Increase/(decrease) in allowance recognised in net result	114	87
Balance at end of year	**180**	**208**

(b) Ageing analysis of receivables
Please refer to note 17(b) for the ageing analysis of contractual receivables

(c) Nature and extent of risk arising from receivables
Please refer to note 17(b) for the nature and extent of credit risk arising from receivables

Note 7: Investments and Other Financial Assets

	Operating Fund		Total	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
CURRENT				
Loans and Receivables				
Aust. Dollar Term Deposits > 3 months	20	20	20	20
Financial Assets at fair value through profit or loss				
Australian listed shares	122	117	122	117
Total Current	**142**	**137**	**142**	**137**
Represented by:				
Shares	122	117	122	117
Heritage Council of Victoria	20	20	20	20
Total Investments and Other Financial Assets	**142**	**137**	**142**	**137**

(a) Ageing analysis of investments and other financial assets
Please refer to note 17(b) for the ageing analysis of investments and other financial assets

(b) Nature and extent of risk arising from investments and other financial assets
Please refer to note 17(b) for the nature and extent of credit risk arising from investments and other financial assets

Note 8: Inventories

	2016 $'000	2015 $'000
CURRENT		
Pharmaceuticals - at cost	692	677
Catering Supplies - at cost	38	66
Medical and Surgical Lines - at cost	1,414	1,252
Gift Shop Stores - at cost	15	18
Other - at cost	326	403
Total Inventories	**2,485**	**2,416**

Note 9: Prepayments and other assets

	2016 $'000	2015 $'000
Prepayments	1,004	950
Total Prepayments and other assets	**1,004**	**950**

Note 10: Property, Plant & Equipment

(a) Gross carrying amount and accumulated depreciation

	2016 $'000	2015 $'000
Land		
- Land at Fair Value	19,240	19,240
Total Land	**19,240**	**19,240**
Buildings		
- Buildings at Fair Value	159,916	159,402
Less Accumulated Depreciation	(25,415)	(12,809)
Total Buildings	**134,501**	**146,593**
Landscaping & Grounds		
- Landscaping & Grounds at Fair Value	1,691	1,422
Less Accumulated Depreciation	(72)	(31)
Total Landscaping & Grounds	**1,619**	**1,391**
Plant and Machinery		
- Plant and Machinery at Fair Value	5,167	4,869
Less Accumulated Depreciation	(2,596)	(2,317)
Total Plant and Machinery	**2,571**	**2,552**
Medical Equipment		
- Medical Equipment at Fair Value	32,612	31,406
Less Accumulated Depreciation	(21,566)	(19,861)
Total Medical Equipment	**11,046**	**11,545**
Computers and Communication		
- Computers and Communication at Fair Value	17,130	16,662
Less Accumulated Depreciation	(14,506)	(13,982)
Total Computers and Communications	**2,624**	**2,680**
Furniture and Fittings		
- Furniture and Fittings at Fair Value	730	711
Less Accumulated Depreciation	(432)	(398)
Total Furniture and Fittings	**298**	**313**
Motor Vehicles		
- Motor Vehicles at Fair Value	5,238	5,259
Less Accumulated Depreciation	(1,736)	(1,647)
Total Motor Vehicles	**3,502**	**3,612**
Non-Medical Equipment		
- Non-Medical Equipment at Fair Value	2,898	2,886
Less Accumulated Depreciation	(2,208)	(2,067)
Total Non-Medical Equipment	**690**	**819**
Work In Progress		
- Work In Progress at Cost	40,840	29,797
Total Work In Progress	**40,840**	**29,797**
Total	**216,931**	**218,542**

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 10: Property, Plant & Equipment (Continued)

(b) Reconciliations of the carrying amounts of each class of asset.

	Land $'000	Buildings $'000	Landscaping & Grounds $'000	Plant & Machinery $'000	Medical Equipment $'000	Computers & Communications $'000	Furniture & Fittings $'000	Motor Vehicles $'000	Non-Medical Equipment $'000	Work In Progress $'000	Total $'000
Balance at 1 July 2014	**19,240**	**157,733**	**1,235**	**2,026**	**11,147**	**1,456**	**320**	**3,478**	**970**	**31,906**	**229,511**
Additions	0	0	0	23	2,746	288	30	1,251	29	7,941	12,308
Disposals (refer note 2a)	0	0	0	0	(7)	0	(2)	(688)	0	0	(697)
Jointly controlled Non-Current Assets (refer note 21)	0	0	0	0	0	(3)	0	0	0	0	(3)
Net Transfers between Classes	0	1,670	187	807	12	2,026	11	0	37	(4,750)	0
Work in Progress Expensed	0	0	0	0	0	0	0	0	0	(5,300)	(5,300)
Depreciation (refer note 4)	0	(12,810)	(31)	(304)	(2,353)	(1,087)	(46)	(429)	(217)	0	(17,277)
Balance at 1 July 2015	**19,240**	**146,593**	**1,391**	**2,552**	**11,545**	**2,680**	**313**	**3,612**	**819**	**29,797**	**218,542**
Additions	0	7	0	35	1,879	303	34	737	32	12,973	16,000
Disposals (refer note 2a)	0	0	0	(3)	(49)	(1)	0	(419)	(2)	0	(474)
Jointly controlled Non-Current Assets (refer note 21)	0	0	0	0	0	(58)	0	0	0	0	(58)
Assets Received Free of Charge (refer Note 2b)	0	0	0	0	10	138	0	0	0	0	148
Net Transfers between Classes	0	507	269	297	11	377	(5)	0	0	(1,456)	0
Work in Progress Expensed	0	0	0	0	0	0	0	0	0	(474)	(474)
Depreciation (refer note 4)	0	(12,606)	(41)	(310)	(2,350)	(815)	(44)	(428)	(159)	0	(16,753)
Balance at 30 June 2016	**19,240**	**134,501**	**1,619**	**2,571**	**11,046**	**2,624**	**298**	**3,502**	**690**	**40,840**	**216,931**

An independent valuation of the Health Service's land and buildings was performed by the *Valuer-General Victoria* to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30th June 2014.

In May 2013 the Victorian State Government appointed a consortium to redevelop Bendigo Health. Construction commenced in late 2013 and is scheduled for completion in January 2017.

To facilitate the construction of the new hospital, a number of existing buildings were required to be decommissioned and written-off and others have accelerated depreciation applied to properly reflect their shortened useful lives. This has been taken into account within the valuation.

It has been determined under the contract terms of the redevelopment that the new Bendigo Hospital will not be recognised as an asset until completion which is expected to take place in the 2016/17 financial year.

Note 10: Property, Plant & Equipment (Continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2016

	Carrying amount as at 30 June 2016 $'000	Fair value measurement at end of reporting period using: Level 1 [(i)] $'000	Level 2 [(i)] $'000	Level 3 [(i)] $'000
Land at fair value				
Non-specialised land	6,822	0	6,822	0
Specialised land	12,418	0	0	12,418
Total of Land at fair value	**19,240**	0	**6,822**	**12,418**
Buildings at fair value				
Non-specialised buildings	4,292	0	4,292	0
Specialised buildings	130,209	0	0	130,209
Total of Buildings at fair value	**134,501**	**0**	**4,292**	**130,209**
Land Improvements at fair value				
Specialised land improvements	1,619	**0**	**0**	1,619
Total of Land Improvements at fair value	**1,619**	0	**0**	**1,619**
Plant and Machinery at fair value				
Plant and Machinery	2,571	0	0	2,571
Total of Plant and Machinery at fair value	**2,571**	0	**0**	**2,571**
Medical Equipment at fair value				
Medical Equipment	11,046	0	0	11,046
Total Medical Equipment at fair value	**11,046**	0	**0**	**11,046**
Computers & Communication at fair value				
Computers & Communication	2,624	0	0	2,624
Total Computers & Communication at fair value	**2,624**	0	**0**	**2,624**
Furniture & Fittings at fair value				
Furniture & Fittings	298	0	0	298
Total Furniture & Fittings at fair value	**298**	0	**0**	**298**
Motor Vehicles at fair value				
Motor Vehicles	3,502	0	0	3,502
Total Motor Vehicles at fair value	**3,502**	0	**0**	**3,502**
Non-Medical Equipment at fair value				
Non-Medical Equipment	690	0	0	690
Total Non-Medical Equipment at fair value	**690**	0	**0**	**690**
	176,091	**0**	**11,114**	**164,977**

[(i)] Classified in accordance with the fair value hierarchy, see Note 1

There have been no transfers between levels during the period.

Note 10: Property, Plant & Equipment (Continued)

(c) Fair value measurement hierarchy for assets as at 30 June 2015

	Carrying amount as at 30 June 2015 $'000	Fair value measurement at end of reporting period using: Level 1 [(i)] $'000	Level 2 [(i)] $'000	Level 3 [(i)] $'000
Land at fair value				
Non-specialised land	6,822	0	6,822	0
Specialised land	12,418	0	0	12,418
Total of Land at fair value	**19,240**	0	**6,822**	**12,418**
Buildings at fair value				
Non-specialised buildings	4,405	0	4,405	0
Specialised buildings	142,188	0	0	142,188
Total of Buildings at fair value	**146,593**	**0**	**4,405**	**142,188**
Land Improvements at fair value				
Specialised land improvements	1,391	**0**	**0**	1,391
Total of Land Improvements at fair value	**1,391**	0	**0**	**1,391**
Plant and Machinery at fair value				
Plant and Machinery	2,552	0	0	2,552
Total of Plant and Machinery at fair value	**2,552**	0	**0**	**2,552**
Medical Equipment at fair value				
Medical Equipment	11,545	0	0	11,545
Total Medical Equipment at fair value	**11,545**	0	**0**	**11,545**
Computers & Communication at fair value				
Computers & Communication	2,680	0	0	2,680
Total Computers & Communication at fair value	**2,680**	0	**0**	**2,680**
Furniture & Fittings at fair value				
Furniture & Fittings	313	0	0	313
Total Furniture & Fittings at fair value	**313**	0	**0**	**313**
Motor Vehicles at fair value				
Motor Vehicles	3,612	0	0	3,612
Total Motor Vehicles at fair value	**3,612**	0	**0**	**3,612**
Non-Medical Equipment at fair value				
Non-Medical Equipment	819	0	0	819
Total Non-Medical Equipment at fair value	**819**	0	**0**	**819**
	188,745	**0**	**11,227**	**177,518**

[(i)] Classified in accordance with the fair value hierarchy, see Note 1

There have been no transfers between levels during the period.

Note 10: Property, Plant & Equipment (Continued)

Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by independent valuers *Countrywide Valuers* on behalf of the *Valuer-General Victoria* to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised land, specialised buildings, and specialised land improvements

The market approach is also used for specialised land, specialised buildings, and land improvements although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the health services, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Health Service's specialised land, specialised buildings, and land improvements was performed by independent valuers *Countrywide Valuers* on behalf of the *Valuer-General Victoria*. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2014.

Motor Vehicles

The Health Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Health Service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

Other Non-Financial Assets - Plant & Machinery, Medical Equipment, Furniture & Fitting, Computers & Communication, and Non-Medical Equipment

Other non-financial assets are held at carrying value (depreciated cost). When other non-financial assets are specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value.

There were no changes in valuation techniques throughout the period to 30 June 2016.

For all assets measured at fair value, the current use is considered the highest and best use.

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 10: Property, Plant & Equipment (Continued)

(d) Reconciliation of Level 3 fair value

	Land $ '000	Buildings $ '000	Land Improvements $ '000	Plant and Machinery $ '000	Medical Equipment $ '000	Computers & Communication $ '000	Furniture & Fittings $ '000	Motor Vehicles $ '000	Non Medical Equipment $ '000
Opening Balance	12,418	153,215	1,235	2,026	11,147	1,456	320	3,478	970
Purchases (sales)	0	0	187	830	2,751	2,311	39	563	66
Gains or losses recognised in net result - Depreciation	0	(11,027)	(31)	(304)	(2,353)	(1,087)	(46)	(429)	(217)
Balance at 30 June 2015	**12,418**	**142,188**	**1,391**	**2,552**	**11,545**	**2,680**	**313**	**3,612**	**819**
Purchases (sales)	0	0	269	329	1,851	759	29	318	30
Gains or losses recognised in net result - Depreciation	0	(11,979)	(41)	(310)	(2,350)	(815)	(44)	(428)	(159)
Balance at 30 June 2016	**12,418**	**130,209**	**1,619**	**2,571**	**11,046**	**2,624**	**298**	**3,502**	**690**

There have been no transfers between levels during the period.

Note 10: Property, Plant & Equipment (Continued)

(e) Description of significant unobservable inputs to Level 3 valuations:

	Valuation technique	Significant unobservable inputs
Specialised land	*Market approach*	Community Service Obligation (CSO) adjustment
Specialised buildings	*Depreciated replacement cost*	Direct cost per square metre Useful life of specialised buildings
Landscaping & Grounds	*Depreciated replacement cost*	Direct replacement cost Useful life of Landscaping & Grounds
Plant & Machinery	*Depreciated replacement cost*	Cost per unit Useful life of PPE
Motor Vehicles	*Depreciated replacement cost*	Cost per unit Useful life of vehicles
Medical equipment at fair value	*Depreciated replacement cost*	Cost per unit Useful life of medical equipment
Computers and Communication	*Depreciated replacement cost*	Cost per unit Useful life of computers & communication assets
Furniture & Fittings at fair value	*Depreciated replacement cost*	Cost per unit Useful life of furniture & fittings
Non-Medical Equipment	*Depreciated replacement cost*	Cost per unit Useful life of non-medical equipment

Note 11: Payables

	2016 $'000	2015 $'000
CURRENT		
Contractual		
Trade Creditors	12,578	7,283
Accrued Expenses	3,663	3,566
Salary Packaging	513	672
Other	77	77
	16,831	11,598
Statutory		
GST Payable	142	311
Total Payables	**16,973**	**11,909**

(a) Maturity analysis of payables
Please refer to note 17(c) for the ageing analysis of contractual payables

(b) Nature and extent of risk arising from payables
Please refer to note 17(c) for the nature and extent of credit risk arising from payables

Note 12: Provisions

	2016 $'000	2015 $'000
Current Provisions		
Employee Benefits		
Long Service Leave		
- Unconditional and expected to be settled within 12 months	4,288	1,226
- Unconditional and expected to be settled after 12 months	24,423	25,880
Annual Leave		
- Unconditional and expected to be settled within 12 months	15,854	15,098
- Unconditional and expected to be settled after 12 months	2,616	2,510
Accrued Days Off		
- Unconditional and expected to be settled within 12 months	467	437
- Unconditional and expected to be settled after 12 months	77	73
Accrued Wages and Salaries	3,285	3,643
Sub Leave	35	31
	51,045	48,898
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled within 12 months	2,226	4,451
- Unconditional and expected to be settled after 12 months	2,951	270
	5,177	4,721
Total Current Provisions	**56,222**	**53,619**
Non-Current Provisions		
Employee Benefits		
Long Service Leave	7,889	8,288
Provisions related to Employee Benefit On-Costs	860	788
Total Non-Current Provisions	**8,749**	**9,076**
Total Provisions	**64,971**	**62,695**
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and Related On-Costs		
Unconditional Long Service Leave entitlements	31,839	29,933
Annual Leave entitlements	20,460	19,448
Accrued Wages and Salaries	3,285	3,643
Accrued Days Off	603	564
Sub Leave	35	31
Non-Current Employee Benefits and Related On-Costs		
Conditional long service leave entitlements	8,749	9,076
Total Employee Benefits and Related On-Costs	**64,971**	**62,695**
(b) Movements in provisions		
Movement in Long Service Leave:		
Balance at start of year	**39,009**	**36,239**
Provision made during the year	5,371	6,823
Settlement made during the year	(3,792)	(4,053)
Balance at end of year	**40,588**	**39,009**

Note 13: Superannuation

Employees of the Health Service are entitled to receive superannuation benefits and the Health Services contributes to both defined benefit and contribution plans. The defined benefit plans provides benefits based on years of service and final average salary.

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

However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Health Service. The name, details and amounts expense in relation to the major employee superannuation funds and contributions made by the Health Service are as follows:

	Paid Contributions for the Year		Contribution Outstanding at Year End	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000
(i) Defined benefit plans:				
First State Super Pty Ltd	453	498	51	0
Government Superannuation Office	203	352	67	0
Defined contributions plans:				
First State Super Pty Ltd	11,167	11,942	1,381	
HESTA Administration	4,102	4,086	537	0
Other	3,040	3,110	362	0
Total	**18,965**	**19,988**	**2,398**	**0**

(i) The bases for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

Note 14: Other Liabilities

	2016 $'000	2015 $'000
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust	592	535
- Accommodation Bonds (Refundable Entrance Fees)	8,679	5,396
- Loddon Mallee Regional Pallative Care Consortium	367	387
- Loddon Mallee Regional Pallative Care Consultancy	83	0
- Regional Integrated Cancer Service	654	626
- Loddon Mallee Clinical Placement Network	4	160
- HWA Clinical Training Fund Program	466	466
- BreastScreen Victoria	0	444
- Community Packages	1,254	479
- Payroll Trust	13	14
Other	231	162
Total Other Liabilities	**12,343**	**8,669**
*** Total Monies Held in Trust Represented by the following assets:**		
Cash Assets (refer to note 5)	12,112	8,507
Total	**12,112**	**8,507**

Note 15: Equity

	2016 $'000	2015 $'000
(a) Surpluses		
Land and Buildings Asset Revaluation Surplus		
Balance at the beginning of the reporting period	106,619	106,619
Balance at the end of the reporting period	106,619	106,619
Landscaping & Grounds Asset Revaluation Surplus		
Balance at the beginning of the reporting period	533	533
Balance at the end of the reporting period	533	533
Balance at the end of the reporting period*	**107,152**	**107,152**
* Represented by:		
- Land	9,440	9,440
- Buildings	97,179	97,179
- Landscaping & Grounds	533	533
TOTAL	**107,152**	**107,152**
Restricted Special Purpose Surpluses		
Cockroft Memorial Fund		
(Bequest funds for ongoing training and equipment upgrades)		
Balance at the beginning of the reporting period	61	61
Balance at the end of the reporting period	**61**	**61**
Emery Estate		
(Bequest funds for future equipment upgrades)		
Balance at the beginning of the reporting period	349	349
Balance at the end of the reporting period	**349**	**349**
Endowment Fund		
(Bequest funds for future upgrades to Bendigo Health Care Group)		
Balance at the beginning of the reporting period	40	40
Balance at the end of the reporting period	**40**	**40**
Radiology Fund		
(For future equipment upgrades for medical imaging area)		
Balance at the beginning of the reporting period	2,137	2,137
Balance at the end of the reporting period	**2,137**	**2,137**
Fundraising Fund		
(Funds donated for specific purposes)		
Balance at the beginning of the reporting period	789	953
Transfer to / (from) Restricted Special Purpose Surpluses	30	(164)
Balance at the end of the reporting period	**819**	**789**
Technology Fund		
(For future IT equipment upgrade)		
Balance at the beginning of the reporting period	509	509
Balance at the end of the reporting period	**509**	**509**
TOTAL	**3,915**	**3,885**
Total Surpluses	**111,067**	**111,037**

Note 15: Equity (Continued)

	2016 $'000	2015 $'000
(b) Contributed Capital		
Balance at the beginning of the reporting period	99,040	99,040
Balance at the end of the reporting period	**99,040**	**99,040**
(c) Accumulated Surpluses/(Deficits)		
Balance at the beginning of the reporting period	(39,480)	(29,620)
Net Result for the Year	(606)	(10,024)
Transfers to and from Restricted Special Purpose Surpluses	(30)	164
Balance at the end of the reporting period	**(40,116)**	**(39,480)**
(d) Total Equity at end of financial year		
Total Equity at the Beginning of the reporting period	170,597	180,621
Total Changes in Equity Recognised in the Comprehensive Operating Statement	(606)	(10,024)
Balance at the end of the reporting period	**169,991**	**170,597**

Note 16: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	2016 $'000	2015 $'000
Net Result for the Year	(606)	(10,024)
Non-cash movements:		
Depreciation	16,753	17,277
Share of Joint Operations Assets & Liabilities	206	(257)
Assets Received Free of Charge	(148)	0
Capital Expenditure transferred from WIP	474	5,300
Movements included in investing and financing activities:		
Net (Gain)/Loss from Sale of Plant and Equipment	184	242
Movements in assets and liabilities:		
Change in Operating Assets & Liabilities		
Increase/(Decrease) in Payables	5,132	(122)
Increase/(Decrease) in Employee Benefits	2,276	(2,287)
(Increase)/Decrease in Other Current Assets	(123)	(284)
(Increase)/Decrease in Shares	(4)	(18)
(Increase)/Decrease in Receivables	(660)	(4,429)
Net Cash Inflow/(Outflow) From Operating Activities	**23,484**	**5,398**

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016
Note 17: Financial Instruments

(a) Financial Risk Management Objectives and Policies
Bendigo Health Care Group's principal financial instruments comprise of:
- Cash Assets
- Term Deposits
- Shares in Other Entities
- Receivables (excluding statutory receivables)
- Payables (excluding statutory payables)
- Accommodation Bonds

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

Bendigo Health's main financial risks include credit risk, liquidity risk and interest rate risks. Bendigo Health manages these financial risks in accordance with its financial risk management policy.

Bendigo Health uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the finance committee and audit committee of Bendigo Health.

The main purpose in holding financial instruments is to prudentially manage Bendigo Health Care Group financial risks within the government policy parameters.

Categorisation of financial instruments

2016	Contractual financial assets - loans and receivables $'000	Contractual financial assets/liabilities designated at fair value through profit/loss $'000	Contractual financial liabilities at amortised cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	21,451	0	0	21,451
Receivables				
- Trade Debtors	329	0	0	329
- Other Receivables	10,165	0	0	10,165
Other Financial Assets				
- Term Deposit	20	0	0	20
- Shares in Other Entities	0	122	0	122
Total Financial Assets [(i)]	**31,965**	**122**	**0**	**32,087**
Financial Liabilities				
Payables	0	0	16,831	16,831
Other Financial Liabilities				
- Accomodation bonds	0	0	8,679	8,679
- Other	0	0	3,664	3,664
Total Financial Liabilities [(ii)]	**0**	**0**	**29,174**	**29,174**

2015	Contractual financial assets - loans and receivables $'000	Contractual financial assets/liabilities designated at fair value through profit/loss $'000	Contractual financial liabilities at amortised cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	10,220	0	0	10,220
Receivables				
- Trade Debtors	286	0	0	286
- Other Receivables	9,332	0	0	9,332
Other Financial Assets				
- Term Deposit	20	0	0	20
- Shares in Other Entities	0	117	0	117
Total Financial Assets [(i)]	**19,858**	**117**	**0**	**19,975**
Financial Liabilities				
Payables	0	0	11,598	11,598
Other Financial Liabilities				
- Accomodation bonds	0	0	5,396	5,396
- Other	0	0	3,273	3,273
Total Financial Liabilities [(ii)]	**0**	**0**	**20,267**	**20,267**

(i) The total amount of financial assets disclosed here excludes statutory receivables
(ii) The total amount of financial liabilities disclosed here excludes statutory payables

Note 17: Financial Instruments (continued)

Net holding gain/(loss) on financial instruments by category

2016	Net holding gain/(loss) $'000	Total interest income / (expense) $'000	Fee income / (expense) $'000	Impairment loss $'000	Total $'000
Financial Assets					
Cash and Cash Equivalents	0	653	0	0	653
Designated at Fair Value through Profit or Loss	0	0	0	0	0
Held-for-Trading at Fair Value through Profit or Loss	0	0	0	0	0
Loans and Receivables	0	0	0	0	0
Available for Sale	0	0	0	0	0
Total Financial Assets	**0**	**653**	**0**	**0**	**653**
Financial Liabilities					
Designated at Fair Value through Profit or Loss	0	0	0	0	0
Held-for-Trading at Fair Value through Profit or Loss	0	0	0	0	0
At Amortised Cost	0	0	0	0	0
Total Financial Liabilities	**0**	**0**	**0**	**0**	**0**
2015					
Financial Assets					
Cash and Cash Equivalents	0	683	0	0	683
Designated at Fair Value through Profit or Loss	0	0	0	0	0
Held-for-Trading at Fair Value through Profit or Loss	0	0	0	0	0
Loans and Receivables	0	0	0	0	0
Available for Sale	0	0	0	0	0
Total Financial Assets	**0**	**683**	**0**	**0**	**683**
Financial Liabilities					
Designated at Fair Value through Profit or Loss	0	0	0	0	0
Held-for-Trading at Fair Value through Profit or Loss	0	0	0	0	0
At Amortised Cost	0	0	0	0	0
Total Financial Liabilities	**0**	**0**	**0**	**0**	**0**

(b) Credit risk

Credit risk arises from the contractual financial assets of the Health Service, which comprise cash and deposits, non-statutory receivables and available for sale contractual financial assets. The Health Service's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Health Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Health Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the Health Service's obligation to provide services, and private patient fees are recoverable from the patient or their health fund. These are unsecured debts.

In addition, the Health Service does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. The Health Service's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Health Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Bendigo Health Care Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Credit quality of contractual financial assets that are neither past due nor impaired

2016	Financial institutions (credit rating) * $'000	Government agencies (AAA credit rating) $'000	Other (Non Rated) $'000	Total $'000
Financial Assets				
Cash and Cash Equivalents	12,451	9,000	0	21,451
Loans and Receivables				
- Trade Debtors	0	164	165	329
- Other Receivables	0	0	10,165	10,165
- Term Deposit	20	0	0	20
Available for sale				
- Shares in Other Entities	0	0	122	122
Total Financial Assets	**12,471**	**9,164**	**10,452**	**32,087**
2015				
Financial Assets				
Cash and Cash Equivalents	10,220	0	0	10,220
Loans and Receivables				
- Trade Debtors	0	237	49	286
- Other Receivables	0	0	9,332	9,332
- Term Deposit	20	0	0	20
Available for sale				
- Shares in Other Entities	0	0	117	117
Total Financial Assets	**10,240**	**237**	**9,498**	**19,975**

* Financial Institutions credit rating represented by:

Credit Rating	2016 $'000	2015 $'000
A1+	0	2,750
A2	7,471	6,490
BBB+	5,000	1,000

Note 17: Financial Instruments (continued)

(b) Credit Risk (continued)

The Bendigo Health Care Group's exposure to credit risk and effective weighted average interest rate by ageing periods is set out in the following table.

Ageing analysis of Financial Assets as at 30 June

	Carrying Amount	Not Past Due and Not Impaired	Past Due But Not Impaired				Impaired Financial Assets
			Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	
2016	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Assets							
Cash and Cash Equivalents	21,451	21,451	0	0	0	0	0
Loans and Receivables							
- Trade Debtors	329	229	41	34	24	1	0
- Other Receivables	10,165	8,248	1,781	94	40	2	0
- Term Deposit	20	0	20	0	0	0	0
Available for sale							
- Shares in Other Entities	122	0	0	0	122	0	0
Total Financial Assets	**32,087**	**29,928**	**1,842**	**128**	**186**	**3**	**0**
2015							
Financial Assets							
Cash and Cash Equivalents	10,220	10,220	0	0	0	0	0
Loans and Receivables							
- Trade Debtors	286	201	45	16	24	0	0
- Other Receivables	9,332	6,810	1,190	786	516	30	0
- Term Deposit	20	0	20	0	0	0	0
Available for sale							
- Shares in Other Entities	117	0	0	0	117	0	0
Total Financial Assets	**19,975**	**17,231**	**1,255**	**802**	**657**	**30**	**0**

Contractual financial assets that are either past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently the Health Service does not hold any collateral as security nor credit enhancements relating to its financial assets.
There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at their carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

(c) Liquidity risk

Liquidity risk is the risk that the Health Service would be unable to meet its financial obligations as and when they fall due. The Health Services operates under the Government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Health Service's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet.

Liquidity risk is managed through regular monthly cash grants from the Department of Health & Human Services. Trade payables contracts are entered into in accordance with Bendigo Health Care Group's policies for authorisation and suppliers are periodically reviewed. Bendigo Health Care Group aims to settle all short term payables within 60 days.

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

Maturity analysis of Financial Liabilities as at 30 June

	Carrying Amount	Nominal Amount	Maturity Dates			
			Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years
2016	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities						
At amortised cost						
Payables	16,831	16,831	16,831	0	0	0
Other Financial Liabilities						
- Accommodation Bonds	8,679	8,679	0	0	8,679	0
- Other	3,664	3,664	3,664	0	0	0
Total Financial Liabilities	**29,174**	**29,174**	**20,495**	**0**	**8,679**	**0**
2015						
Financial Liabilities						
At amortised cost						
Payables	11,598	11,598	11,598	0	0	0
Other Financial Liabilities						
- Accommodation Bonds	5,396	5,396	0	0	5,396	0
- Other	3,273	3,273	3,273	0	0	0
Total Financial Liabilities	**20,267**	**20,267**	**14,871**	**0**	**5,396**	**0**

Note 17: Financial Instruments (continued)
(d) Market risk

The Health Service's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraph below.

Currency risk

The Health Service is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest rate risk

Exposure to interest rate risk might arise primarily through the Health Service's interest bearing liabilities. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the health service mainly undertake financial liabilities with relatively even maturity profiles.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Health Service has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.

The Health Service manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Health Service to significant bad risk, management monitors movement in interest rates on a daily basis.

Interest rate exposure of financial assets and liabilities as at 30 June

	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate	Variable Interest Rate	Non-Interest Bearing
2016		$'000	$'000	$'000	$'000
Financial Assets					
Cash and Cash Equivalents	2.02	21,451	7,033	14,392	26
Loans and Receivables					
- Trade Debtors		329	0	0	329
- Other Receivables		10,165	0	0	10,165
- Term Deposit	1.55	20	20	0	0
Available for sale					
- Shares in Other Entities		122	0	0	122
		32,087	**7,053**	**14,392**	**10,642**
Financial Liabilities					
At amortised cost					
Payables		16,831	0	0	16,831
Other Financial Liabilities					
- Accommodation Bonds		8,679	0	0	8,679
- Other		3,664	0	0	3,664
		29,174	**0**	**0**	**29,174**
2015					
Financial Assets					
Cash and Cash Equivalents	1.93	10,220	6,597	3,596	27
Loans and Receivables					
- Trade Debtors		286	0	0	286
- Other Receivables		9,332	0	0	9,332
- Term Deposit	1.50	20	20	0	0
Available for sale					
- Shares in Other Entities		117	0	0	117
		19,975	**6,617**	**3,596**	**9,762**
Financial Liabilities					
At amortised cost					
Payables		11,598	0	0	11,598
Other Financial Liabilities					
- Accommodation Bonds		5,396	0	0	5,396
- Other		3,273	0	0	3,273
		20,267	**0**	**0**	**20,267**

(d) Market risk (continued)

Sensitivity disclosure analysis

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

- A shift of 100 basis points up and down in market interest rates (AUD) from year-end rates of 3%;
- A parallel shift of +1% and -1% in inflation rate from year-end rates of 3%

The following table discloses the impact on net operating result and equity for each category of financial instrument held by Bendigo Health Care Group at year end as presented to key management personnel, if changes in the relevant risk occur.

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1%		+1%		-1%		+1%	
2016	**$'000**	**Profit $'000**	**Equity $'000**	**Profit $'000**	**Equity $'000**	**Profit $'000**	**Equity $'000**	**Profit $'000**	**Equity $'000**
Financial Assets									
Cash and Cash Equivalents	21,451	(215)	(215)	215	215	0	0	0	0
Loans and Receivables									
- Trade Debtors	329	0	0	0	0	0	0	0	0
- Other Receivables	10,165	0	0	0	0	0	0	0	0
- Term Deposit	20	0	0	0	0	0	0	0	0
Available for sale									
- Shares in Other Entities	122	0	0	0	0	(1)	(1)	1	1
Financial Liabilities									
At amortised cost									
Payables	16,831	0	0	0	0	0	0	0	0
Other Financial Liabilities									
- Accommodation Bonds	8,679	0	0	0	0	0	0	0	0
- Other	3,664	0	0	0	0	0	0	0	0
		(215)	**(215)**	**215**	**215**	**(1)**	**(1)**	**1**	**1**
2015									
Financial Assets									
Cash and Cash Equivalents	10,220	(102)	(102)	102	102	0	0	0	0
Loans and Receivables									
- Trade Debtors	286	0	0	0	0	0	0	0	0
- Other Receivables	9,332	0	0	0	0	0	0	0	0
- Term Deposit	20	0	0	0	0	0	0	0	0
Available for sale									
- Shares in Other Entities	117	0	0	0	0	(1)	(1)	1	1
Financial Liabilities									
At amortised cost									
Payables	11,598	0	0	0	0	0	0	0	0
Other Financial Liabilities									
- Accommodation Bonds	5,396	0	0	0	0	0	0	0	0
- Other	3,273	0	0	0	0	0	0	0	0
		(102)	**(102)**	**102**	**102**	**(1)**	**(1)**	**1**	**1**

(e) Fair value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:
• Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
• Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
• Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The financial assets include holdings in listed shares on the NSX. Fair value of these is determined by reference to quoted prices on the NSX.

The Health Service considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

(e) Fair value (continued)

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

Comparison between carrying amount and fair value

	Carrying Amount 2016 $'000	Fair value 2016 $'000	Carrying Amount 2015 $'000	Fair value 2015 $'000
Financial Assets				
Cash and Cash Equivalents	21,451	21,451	10,220	10,220
Loans and Receivables				
- Trade Debtors	329	329	286	286
- Other Receivables	10,165	10,165	9,332	9,332
- Term Deposit	20	20	20	20
Available for sale				
- Shares in Other Entities	122	122	117	117
Total Financial Assets	**32,087**	**32,087**	**19,975**	**19,975**
Financial Liabilities				
At amortised cost				
Payables	16,831	16,831	11,598	11,598
Other Financial Liabilities				
- Accommodation Bonds	8,679	8,679	5,396	5,396
- Other	3,664	3,664	3,273	3,273
Total Financial Liabilities	**29,174**	**29,174**	**20,267**	**20,267**

Financial assets measured at fair value

2016	Carrying Amount as at 30 June $'000	Fair value measurement at end of reporting period using: Level 1* $'000	Level 2* $'000	Level 3 $'000
Financial assets at fair value through profit & loss				
Available for sale securities				
- Equities and managed funds	122	122	0	0
Total Financial Assets	**122**	**122**	**0**	**0**
2015				
Financial assets at fair value through profit & loss				
Available for sale securities				
- Equities and managed funds	117	117	0	0
Total Financial Assets	**117**	**117**	**0**	**0**

*There is no significant transfer between level 1 and level 2

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value:

Equities and managed funds
The listed share assets are valued at fair value with reference to a quoted (unadjusted) market price from an active market. The Health Service categorises these instruments as level 1.

Note 18: Commitments for Expenditure

	2016	2015
Other Expenditure Commitments	**$'000**	**$'000**
Payable:		
Contracts for the supply of services	56,109	61,175
Total Other Expenditure Commitments	**56,109**	**61,175**
Not later than one year	4,510	6,056
Later than 1 year and not later than 5 years	7,716	10,161
Later than 5 years	43,883	44,958
Total	**56,109**	**61,175**
Lease Commitments		
Commitments in relation to leases contracted for at the reporting date:		
Operating Leases	256	371
Total Lease Commitments	**256**	**371**
Operating Leases		
Residential property leases payable as follows:		
Cancellable		
Not later than one year	176	153
Later than 1 year and not later than 5 years	80	218
Total Operating Leases	**256**	**371**
Total Commitments for expenditure (inclusive of GST)	**56,365**	**61,546**
less GST recoverable from the Australian Tax Office	5,123	5,594
Total Commitments for expenditure (exclusive of GST)	**51,242**	**55,952**

Build-own-transfer arrangement – new Bendigo Hospital

In addition to the expenditure commitments above, the State of Victoria has entered into a 29 year agreement in May 2013 under its Partnerships Victoria policy with the Exemplar Consortium for the financing, design, construction, and maintenance for 25 years of the new Bendigo Hospital. The construction of the new hospital is scheduled for completion in January 2017 (stage 1), at which time Bendigo Health will assume the management of and responsibility for the provision of health services at the facility. On completion of Stage 1 of the Project, Bendigo Health will enter into a 25 year licence agreement in order to lease the facility from Exemplar. As the lease agreement meets the definition of a Finance Lease, Bendigo Health will record the Facility as a leased asset and also record a corresponding lease liability. The State will pay to Exemplar the Quarterly Service Payment (QSP) from the operational commencement date. Each QSP includes an allowance for the capital cost of the facility and the facilities maintenance and ancillary service to be delivered by Exemplar over the 25 year operating phase.

Note 19: Contingent Assets & Contingent Liabilities

Details and estimates of maximum amounts of contingent assets or contingent liabilities are as follows:

	2016	2015
	$'000	**$'000**
Contingent Assets		
Bendigo Health Care Group does not have any known contingent assets at 30th June, 2016.	0	0
Total	**0**	**0**
Contingent Liabilities		
Bendigo Health Care Group does not have any known contingent liabilities at 30th June, 2016.	0	0
Total	**0**	**0**

Bendigo Health Care Group
Notes To and Forming Part of the Financial Statements for the Year Ended 30 June 2016

Note 20: Segment Reporting

	RACS		Acute		Mental Health		Aged Care		Others		Eliminations		Total	
	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000	2016 $'000	2015 $'000
REVENUE														
External Segment Revenue	25,279	24,174	173,381	166,800	45,876	44,598	16,173	15,217	105,188	95,795	0	0	365,897	346,584
Total Revenue	**25,279**	**24,174**	**173,381**	**166,800**	**45,876**	**44,598**	**16,173**	**15,217**	**105,188**	**95,795**	**0**	**0**	**365,897**	**346,584**
EXPENSES														
Unallocated Expense	25,092	24,424	206,007	189,338	54,704	53,221	18,009	16,516	68,989	79,182	(5,642)	(5,387)	367,159	357,294
Total Expenses	**25,092**	**24,424**	**206,007**	**189,338**	**54,704**	**53,221**	**18,009**	**16,516**	**68,989**	**79,182**	**(5,642)**	**(5,387)**	**367,159**	**357,294**
Net Result from ordinary activities	**187**	**(250)**	**(32,626)**	**(22,538)**	**(8,828)**	**(8,623)**	**(1,836)**	**(1,299)**	**36,199**	**16,613**	**5,642**	**5,387**	**(1,262)**	**(10,710)**
Interest Income	6	56	429	413	88	83	31	30	102	104	0	0	656	686
Net Result for Year	**193**	**(194)**	**(32,197)**	**(22,125)**	**(8,740)**	**(8,540)**	**(1,805)**	**(1,269)**	**36,301**	**16,717**	**5,642**	**5,387**	**(606)**	**(10,024)**
OTHER INFORMATION														
Segment Assets	72,274	72,760	44,090	49,136	12,198	12,561	4,913	5,513	0	0	0	0	133,475	139,970
Unallocated Assets	0	0	0	0	0	0	0	0	130,803	113,900	0	0	130,803	113,900
Total Assets	**72,274**	**72,760**	**44,090**	**49,136**	**12,198**	**12,561**	**4,913**	**5,513**	**130,803**	**113,900**	**0**	**0**	**264,278**	**253,870**
Segment Liabilities	13,184	10,422	27,838	29,203	8,482	9,315	3,440	3,631	0	0	0	0	52,944	52,571
Unallocated Liabilities	0	0	0	0	0	0	0	0	41,343	30,702	0	0	41,343	30,702
Total Liabilities	**13,184**	**10,422**	**27,838**	**29,203**	**8,482**	**9,315**	**3,440**	**3,631**	**41,343**	**30,702**	**0**	**0**	**94,287**	**83,273**
Acquisition of Property, Plant and Equipment	97	625	916	2,629	179	304	96	20	14,712	8,730	0	0	16,000	12,308
Depreciation Expense from continuing operations	1,334	1,428	10,960	11,316	2,517	2,689	829	835	1,113	1,009	0	0	16,753	17,277

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

Business Segments	**Services**
Residential Aged Care Services (RACS)	Nursing home services
Acute	Inpatient/Outpatient health services as per Department of Health Guidelines
Mental Health	Inpatient and community psychiatric services as per Department of Health and Human Services and Commonwealth Guidelines
Aged Care	Outpatient and community based aged care services
Others	Ambulatory and community outpatient and community health provision

Geographical Segment

Bendigo Health operates predominately in Bendigo, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Bendigo, Victoria.

Note 21: Jointly Controlled Operations and Assets

Name of entity	Principal Activity	Ownership Interest 2016 %	Ownership Interest 2015 %
Loddon Mallee Rural Health Alliance	Information Technology	21.26	21.77

Bendigo Health's interest in the above jointly controlled operations and assets is detailed below.
The amounts are included in the financial statements under their respective asset categories:

	2016 $'000	2015 $'000
CURRENT ASSETS		
Cash and Cash Equivalents	1,453	1,610
Receivables	61	20
Other	122	24
Total Current Assets	**1,636**	**1,654**
NON CURRENT ASSETS		
Property, Plant and Equipment	45	103
Total Non Current Assets	**45**	**103**
Total Assets	**1,681**	**1,757**
CURRENT LIABILITIES		
Payables	246	173
Total Current Liabilities	**246**	**173**
Total Liabilities	**246**	**173**
Net Assets	**1,435**	**1,584**

Bendigo Health interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

	2016 $'000	2015 $'000
REVENUES		
Operating Activities	1,701	1,705
Total Revenue	**1,701**	**1,705**
EXPENSES		
Other Expenses from Continuing Operations	1,456	1,431
Expenditure using Capital Purpose Income	384	61
Total Expenses	**1,840**	**1,492**
Net Result	**(139)**	**213**

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS
The joint venture does not have any known contingent assets or contingent liabilities as at 30 June 2015.

Note 22a: Responsible Persons Disclosures
In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

		Period
Responsible Ministers:		
The Honourable Jill Hennessy, Minister for Health, Minister for Ambulance Services		01/07/2015 - 30/06/2016
The Honourable Martin Foley, Minister for Housing, Disability and Ageing, Minister for Mental Health		01/07/2015 - 30/06/2016
Governing Boards		
Mr Bob Cameron	Chair	01/07/2015 - 30/06/2016
Mr A Woods	Director	01/07/2015 - 30/06/2016
Ms M O'Rourke	Director	01/07/2015 - 30/06/2016
Mr G Michell	Director	01/07/2015 - 30/06/2016
Ms S Clarke	Director	01/07/2015 - 30/06/2016
Ms A Berry	Director	01/07/2015 - 30/06/2016
Mr D Laurence	Director	01/07/2015 - 30/06/2016
Ms M Beaumont	Director	11/08/2015 - 30/06/2016
Ms D Foggo	Director	08/09/2015 - 30/06/2016
Accountable Officers		
Mr J Mulder	Chief Executive	01/07/2015 - 30/06/2016

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

Income Band	2016 No.	2015 No.
$10,000 - $19,999	1	0
$20,000 - $29,999	7	8
$40,000 - $49,999	0	1
$50,000 - $59,999	1	0
$410,000 - $419,999	0	1
$420,000 - $429,999	1	0
Total Numbers	**10**	**10**
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**$659,431**	**$633,870**

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

Note 22a: Responsible Persons Disclosures (continued)

Other Transactions of Responsible Persons and their Related Parties.

	Payments 2016 $'000	Receipts 2016 $'000	Payments 2015 $'000	Receipts 2015 $'000
Mr. J Mulder is a Director of LMHA Network Ltd which provides information & communication services to Bendigo Health Care Group on normal commercial terms and conditions.	108	0	1,329	0
Mr. J Mulder is the Chairperson of the Loddon Mallee Rural Health Alliance JVA Steering Committee. Loddon Mallee Rural Health Alliance provides information & communication services to Bendigo Health Care Group on normal commercial terms and conditions.	1,862	2,574	1,528	2,674
Dr. M Langdon is the Chief Executive Officer of Bendigo Access Employment. Bendigo Access Employment provides courier services to Bendigo Health Care Group on normal commercial terms and conditions.	0	0	34	0
Mr. Stewart is a Director of Girton Grammar School Limited. Girton Grammer School provided tutition service to a client of Bendigo Health Care Group.	0	0	2	0
Mr. Stewart is a Director of Bendigo Primary Care Centre Limited. Bendigo Health provides utilities for Bendigo Primary Care Centre.	0	0	35	85
Mr. Stewart is Chair of Corporate Governance Subcommittee at Heathcote Health. Heathcote Health provides client services to Bendigo Health on normal commercial terms and conditions.	0	0	314	173
Ms. S Clarke is the Chair of Loddon Mallee Housing Services Limited. Loddon Mallee Housing Services Limited provides client services to Bendigo Health Care Group on normal commercial terms and conditions.	105	0	102	0
Ms. M O'Rourke is a Director of Bendigo Kangan Institute. Bendigo Kangan Institute provides education services to Bendigo Health Care Group on normal commercial terms and conditions.	22	138	31	68
Ms. M O'Rourke is a Director of Bendigo Business Council. Bendigo Health Care Group are a member of Bendigo Business Council on normal commercial terms and conditions.	0	0	6	0
Ms. S Clarke is a Director of Loddon Mallee Murray Medicare Locals. Bendigo Health Care Group provides rural health services.	0	0	0	93
Mr. G Michell is a Director of Bendigo Community Telco. Bendigo Community Telco provides Telecommunication services to Bendigo Health Care Group on normal commercial terms and conditions.	253	0	468	0
Ms. M O'Rourke is a Board Member of Catholic College. Bendigo Health provides Catholic College with outpatients consultations through ED on normal commercial terms and conditions.	0	3	0	0
Ms. S Clarke is a Director of Murray Primary Health Network. Bendigo Health provides Murray Primary Health Network with a contribution towards research projects and a feasibility study.	0	18	0	0
Ms. S Clarke is a Director of Ambulance Victoria. Ambulance Victoria provides patient transport for Bendigo Health on normal commercial terms and conditions.	1,443	102	0	0
Ms. D Foggo is an Member on Victoria Police Steering Committee. Bendigo Health provided Victoria Police with meals on normal commercial terms and conditions.	0	51	0	0
	3,793	**2,886**	**3,849**	**3,093**

Other Disclosures
No retirement benefits were paid to Responsible Persons as at 30th June 2015 and 30th June 2016.

Note 22b: Executive Officer Disclosures
Executive Officers' Remuneration

The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands.
The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

	Total Remuneration		Base Remuneration	
	2016 No.	2015 No.	2016 No.	2015 No.
$10,000 – $19,999	1	0	1	0
$60,000 – $69,999	0	1	0	1
$130,000 – $139,999	0	1	0	1
$190,000 – $199,999	1	0	1	2
$200,000 – $209,999	0	2	0	0
$210,000 – $219,999	1	0	2	0
$220,000 – $229,999	1	0	0	2
$230,000 – $239,999	0	2	1	1
$240,000 – $249,999	1	1	1	1
$250,000 – $259,999	1	1	1	1
$260,000 – $269,999	0	1	1	0
$270,000 – $279,999	2	0	1	1
$290,000 – $299,999	1	0	0	0
$310,000 – $319,999	0	1	0	0
Total	9	10	9	10
Total annualised employee equivalents (AEE)	7	8	7	8
Total remuneration	**$1,996,236**	**$2,137,744**	**$1,912,509**	**$2,047,348**

Note 22c. Payments to other personnel

Payments to other personnel (i.e. contractors with significant management responsibilities)
There were no payments to contractors with significant management responsibilities as at 30th June 2015 and 30th June 2016.

Note 23. Remuneration of auditors

	2016 $'000	2015 $'000
Victorian Auditor-General's Office		
Audit or review of financial statement	57	55
	57	**55**

Note 24: Economic dependency

Bendigo Health is wholly dependent on the continued financial support of the State Government and in particular, the Department of Health & Human Services. The Department of Health & Human Services has provided confirmation that it will continue to provide Bendigo Health adequate cash flow support to meet its current and future obligations as and when they fall due for a period up to September 2017. On that basis, the financial statements have been prepared on a going concern basis.

Note 25: Ex-gratia Payments

There were no ex-gratia payments made by Bendigo Health during the 2015/16 financial year.

Note 26: Events occurring after the balance sheet date

There were no events occurring after reporting date which required additional information to be disclosed.

Appendix A - Alternative presentation of Comprehensive Operating Statement

The below Bendigo Health Care Group Comprehensive Operating Statement has been prepared in line with Department of Treasury and Finance requirements, **and do not form part of the audited financial statements.**

	2016 $'000	2015 $'000
Interest and Dividends	656	686
Fair Value of assets and services received free of charge	148	0
Sales of goods and services	19,826	17,217
Grants	314,642	288,282
Other income	31,281	41,085
Total revenue	**366,553**	**347,270**
Employee expenses	242,986	236,524
Depreciation	16,753	17,277
Other operating expenses	107,420	103,493
Total expenses	**367,159**	**357,294**
Net result from transactions - Net operating balance	**(606)**	**(10,024)**
Other gains / (losses) from other economic flows	0	0
Total other economic flows included in net result	**0**	**0**
Net result	**(606)**	**(10,024)**

NOTES

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