Omeo District Health

124th Annual Report for the year ended 30th June 2016 incorporating the Consolidated Financial Statements

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"Quality, Safety, Care & Commitment"

CONTENTS

Report of Operations

Our History

When gold was discovered in Omeo in 1851, the isolated communities of Omeo, Swifts Creek, Ensay and Benambra changed dramatically with the influx of visitors. The need to build a hospital was identified in November 1891 with incorporation of the Omeo District Hospital. Provision of care for the sick and injured commenced in August 1894 until the devastating 1939 bushfires that destroyed the original building. A new 19 bed hospital was built in 1940 on the Easton Street site and continues to be utilised to provide acute and residential aged care, medical, community and allied health services. Services delivered by Omeo District Health (name change occurred in 2004) have been regularly reviewed to meet the changing needs of the community. In 1990, the acute service was reduced to twelve beds, following further reviews and funding changes in September 1993 the number was further reduced to four registered acute beds plus an emergency room and ten nursing home places. In July 1997, the construction of a purpose built four-bed hostel was completed. On the 9th December 2005 the full redevelopment of the existing hospital buildings and service areas was completed and officially opened. In 2011 Omeo became part of the Transitional Care Program (TCP) with one residential bed and one community based bed.2015 further sees the completion of our Aged care redevelopment. All residents now have single rooms each with ensuite.The Board of Management has continued to review service provision and explore innovative ways of meeting the community's needs. The growth in community care, allied health services, and the establishment of the Medical Centre, Dental Clinic, Community Gym, the lead partner in construction of a men's shed and an in-venue Day care centre are a testament to this.

Omeo District Health is established under the Health Services Act 1988. The responsible Ministers during the reporting period were:

The Honourable Jill Hennessy MP, Minster for Health and Minister for Ambulance Services

The Honourable Martin Foley MP, Minister for Housing, Disability and Ageing, Minister for Mental Health.

Our Objective

Mission

To promote and enhance the health and wellbeing of the people of Omeo and district.

Aim

To provide the most effective and efficient physical, emotional and social care possible through the delivery of services that are accountable to individual and community's needs.

Objectives

To ensure the Health Service is accessible to all and continues to develop within a Best Practice model in response to the community's identified need.

To provide a coordinated continuum of health care to the communities of Omeo and district, encompassing aged and residential care, community care and appropriate acute services.

To maximise the health and wellbeing for all community members.

To provide a well-maintained, safe and pleasant environment for patients, residents, staff and visitors.

Our Services

Omeo District Health provides broad-based health and support services to Omeo, Benambra, Swifts Creek, Ensay, Dinner Plain and surrounding districts.

Acute Care
4 Acute beds for general medical care
Urgent Care Centre

Residential Aged Care
10 High Level Care Beds
4 Low Level Care Beds
Diversional Therapy
Respite Care
Virtual Visiting program for Residents
Gentle exercise program for Residents

District Nursing Services
Equipment Hire
Home Visiting
Palliative Care
Post-Acute Care Program
Respite Care
Post Discharge Support
Transitional Care program in the community

Home and Community Care
Domestic Assistance
Home Maintenance
Home Respite
Meals on Wheels
Personal Care
Planned Activity Group

Medical Services
Omeo Medical Centre

Dental Services
Public Dental Services
Private Dental Service

Use of the Facilities
Community Group Meetings
Omeo Playgroup
Optometry Services
Swifts Creek Community Centre

Ancillary Services
Radiology

Sub-Acute Care
Rehabilitation
Transitional Care Programme

Visiting Services
Maternal & Child Health
Continence Service
Wound Consultant
Ophthalmologist
Cardiologist

Allied Health & Community Services
Chronic Disease Management, Diabetes Education in conjunction with Omeo Medical Centre
Counselling / Social Work
Dietetics
Podiatry
Foot Care
Health Promotion and Education
Information and Referral
Kindy Gym
Occupational Therapy
Physiotherapy
Speech Pathology
Youth Program
Allied Health Assistant
Community Transport
Volunteer Program
Community Gym and Exercise Classes
Pre-employment physical testing program service
In-venue child day care program

Supporting Portfolios
Administration
Environmental & Food Services
Infection Control
Maintenance & Gardens
Occupational Health & Safety
Pathology
Quality & Safety

Attestations

Attestation on Data Integrity

I, Darren Fitzpatrick certify that *Omeo District Health* has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. *Omeo District Health* has critically reviewed these controls and processes during the year.

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Mr Darren Fitzpatrick – Acting CEO/DON
Omeo District Health
6th September 2016

Attestation for compliance with the Ministerial Standing Direction 4.5.5– Risk Management Framework and Processes

I, Louise Armit certify that Omeo District Health has complied with Ministerial Direction 4.5.5 – Risk Management Framework and Processes. Omeo District Health's Audit Committee has verified this.

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Louise Armit
Chair, Board of Management
Omeo District Health

Date: 6th September 2016

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Reece Newcomen
Chair, Audit Committee
Omeo District Health

Date: 6th September 2016

Governance Overview

Board of Management

Mr Russell Pendergast
Interim President
Self Employed Farmer , Benambra,
Board member since 1987
Member of the Finance and Facilities Committees
Appointment Expires 30/06/2017
Board Meetings attended – 11/11

Mrs Sandra Crisp
Interim Treasurer
Pharmacy Assistant, Omeo,
Appointed 01/07/2010
Member of the Finance and AuditCommittee
Appointment Expires 30/06/2017
Board Meetings attended – 9/11

Ms Louise Armit
President (from 25/11/2014-30/06/2016)
Teacher, Self Employed Farmer, Swifts Creek, Solicitor,
Board member since 1995 – 2016
Member of the Medical/Dental Credentialing & Facilities Committees
Appointment Expires 30/06/2016
Board Meetings attended – 9/11

Mrs Rosemary Fitzgerald Resigned from Board
Co-ordinator – Benambra Neighbourhood House,
Appointed 24/03/2009
Member of the Quality and finance Committees
Resigned effective 24/11/2015
Board Meetings attended – 1/4

Mr Evan Newcomen
Self Employed Farmer , Ensay,
Board member since 2002 - 2016
Member of the Finance Committee
Appointment Expires 30/06/2016
Board Meetings attended – 7/11

Ms Suzanne Malcolm
Self Employed Company Director Omeo, Teacher, Swifts Creek,
Appointed 01/03/2007
Member of Finance Committee
Appointment expires 30/06/2018
Board Meetings attended – 10/11

Mrs Alison Burston
Self Employed Farmer, Benambra,
Appointed 01/07/2008
Member of the Quality, Finance & Credentialing Committees
Appointment Expires 30/06/2017
Board Meetings attended – 11/11

Mrs Kate Commins
Teacher, Swifts Creek,
Appointed 1/07/2012
Member of Quality and Finance Committees
Appointment Expires 30/06/2018
Board Meetings attended 8/11

David Foster
Ranger in Charge, Parks Victoria, Dinner Plain
Member of Finance and Credentialing Committee
Appointed 1/7/2016
Appointment expires 30/6/2019
Board meetings attended 8/11

Edwin Perry
Grazier, Omeo
Appointed 1/7/2016 – 30/06/2016
Appointment expires 30/6/2016
Board meetings attended 10/11

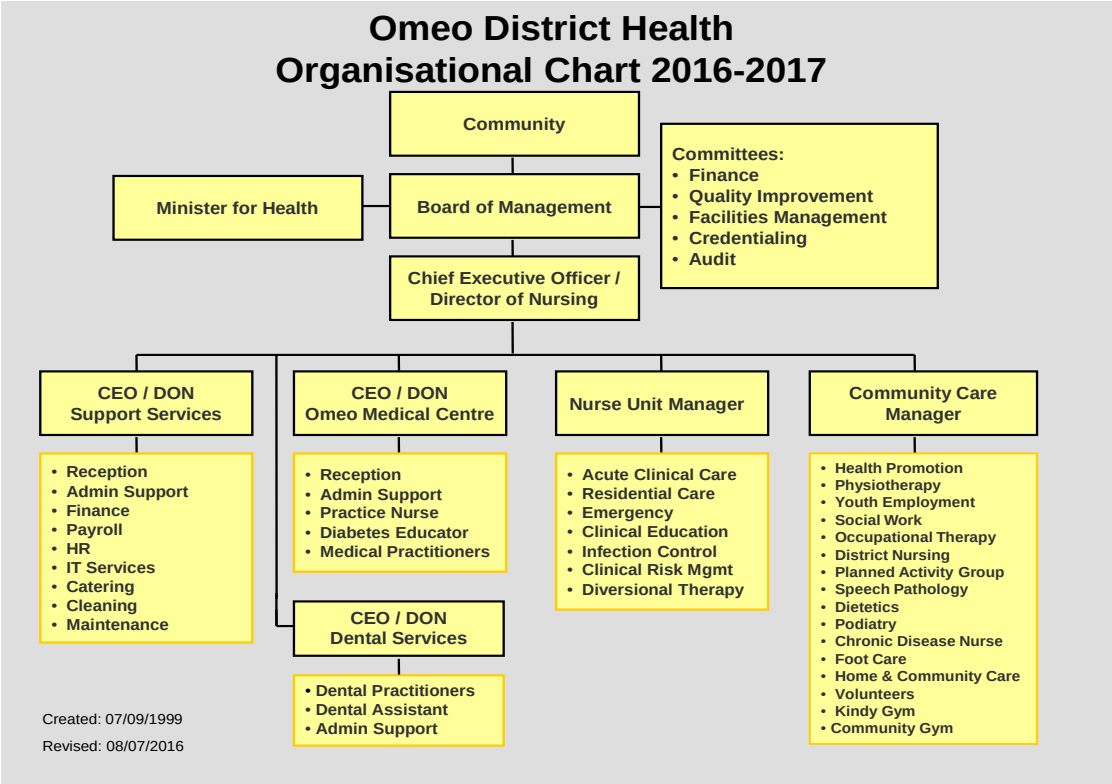
Audit Committee

Reece Newcomen
Audit Chair
Self Employed, Farmer, Ensay
Appointed 2013

Fiona Hammond (Resigned from Audit)
Audit Chair
CFO, Mt Hotham Management
Appointed 2012

Lynn Bevan
Semi – Retired, Omeo
Appointed 2016

Caroline Mildenhall
Ensay Community Health Service-Employee
Appointed 2015



Role of the Board of Management

The Board of a public hospital is responsible for its governance. It is accountable to both Government and the community that it serves for ensuring the provision of agreed services within the resources provided. Board of Management members are appointed by the Governor-in-Council, upon the recommendations of the Minister for Health. Members of the Board of Management act in a voluntary capacity and have not received fees in the 2015-2016 financial year.To fulfil its role, the Board should have members with a range of appropriate expertise and experience. The functions of the Board of Management as determined by the Health Services Act 1988 are:

- To oversee the management of the hospital; and
- To ensure the services provided by the Hospital comply with the requirements of the Act and the aims of the organisation.

The goal of the board is to ensure the provision of excellent care for our residents, patients and clients as well as ensuring a safe working environment for our staff.The Board is assisted in delivering these goals by receiving regular reports on the organisations operations including Quality and Financial activities at monthly Board meetings and through Board member representation on various committees.

Resignations and New Appointments

Mr Frank Megens resigned from CEO/DON position effective May 2016. We thank Frank for his valuable contribution that he has made to our organisation since he commenced in April 2014. On many levels both within and outside of the organisation, he worked tirelessly to achieve a harmonious work place and efficiently managed Omeo District Health, maintained strong ties with Ensay, Swifts Creek as well as health facilities and organisation throughout East Gippsland. His contribution will be sorely missed.

This year the Board also received the resignation of one Board member and one of its Independent Audit Committee members. We acknowledge the contribution Rosemary Fitzgerald and Fiona Hammond have made to Omeo District Health. We wish to thank

Rosemary for her commitment to the Board of Management and her representation on the Quality committee. We also wish to thank Fiona for her commitment to the audit requirements of ODH. Fiona's involvement ensured probity in our financial and risk management systems remained compliant with regulatory requirements. Into Fiona's role we welcome Reece Newcomen as Audit Chair, Reece has brought extensive financial management experience to the committee and we look forward to his continued contribution. We welcome Lynn Bevan to the Audit Committee, Lynn brings an extensive knowledge of risk and controls, finance literacy and has high level business audit experience through her long career with in the corporate / commercial sector.

GOVERNANCE

Pecuniary Interest

It is an obligation for Board Members to declare a pecuniary interest when Board discussions include matters in which they have a direct, or indirect, financial or other interest. The Conflict of Interest Register is current and can be viewed on request. There were no occasions during the year when Board Members declared a pecuniary interest in connection with Board deliberations.

Finance / Audit Committee

The Board endorses plans and strategies, and monitors the performance of ODH through appropriate budgetary processes to ensure compliance with Financial Framework requirements. The Audit committee continued meeting quarterly and reporting directly to the Board of Management, led by Reece Newcomen as independent Chairperson.

Quality & Safety Committee

The Quality & Safety committee is responsible for oversight of the Quality Improvement Program, meeting on a monthly basis with two invited Board members and a range of staff from across the organisation attending. A quality improvement schedule informs the agenda and ensures the timely completion and evaluation of quality improvement activities.

Facilities Committee

This committee meets, as required, to review the maintenance and improvement of the facility. A facility report is provided to the Board of Management each month in the executive management report.

Credentialing Committee

Ensuring the medical and dental practitioners are appropriately qualified and experienced is an important role for this committee. Dr Jane Greacen, Director of Medical Services and supported by Kelly Greenland (Executive PA), reviewed all Medical positions again this year ensuring ODH is compliant with all credentialing requirements. Reaccreditation of current staff was attended to and recommendations for appointments of new locums or visiting GP's were made to the Board of Management for approval.

Statement of Priorities

The 2015-16 financial year again saw Omeo District Health commit to a framework that captured key strategic priorities and again achieve considerable advances.

The Statement of Priorities provides key actions and deliverables as the organisation travels through the year. The framework ensures key local and regional objectives are met while aligning the organisation with the direction of government policy.

See following pages for outcome.

Strategic priorities

Agreement between Secretary for Health and Omeo District Health

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

In 2015–16 Omeo District Health contributed to the achievement of these priorities by:

Domain	Action	Deliverable	Outcome
Patient experience and outcomes	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.	Expand the Community Advisory Group's involvement to all aspects of the delivery of care at Omeo District Health.	Quality Indicators presented to Community Advisory Committee, CAC, to broaden understanding "Walk arounds" to Allied Health, Community Care, Urgent Care, Aged Care and Dental Services to enable a better understanding of services provided. CAC provided feedback on draft acute admission documents.
		Provide education to staff on Patient Centred Care as a component of the Omeo District Health education calendar.	Patient centred care training offered through e3 learning platform, 100% of staff have access to this learning environment with almost 40% completion rate since e3 learning was implemented in February, 2016.
		Review the aged care Diversional Therapy program to develop and implement resident centred activities.	Review completed of Diversional Therapy program. Changes to staffing profiles have been undertaken as a result of this review. New staff have reviewed activities and a new program has implemented. Two staff members appointed to part time positions to enable an improvement toward client focussed activities.
		Ensure community members are represented at forums related to Aged Care Reforms and the National Disability Insurance Scheme.	Presentation at Planned Activity Group by HACC co-ordinator to inform community members of updates to Community Care reforms and National Disability Service Community Advisory Committee members informed of changes via staff that had attended forums. Catchment area informed of proposed changes via Health Matters. ODH staff remain engaged in various forums to ensure awareness of changes and updates in aged care reforms and NDIS.
	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.	Provide training for staff to identify family violence and ensure appropriate support and referral pathways are identified and made available to all consumers and clinicians.	Social Worker attended Common Risk Assessment Framework for Family Violence. Relationships developed with Gippsland Family Violence Regional Integration Coordinator and Gippsland Women's Health to improve awareness and understanding of access groups.
	Use consumer feedback and develop participation processes to improve person and	Implement focus groups across all care areas at Omeo District Health and implement	100% of discharged patients over a three month period invited to attend an acute care forum in May, unfortunately we were unable to attract attendees.

Domain	Action	Deliverable	Outcome
	family centred care, health service practice and patient experiences.	outcomes as appropriate.	Focus group in relation to Urgent Care attended by a small number of attendees. Positive feedback provided in relation assessment, care and follow up. Bi monthly resident family and friends meetings undertaken. Staff identification improved to assist residents identify staff members by name.
		Develop an Action Plan to implement the findings of the 2015 community health service survey.	Action plan developed with focus on need to improve chronic disease program. Chronic disease program commenced as pilot March 2016. We have received positive feedback from participants. Increased commitment to chronic disease management plans by individuals. Improved follow up and review by GPs. These are early indicators that both the community and the health service are committed to improving chronic disease in our catchment. Other improvements implemented have seen extra promotion of visiting services in our local newssheet and on our website, which included our well-attended visiting Psychologist.
		Facilitate the engagement of local early childhood, schools and workplace settings in the Healthy Together Victoria Achievement Program.	ODH facilitated the healthy together achievement program organising and participating in events at Omeo and Swifts Creek. ODH has been represented and provided support for High Country Early Years action group.
	Improve the health outcomes of Aboriginal and Torres Strait Islanders by increasing accessibility and cultural responsiveness of the Victorian health system.	Implement the Gippsland Aboriginal Health Cultural Competence Framework.	Gippsland Aboriginal Health Cultural Competence Framework has been included in ODH Diversity plan. Gippsland Black pages reference document has been made available to staff to improve follow up and referral processes for our aboriginal community members. Network relationships have been established with indigenous organisations through Youth Programs i.e “Deadly Sports” and Mooji Youth Services Orbost.
	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	Review Advance Care Planning process’s to ensure all relevant clients are identified and have documentation recording advanced care planning discussions.	Education was delivered to staff at an in-service in January 2016. Key personnel have been assigned with the role of implementing advanced care planning as part of admissions to our acute area. Chronic Health nurse has been working with aged clients to assist with completion of advanced care planning directives.

Domain	Action	Deliverable	Outcome
	to be made.		
	Develop an organisational policy for the provision of safe, high quality end of life care in acute and subacute settings, with clear guidance about the role of, and access to, specialist palliative care.	Maintain relationship between the Omeo District Health link nurses with East Gippsland Palliative Care service to ensure clients receive specialist input and staff access palliative care education.	Two personnel assisted to maintain network with regional palliative care alliance. Ongoing support by palliative care nurse practitioner candidate.
		Ensure referral pathways to specialist palliative care services are clearly articulated in organisational policies and are in line with regional referral guidelines.	Palliative care policy / procedure reviewed and updated to reflect changes to pain management consultants. Contact times and numbers readily available for all staff through our digital policy system.
		Embed Pathway for Improving the Care of the Dying.	100% of aged care residents and our palliative patients admitted to acute care have a palliative care pathway implemented to ensure consistency of care and practice.
Governance, 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.	Revise the Omeo District Health Employee Assistance Program to ensure a comprehensive and confidential service is available to staff.	New staff appointments including our social worker replacement and introduction of a visiting psychologist has increased the number of alternate specialists that are able to assist staff in relation to health and wellbeing. Our peer support program was reviewed and peer support workers provided with additional in-house training to enable to assist in delivery of staff support.
		Explore the opportunities of a visiting psychologist service.	Psychologist visiting service introduced to assist community with access to specialist services..
		Complete the Coordination Stage or Recognition Point 1 in the Healthy Together Victoria Achievement Program and progress implementation of Recognition Point 2 for chosen priorities outlined in the Omeo District Health Program Plan.	Workplace wellbeing assessments completed. Trending undertaken and recommendations have been returned to staff members that participated in the program.
	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	Implement reporting via the ODH OH&S committee on issues regarding occupational violence and investigate reporting through the quality of care report.	Workplace independent assessor visit undertaken with minor alterations suggested to current practice, changes implemented as a result included increased “walk arounds” as a group to assist in identifying potential hazards. Monthly quality reporting includes all incidents relating to Occupational Health &Safety / WorkCover which saw one new incident for the financial year. There have been nil reported

Domain	Action	Deliverable	Outcome
	occupational violence.		incidents in relation to occupational violence.
		Review Code Black and Grey Policies and embed as mandatory competencies for relevant staff.	Emergency response manual referencing updated to reflect changes in procedures and occupational violence policy had references added to support access to current practice. 100% of staff have been provided with access to e3 learning program which was introduced in February 2016. Occupational violence is but one of the key Occupational violence grant utilised on video monitoring system to improve viewing external areas of the facility and act as a deterrent to violence.
		Embed code grey policy awareness and develop organisational response to duress alarm initiation.	Emergency response manual referencing has been updated to reflect changes in procedures. Occupational violence policy reviewed to and altered to reflect practices to reduce risk. De-escalation training implemented
		Implement de-escalation training for all staff.	De-escalation training implemented. 2 sessions made available to all staff.
		Occupational violence grant	CCTV camera system installed as a deterrent, to monitor outside areas and potential areas where violence may be encountered.
	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.	Provide organisational education on workplace bullying and harassment and include as a mandatory training module at Omeo District Health.	e3 learning module for bullying and harassment included in mandatory training schedule for all staff. All staff individually supplied with policy and sign off sheet to indicate awareness of ODH bullying policy.
		Report all instances of bullying and harassment to the Omeo District Health Quality Committee.	Grievance policy introduced to provide direction and enable staff to de-escalate potential bullying and harassment. People Matters Survey distributed to staff for completion in April, 2016. Results indicated marked improvement in relation to bullying and harassment in comparison to previous survey with 68% of staff agreeing that “bullying is not tolerated at my organisation”
		Implement a staff newsletter and establish a workplace wellness program.	CHIT CHAT newsletter implemented. Healthy Workplace charter complete Test Values statement and promote to staff. Workplace wellbeing assessments completed. Trending undertaken and recommendations have been returned to staff members that participated in the program.
	Undertake an annual board assessment to identify and develop board capability to ensure all board members are well equipped to effectively discharge their	Implement actions and professional development opportunities to address the gaps identified in the 2015 Board Self Evaluation process.	Results of assessments collated and presented at November Board meeting. KPMG Board review recommended by DHHS and undertaken in April. Implementation of recommendations commenced June, 2016.
		Utilise the Building	Board induction information package developed

Domain	Action	Deliverable	Outcome
	responsibilities.	Board Capability tools and resources to support board members effectively discharge their responsibilities.	and supplied to all Board members in electronic format.
		Review the Board induction program.	A review of Board induction program undertaken and completed October 2015.
	Apply existing capability frameworks and clinical guidelines to inform service system planning, giving consideration to the capability of neighbouring services and how best to allocate available resources so as to deliver the maximum benefit to the local community.	In partnership with Bairnsdale Regional Health Service, Gippsland Lakes Community Health and Orbost Regional Health, finalise the implementation of the East Gippsland Service Plan.	ODH has committed to participation in the East Gippsland Strategic Services Plan in conjunction with Bairnsdale Regional Health Service, Orbost Regional Health and Gippsland Lakes Community Health. A Psychology service sharing arrangement has been implemented successfully with Orbost Regional Health. We continue to maintain relationships with Primary Care Partnership and enjoy support from Gippsland Primary Health Network to enable program delivery from Omeo.
		Participate in the implementation of Strengthening Gippsland Plan.	Ernst Young project completed.
	Build workforce capability and sustainability by supporting formal and informal clinical education and training for staff and health students, in particular inter-professional learning.	Implement nurse-led radiology service in partnership with Bairnsdale Regional Health Service.	Three of our nurses are now licenced to X-ray upper and lower extremities at Omeo. A fourth staff member has completed her training and awaiting registration. Staff members from other areas within the facility have been taking up nursing education with three staff members participating in enrolled nurse training this year. One employee that completed her enrolled nurse training last year has been employed in nursing. Another former enrolled nurse that completed her registered nurse training last year is undertaking a graduate year with Omeo. Appointment of a nurse to the role of educator has enable an increased focus on education and enthusiasm .
		Investigate and develop opportunities in service improvement with Swift Creek and Ensay Bush nursing service, Ambulance Victoria and Dental Health Services Victoria.	Discussion was undertaken with DELWP regarding combining sourcing of programs however did not progress beyond initial meeting. Memorandum of Understanding (MOU) completed with Swifts Creek Bush Nursing Centre Inc. MOU with Ensay Bush Nursing centre and Ambulance Victoria drafted but incomplete.
	Support excellence in clinical training through productive engagement in clinical training networks and developing health education partnerships across the continuum of	Active engagement in the Gippsland Clinical Training Network and develop health education partnerships across the continuum of learning.	Omeo has been more consistently represented in East Gippsland Education Consortia with the appointment of an onsite Educator. The appointment also improved networking with varying education providers in Gippsland. Our educator was supported to undertake training to enable ALS local trainer. Omeo maintains ongoing interaction via the

Domain	Action	Deliverable	Outcome
	learning.		RIPERN network and has received a great deal of support in the retention of the endorsement by many state bodies. We also have two RAN nurses bring their experience to the facility.
		Further develop the collaborative graduate nurse program and maximise opportunity for clinical placement.	A memorandum of understanding was entered into with Bairnsdale Regional Health Service to enable peer support and extra training to our nurses that are registered to undertake x-rays.
		Further embed the role of clinical educator at Omeo District Health.	Educator hours to increased from 1 day to 2 days per fortnight from January to the end of June, 2016 to enable implementation of e3 learning, preparation and planning for the role.
		Review findings of the Urgent Care Service Stream Workforce Planning Methodology pilot project.	Patient and GP satisfaction survey undertaken of the RIPERN role in urgent care presentations. Overwhelming support for the RIPERN role with satisfied patients and GPs particularly in the areas of assessment, appropriate and timely interventions as well as improved continuity of care. Investigations of additional funding to increase the ability to enable an increased presence of RIPERN nurses to urgent care have been unsuccessful to date.
		Participate in Best Practice Clinical Learning Environment (BPCLE) opportunities.	Omeo District Health remain active participants and pursue opportunities as a result of our educators role in the BPCLE network.
		Transition to e3 Learning platform and review mandatory training policy.	e3 learning implemented in February 2016. Our mandatory training program was updated to reflect the diverse training opportunities that were available as a result. All staff areas have been delegated access to identified required training online with an outline of the mandatory requirements documented on everyone's desktop in a folder titled ODH Applications. Community care workers have been assisted to access the programs onsite by installing two computers in the staff library. Review of the policy saw a reduction in the time expected of each staff member to attend face to face learning onsite. Completing the required training has increased the amount of time staff are required to spend in reviewing areas and undertaking competency testing. The education offered is certainly more comprehensive than previous online offerings.
		Develop organisation wide education needs analysis.	Needs analysis undertaken utilising survey monkey which has enabled an improved ability to analyse results.
Safety and quality	Ensure management plans are in place to prevent, detect and contain Carbapenem Resistant Enterobacteriaceae as	Develop CRE guidelines for outbreak management and educate staff accordingly.	Guidelines have been completed and circulated for CRE. A new employee has been appointed to the infection control position for ODH and has been supported by an infection control consultant to assist in evaluating ODH requirements and

Domain	Action	Deliverable	Outcome
	outlined in Hospital Circular 02/15 (issued 16 June 2015).		framework development. This has resulted in improvements to enable workflow, monitoring and reporting requirements to be more robust and achievable.
	Implement effective antimicrobial stewardship practices and increase awareness of antimicrobial resistance, its implications and actions to combat it, through effective communication, education, and training.	Develop antimicrobial stewardship monitoring within the hospital and dental service and monitor through medication advisory committee.	Monitoring in place with individual staff contributing and monitoring use. New software has been approved for installation on computers in Medical Centre to improve the areas monitoring of chronic health and disease. A side feature is the ability to expand antimicrobial stewardship monitoring across our service area.
		Monitor antibiotic usage through regular audits and disseminate results to visiting medical staff.	Processes have been established to provide results of audits to visiting GPs
	Ensure that emergency response management plans are in place, regularly exercised and updated, including trigger activation and communication arrangements.	Review Emergency response plans (including Bush fire Plan). Establish business continuity guideline for key areas.	Bush fire / emergency services planning undertaken prior to the bush fire period in November 2015. Our yearly bush fire action plan was reviewed and updated to ensure that all preparation had been signed off. The information for preparedness in maintained in the CEO's printed Emergency Response Plan
		Ensure emergency response plans are regularly tested and that training and education is provided.	An update of the fire emergency flow chart to distinguish between out of hours and in hours requirements was undertaken to improve staff understanding of their roles. Each staff member was supplied with the updated flow charts during Mandatory Training.
		Auspice local Emergency Response review preceding summer bushfire season.	A meeting in November, 2015 to discuss preparedness and potential incidents was organised with representatives from Department of Environment, Land, Water and Planning (DELWP), Country Fire Authority (CFA), East Gippsland Shire and local Police. Our Bushfire plan was reviewed and updated as a result. The CFA also provided their assistance with a walk around the facility and suggestions to reduce potential fire hazards were acted upon. A slip on firefighting unit was also purchased and affixed to our maintenance vehicle for the duration of summer to maintain preparedness.
Financial sustainability	Improve cash management processes to ensure that financial obligations are met as they are due.	Maintain prudent financial decision making and explore opportunities for specific service stream improvement.	An Aged Care Funding Instrument (ACFI) consultant undertook review of all residents and reviews were undertaken by staff over a six month period which improved our ACFI income for aged residents. A new public dentist was employed with the assistance of Bairnsdale Regional Health Service which saw a significant improvement to dental care provision in the area. Focus on over 75 assessments, and chronic disease management plans improved planned care and management of chronic disease.

Domain	Action	Deliverable	Outcome
		Adopt findings of Internal Financial audits as determined by internal auditors including FMCF, payroll and contract management.	HLB Mann Judd 2015 internal financial audit recommendations implemented. Audits undertaken by HLB Mann Judd (May 2016) in the areas of Financial Management Compliance Framework, Risk Management Framework and Clinical reporting. Intervention timetable developed from recommendations.
	Identify opportunities for efficiency and better value service delivery.	Engage an Aged Care Funding Instrument consultant and implement the Better Care Better ACFI toolkit to ensure maximisation of Commonwealth aged care revenue.	Site visit conducted by private consultant, Di Sullivan. Marked improvement in funding stream and care plan development as a result.
	Work with Health Purchasing Victoria to implement procurement savings initiatives.	Implement Health Purchasing Victoria requirements and ensure approved contracts are implemented.	Health Purchasing Victoria (HPV) compliance achieved in conjunction with regional procurement manager. Improved access disseminated to area managers to improve knowledge of HPV products. Work continues with HPV and regional health services to develop improved access to product provision.
	Invest in revenue optimisation initiatives to ensure maximisation of revenue from both public and private sources.	Implement Private Patient Initiative at Omeo District Health.	Staff education undertaken to ensure that private patient admissions were processed in the correct manner.
		Complete aged care refurbishment and successfully achieve increased Commonwealth funding.	Aged care refurbishment project completed which saw all our aged care rooms become single rooms with ensuites. and Submission to enable increased income for aged care service delivery submitted and accepted.
	Review and refine existing service agreements with providers.	Implement annual contractor performance tool to ensure best value for money.	Assessment of contracts conducted prior to their renewal has been maintained.
Access	Implement integrated care approaches across health and community support services to improve access and responses for disadvantaged Victorians.	Develop a tele-health partnership with Bairnsdale Regional Health Service for emergency care to enable disadvantaged community members access emergency care in local community when a general practitioner not available.	Videoconferencing has been utilised in medical centre to reduce the need for travel by the community when accessing specialists for follow up appointments. Speech therapy project was implemented successfully which enabled speech assessment to occur via skype in the absence of an onsite therapist- swallowing assessment tool has been also developed as a result of the project. Virtual Emergency Department Bed project established with Bairnsdale regional health Service. Service has not been fully embedded to date due to the late acquisition of videoconferencing equipment and delay in education.
		Identify diabetic clients or clients at risk of diabetes within the community and implement appropriate	Chronic Disease management plans have been increasingly implemented with consistent follow up of individuals and support by our rotating GPs.

Domain	Action	Deliverable	Outcome
		follow up strategies and referrals.	
		Improve access to integrated care for people with chronic disease	Nurse led chronic disease clinic commenced in March 2016 with a single day per fortnight. Community support for the clinic has been excellent and ownership by the practice nurse has seen consistent reviews and management plan alterations attended.
	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 so, making the most efficient use of available resources across the system.	Participate in the Gippsland Primary Health Network Clinical Councils and program to develop electronic clinical care pathways.	Practice nurse has represented ODH on working group for Clinical pathways which has provided consistent referral pathways to be developed to enable our rotating GPs to maintain continuity of care.
		Continue close relationship with Rural Workforce Agency Victoria to ensure the ongoing provision of general practitioners to Omeo and surrounding districts.	Rural Workforce Agency Victoria continues to support ODH with access to GP coverage. Regular telephone contact and a visit by the RWAV CEO demonstrate the commitment of this valued agency.
	Optimise alternatives to hospital admission	Conduct multidisciplinary care client conferences with relevant local care providers to minimise hospitalisation.	Case management meetings continue to be maintained fortnightly with a broad number of health professionals discussing potential clients and interventions that are able to be accessed and delivered in our area.
	Contribute to the provision of additional dental services to achieve the targets, milestones and objectives of the National Partnership on Adult Public Dental Services.	Pursue additional Dental Weighted Activity Unit allocation to meet community dental needs and further develop Child Dental Benefits Scheme opportunities.	Additional DWAUs approved, however decreased throughput saw retraction of same. Close working relationship with DHSV to monitor DWAUs and implement strategies to improve throughput has seen an increase in the amount of advertising undertaken in attempting to attract our throughput. Training for dental assistant commenced February 2016, to further improve the ability to maintain dental services for area.

Performance Priorities

a) Safety and Quality Performance

Key performance indicator	Target	Actual
Health service accreditation	Full compliance	Achieved
Residential aged care accreditation	Full compliance	Achieved
Cleaning standards (Overall)	Full compliance	Achieved
Cleaning standards (AQL-A)	90	Achieved
Cleaning standards (AQL-B)	85	Achieved
Cleaning standards (AQL-C)	85	Achieved
Health Worker Immunisation-Influenza	75%	Achieved
VICNISS data compliance	Full compliance	Achieved

b) Patient experience and outcomes

Key performance indicator	Target	Actual
Victorian Health Experience Survey – data submission	Full Compliance	Non-compliant
Victorian Healthcare Experience Survey – patient experience Quarter 1	95% positive experience	Not achieved
Victorian Healthcare Experience Survey – patient experience Quarter 2	95% positive experience	Not achieved
Victorian Healthcare Experience Survey – patient experience Quarter 3	95% positive experience	Not achieved

c) Governance, leadership and culture performance

Key performance indicator	Target	Actual
People Matter Survey	80%	92%

d) Financial sustainability performance

Key performance indicator	Target	Actual
Operating Result ($m)	0.0009	0.052
Creditors avg. days	<60 days	39
Debtors avg. days	<60 days	45
Adjusted current asset ratio	0.07	3.31
Days of available cash	14 Days	167.69

e) Acute care

Service	ODH	Type Activity	Actual Activity 2015-16
Medical Inpatients	37	Bed Days	563
Urgent Care	555	Presentations	604
Non-admitted patients	456	Occasions of service	604
Radiology	0	Number of clients	0
Palliative Care	3	Number of clients	3
District Nursing	510 hours	Occasions of service	n/a

Please not the above data was prepared prior to the final Victorian Admitted Episode Dataset (VAED) consolidation which is scheduled to occur on 12th September at 5pm.

Board President's & Chief Executive Officer's Report

It is with pleasure we present the 124th Annual Report of operations for Omeo District Health (ODH), in accordance with the Financial Management Act 1994 for the year ending 30th June 2016.

The Board and Management recognise the important role of ODH in the region, consistently reviewing service provision and delivery methods to ensure sustainability, compliance with State and Federal health priorities and relevance to community needs. The Strategic Plan provides the road map for the period 2014-17 and outlines the key priority areas for ODH.

STRATEGIC INITIATIVES:
During the year progress continued to be made on meeting our Strategic Goals.

Strategic Goal 1: *To provide services that promote health and wellbeing for the community*

- Action plan implemented based on findings of 2015 Community Survey.
- Community forum conducted in collaboration with Ambulance Victoria/ Swifts Creek and Ensay Bush nursing services.
- Community Advisory Committee established.
- Men's Shed Coordinator appointed.
- Strategic relationships maintained with Primary Care Partnerships, Gippsland PHN (Primary Health Netowrk) and regional health services.
- Aspex consulting engaged by regional health services to develop service planning and capability framework for the region.

Strategic Goal 2: *To deliver safe, best practice care and services to the community*

- Successful application for Nurse Led x-ray project.
- Telemedicine links established with Ambulance Retrieval Victoria and Royal Children's Hospital.
- Installation of Closed Circuit TV to increase staff safety.
- Implementation of Bedside Handover.
- OH&S Hygienist review.
- Australian Council on Healthcare Standards (ACHS) National Standards accreditation successfully achieved.

Strategic Goal 3: *To effectively recruit, retain and build a quality workforce*

- ODH Educator position appointed.
- Continuation of Rural Workforce Agency Victoria (RWAV) relationship for medical recruitment.
- Participation in Gippsland Education consortia.
- Review of mandatory competency system.
- Improved Information Technology accessibility for staff.
- Position description review and alignment with Strategic Plan.
- Participation in Victorian Patient Satisfaction Monitor (VPSM) review.
- Completion of "Healthy Together Achievement Program"
- Participation in 2016 People Matter Survey
- Infection Control consultant engaged to assist portfolio holder in relation to reporting and monitoring requirements and review systems.

Strategic Goal 4: *To provide services that are financially sustainable*

- Monitoring of key clinical areas (Dental and Home and Community Care (HACC) services) continues.
- Implementation of Aged Care reforms.
- Review of in house service requirements.
- Increased use of business cases when new ventures proposed to Board.
- Ongoing monitoring, review and planning in relation to HACC and National Disability Insurance Scheme (NDIS) changes.
- Aged Care Funding Instrument (ACFI) consultant employed to review residential ACFIs and assist with staff direction to ensure documentation requirements are fulfilled.
- Aged care area significantly refurbished to increase resident comfort and privacy whilst increasing commonwealth funding.

Strategic Goal 5: *To review future capital asset and infrastructure requirements*

- Basic Asset management Plan implemented.
- Installation of security doors.
- Hydronic heater panel upgrade.

Strategic Goal 6: *To actively promote partnerships and engage with the community*

- Community Advisory Committee maintained.
- Involvement in regional initiatives building on service development and capability.
- Community Health Survey recommendations being implemented, most notably an increased focus on chronic disease management.

Strategic Goal 7: *To strengthen governance, performance, transparency and accountability*

- Risk Training for Board members.
- Legislative Compliance tool adopted.
- Addition of Fraud control to Risk Register and Position Descriptions
- KPMG governance review and education
- Participation in Board of management governance survey.

Strategic Goal 8: *To promote the use of available technologies*

- Strengthening of IT capability through replacement program and VERNET support.
- Adult Retrieval Victoria and Royal Childrens Hospital connectivity established in Urgent Care.
- Participation in telehealth project with Bairnsdale Regional Health Service.
- Adoption of e3learning platform to improve access to learning opportunities.

OPERATIONS REPORT

Enhancing the Services Available to the Community

Omeo District Health (ODH) continues to offer a broad suite of services to support the communities of the region.

Omeo Medical Centre (OMC) continues to provide a regular service at Omeo, Swifts Creek and Ensay. The current visiting services model strongly supported by the Rural Workforce Agency Victoria (RWAV) utilises the expertise of regular experienced GP's with the support of numerous returning locums. This service continues to provide an effective medical coverage that meets the hospital and community needs alike. Regular feedback sought from medical officers following placement has determined that Omeo remains an enjoyable rotation. Similar feedback is received from Medical students who enjoy the level of clinical practice and the close relationship with members of our community. The Gippsland Primary Health Network continued to provide valuable funding support towards the after hour's component of this important clinic.

The role of the Practice Nurse incorporated with Chronic Disease Management continues effectively and the maintenance and growth of this role ensures the comprehensive and coordinated approach to maintaining the health of those suffering a chronic health condition.

The demand for the provision of public and private dental services in the Omeo Region has been met by the Dental team under the leadership of Dentist, Dr. Lex Bertrand with temporary Dental Assistant Rowena McDairmid, dental receptionist Merinda Sedgman, Dental Assistant Trainee Sian Stirling-Hustler and Dentist Daniel Wong. ODH continues to participate with the graduate dentists program through the combined efforts of Omeo and the Gippsland Oral Health Consortium.

A culture of continuous quality improvement ensures that aged care, acute care, community and allied health services' programs and activities, are reviewed on a regular basis. ODH continues to maintain all accreditation requirements and will be building on and strengthening ongoing accreditation requirements.

In 2015-16 ODH underwent successful ACHS national standards Accreditation which included the acute services and the Dental clinic. This is excellent recognition for the quality of service provided by our staff. Achieving accreditation could not have been achieved without the Leadership and direction of our CEO/DON, Mr. Frank Megens and the persistence and focus of our Quality program coordinator, Christa Thompson. Many individual staff members from both the acute and dental area participated in the accreditation process combined with the support offered by Board members during the organisational wide survey demonstrated the commitment of ODH to maintain consistent and safe practice.

Challenges have been experienced this year in relation to staff replacement due to multiple unexpected events in 2016. We believe supportive and innovative practices are used to recruit and retain quality staff to deliver high quality services and overcome such challenges. We are constantly striving to improve the orientation process to ensure staff feel adequately supported in their roles. Unfortunately one of the key personnel that left our facility was our CEO/DON, Mr. Frank Megens. Frank introduced a more streamlined approach to reporting, effective and efficient budgeting processes and strived to ensure that ODH delivered services

of high quality in a safe manner. Key attributes that Frank's Leadership brought were to ensure the inclusion of staff in decision making processes, acknowledging staff participation and contributions and instilling a team approach. Frank's tenure, while brief, was most appreciated and the innovations that were introduced will enable ODH to offer a vast array of services into the future.

Many thanks, congratulations and sincere appreciation are also extended to our executive team for ensuring the ongoing management of ODH, meeting compliance requirements and providing support and direction for staff, the Board and community members. Thank you for your commitment and dedication to Omeo District Health Christa Thompson our Quality coordinator, Marijs Last our Community Care manager and Darren Fitzpatrick our Acting CEO/DON.

We thank all past and present members of staff, including our medical and dental practitioners for their valuable contribution to the successful outcomes achieved during the year, and we welcome newcomers to our organisation.

The graduate nurse program continued this year in collaboration with Bairnsdale Regional Health Service and again we have a registered nurse participating in the program.

In-venue Family Daycare run by Kilmany Care continues to operate out of the Pink Palace and is a valued service on site which is being used by both staff at ODH and community members.

Delivering Quality, Accessible and Coordinated Care

ODH continues to provide services that are responsive to community needs. Resident, patient, client and community feedback is regularly sought to improve service provision, and will continue to be used to inform the Strategic Planning process. ODH continues accreditation requirements under the Australian Council on Healthcare Standards (acute and dental), the Australian Aged Care Quality Agency Standards (aged care), the Australian General Practice Accreditation Limited (Omeo Medical Centre), including accreditation of radiology service, Home Care Standards (HACC) and hold registration with Victorian Department of Health and Human Services as a disability service provider.

The Quality Improvement Program continues to, not only sustain but to improve quality of care throughout the organization. The highest standard of performance and outcomes are achieved. Omeo District Health participates in the Australian Council on Healthcare Standards for the Hospital and Dental Unit which was successfully achieved in May 2016, Australian Aged Care Quality Agency Standards, due in September 2016 and the Home Care Standards accreditation process. The Omeo Medical Centre participates in the Australian General Practice Accreditation Limited process which achieved successful accreditation in March 2015.

Accounting and Audit Solutions Bendigo continue to provide excellent financial support services. The close monitoring and assistance with the preparation of financial reports is a key oversight function of our operations.

Our Director of Medical Services, Jane Greacen, resigned from the DMS position during this financial year. Omeo District Health wish to extend our gratitude for the services that Jane has provided us for many years. Jane's role was not only confined to the area of credentialing our General Practitioners. Jane has been an auditor of file notes, has reviewed policies, operational procedures, medication imprest and has made herself available during emergencies to offer support and guidance. Jane's commitment and dedication to ODH has been most welcomed and greatly appreciated.

Thank you to all current, outgoing and incoming Board Members who strive to ensure the ongoing future and success of ODH. Three of our Board members completed their terms on the 30th June. Omeo District Health wishes to acknowledge the contribution of the many years of service and commitment that Evan Newcomen and Louise Armit have made to Omeo District Health. Omeo District Health provides services to the whole region and these

representatives from Ensay and Swifts Creek have helped maintain the connection between all health services in the area. Edwin Perry's contribution to the Board, the quality committee and especially the community advisory committee has been most appreciated.

Board of Management membership requires significant commitment and dedication to maintain educational requirements, attend a multitude of meetings, remain independent and provide good governance. Your efforts are very much appreciated.

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Russell Pendergast
Board of Management, Interim Chair

.....

Darren Fitzpatrick
Acting Chief Executive Officer / Director of Nursing

Clinical Services Report

Omeo District Health's Clinical Service's area has continued to provide a vast array of services to a broad community by a dedicated and caring team during the past year.

Mandatory Training sessions have been well attended this year whilst review of the program has reduced the amount of time needed to attend training sessions onsite. Whilst broadening the identified mandatory requirements and identifying how often staff are expected to attend to them has enabled staff to access and attend to the onsite mandatory program during work hours as their time permits. Onsite training couldn't occur without the assistance of Kerryn Wratt, Ambulance Victoria, - Basic Life support, Lisa Mitchell - No-Lift role, Glenn Swift and Steve Disney – fire training, Christa Thompson – Emergency Response Codes and Quality and Risk. A big thank you for these individuals from all the staff.

Education has seen marked changes this financial year with Jackie Hughes appointed to the Educator role. Jackie has reduced the number of roles other staff were having to maintain in order to achieve educational requirements. A huge bonus to the role is the enthusiasm and energy that Jackie has injected in this area. e3 Learning was introduced early in 2016 and has enabled staff to access a multitude of educational topics that are very complete and a marked contrast with previous platforms. The benefit of this program also sees the ability of staff to access this information from home and maintain a record of their training. The complexity in setting up access for all staff areas within e3 learning was an onerous task and one that Jackie completed in a timely fashion. Jackie has identified educational opportunities with staff and a greater variety of education has been offered to staff as a result.

Nursing staff personnel numbers have been relatively stable this year with Tania Sedgman resigning from her nursing role and vacating the Infection Control role. We wish Tania the best in her future adventures. Our Graduate nurse from last year, Michelle Taylor, developed her skills and confidence and returned home and took up a new role as a Registered Nurse. Our Graduate for this year, Josie Anderson, continues to be supported to improve her confidence and competence. We welcome Penny Geyle, RN, to a permanent part time role and appreciate the effort she has undertaken in taking up the role of infection control and assisting with quality. Another success story of encouraging staff education saw the appointment of Sarah Anderson as a permanent part time enrolled nurse after the completion of her studies. A loss to the catering department but a gain for our residents and acute patients. Louise Oswald has been a welcome addition to the casual list as an enrolled nurse and her experience in previous positions with medical practices and nursing has seen a smooth and valued transition into ODH.

It has been a challenging year for many reasons but the resignation of our CEO/DON Frank Megens which saw Frank leave the facility in February has perhaps been one of the greatest challenges. We successfully achieved our national standards accreditation in May and continue to prepare for our Aged care accreditation in September. Much of the lead up work to both these accreditations can be attributed to Frank and his leadership however individuals like Christa Thompson, Marijs Last, Tania Sedgman, Penny Geyle, Jackie Hughes, Margaret Worcester, Anne Walker and representatives from our Board of management ensured that we achieved a successful outcome to the organisational wide survey.

Standing in as Acting CEO/DON has also put pressure on our nursing staff. Much appreciation is extended to the all nursing staff for their support and especially to Anne Walker for providing direction and continuity in aged and acute care, Margaret Worcester for chasing up rostering and Sharna Johnson for her role in embedding understanding of our new version of our aged care documentation program.

It would be remiss of me not to mention the contribution of staff from Administration / Reception, Allied Health, Community Health, Medical Centre, Dental Services, Maintenance and Domestic Services. Without the support of these areas clinical services would cease to exist.

Gratitude is extended along with sincere appreciation for the support, encouragement and commitment of all our staff, Board of Management, Volunteers and the Community. All are to be commended for the ongoing achievements at Omeo District Health during 2015-16.

Darren Fitzpatrick – *Acting CEO/DON*

Community Services Report

Funding Sources:

Omeo District Health Community Health Services receives funding from three main sources:

- Commonwealth funding through Gippsland Primary Health Network Rural Access to Primary Health Services program
- State funding through The Department of Health and Human Services Home and Community Care Program
- State funding through The Department of Health and Human Services Flexible Care Packages program.
- Supplementary funding for the Home and Community Care program through East Gippsland Shire Council

Services Provided:

Allied Health:

- Allied Health Assistant
- Dietetics
- Health Promotion
- Occupational Therapy
- Physiotherapy
- Podiatry/ Foot Care
- Social Work
- Speech Pathology
- Youth Services

Home and Community Care:

The Home and Community Care program is aimed at assisting frail aged people and people with disabilities to remain living independently at home in a community setting. Monitoring of clients' health status and providing a care coordination role form an important part of the service provision.

- Domestic Assistance
- Personal care
- Respite care
- Home maintenance
- Meals on Wheels
- Planned Activity Group
- Home Based Nursing

Other Services:

- Chronic Disease Management / Practice Nurse
- Community Transport
- Transitional Housing
- Omeo Kindy Gym
- High Country Men's Shed
- Community Gyms- Swifts Creek and Omeo

Volunteers:

Omeo District Health has a small but dedicated pool of volunteers. The Home and Community Care program provides coordination to enable volunteer support and assistance in the following areas:

- Volunteer driving as part of the Omeo District Health Community Transport program
- Assistance to the residential Diversional Therapy program
- Assistance in the residents' dining room
- Delivery of meals in the Meals On Wheels program.
- Assistance with garden and maintenance activities

Flexible Care Package funding

This program, funded through Department of Health and Human Services allows younger people with disabilities to access funding for a wide range of applications to enhance independence and support.

Partnerships:

ODH Community Health Services has strong links with the East Gippsland Primary Care Partnership and East Gippsland Shire at a regional level, and at a local level works in collaboration with such organisations as Swifts Creek Bush Nursing Centre, Ensay Bush Nursing Centre, Community Centre Swifts Creek, Benambra Neighbourhood House, Ambulance Victoria, Victoria Police and local schools and early childhood centres.
Outreach services are provided out of the Swifts Creek Bush Nursing Centre on a regular basis. Services operating from this location include: Social Work, Physiotherapy, Exercise programs and Foot Care.
Client care coordination is greatly improved through fortnightly case conferencing meetings with input from community health direct care staff, ODH acute nursing staff and medical practitioners from Omeo Medical Centre. These meetings have led to improved referral processes and streamlined care coordination for community based clients.

Marijs Last
Manager – Community Care

SHINE

ODH again thanks the ongoing support enjoyed by the organisation from the SHINE committee.
This committee meets regularly through the year and plans social and fundraising events that benefit the residents and patients of Omeo District Health.
The committee this year has purchased items identified by staff that make a positive impact on the care needs of our clientele.
The committee membership is open to all however special mention is required for our long time members including Roma Lumsden, Coleen Thomas, Thelma Langshaw and Penny Carruthers.
ODH thanks these committed volunteers for their knowledge, dedication and support.

Support Services

Public & Private Dental Services

Dr. Lex Bertrand and Daniel Wong have continued to provide skilled Public and Private dental services throughout the year. The Commonwealth Child Dental Benefits Scheme CDBS has been well received by the community and ODH continues to promote this as an important care option. It is anticipated that the dental service will continue into 2017 under the current model with the delivery of public and private dental services. Crucial to this model being provided at Omeo is the ongoing Gippsland wide collaboration of the Graduate Dental Program. This association with the broader Gippsland dental services allows ODH to provide additional capacity for public patients and is seen as a key component of dental care at Omeo

Although this year the service incurred a loss which was anticipated due to funding changes Omeo continues to seek opportunity to increase through put and strengthen our financial position for this valuable service.

Omeo Medical Centre

The practice has prospered well this year continuing to deliver General Practice services to the community of Omeo and surrounding towns/areas for the majority of weeks in the year.
We are extremely fortunate to have a team of dedicated and experienced General Practitioners at the Medical Centre, Dr. Timothy Watford, Dr. Jennifer Schlager and Dr. David Appleton. With the Centre becoming increasingly busy, it is a reflection of patient's confidence in the services delivered at the Medical Centre. We are extremely grateful to our existing cohort and to those that have joined the team of "returnees" over the year. The service to ODH, Swifts creek and Ensay is well highly regarded by the communities.
Feedback from the doctors is that they value their time in Omeo and enjoy the experience and challenges of providing medical support to remote rural patients. Without exception medical staff acknowledges the success of the model.
We also wish to acknowledge the contribution to the success of this service by our clinic staff of Practice Nurse, Annie Kissane, and administrative officer, Tracey AhSam.
The practice has continued to be popular with Medical Students from Monash Gippsland School of Medicine, Melbourne University, and James Cook University in Queensland. Students comment on this rotation as a popular placement which provides valuable rural GP clinic experience.

Catering Services

Our external food audits were conducted in January and March this year with favorable results, clearly demonstrating the continued delivery of excellent catering services and compliance with regulations. It is a requirement to conduct 2 External audits per calendar year. A Further 3 internal audits were also conducted indicating full compliance with food safety requirements. Catering staff, under the supervision of Grace Elford, maintain a continuous quality improvement approach to all aspects of operations, as evidenced by food quality and safety initiatives.

This year the Catering staff provided innovative themes to resident meals providing enjoyment and variation in our meals service.

Department	Number of meals provided
Meals On Wheels	446
Residents and Patients	14084

Domestic / Cleaning Services

It is a government requirement that external cleaning audits be conducted annually. The latest result of 90.2% organizational wide average on 15th July 2016 demonstrates a continued very high standard of cleanliness. The clean environment is obvious to all entering the facility and a testament to the domestic staff hard work.

Occupational Health and Safety

Occupational Health & Safety (OH&S) is monitored through the Quality Improvement program and at regular OH&S management meetings. Review of incidents and identified risks from across the organisation result in changes, upgrades or education as appropriate. This process is assisted by the electronic 'Riskman' program. Each work discipline has the opportunity to escalate any concerns to the OH&S representative. This year OHS representatives were Lisa Airs and Lisa Mitchell who will provide representation for nursing staff with OHS concerns. Marijs Last is the OH&S management representative and the teams have worked effectively together to initiate OH&S improvements and continue to monitor issues in the workplace.

Reception / Administration / Finance / Payroll /Human Resources

The current team of Kelly Greenland, Tarina Pendergast, Katie VanHeek (Maternity Leave), and Billie-Jo Thorburn work together to deliver a wide range of administrative services.

The team is to be congratulated on their ability to multi-task; greet the public with a smile, answer the phone and direct enquiries and attend to their wide portfolio of tasks.

Human Resources is managed by the CEO/DON in consultation with area managers and supported by Billie-Jo Thorburn. ODH maintains clear policies on performance and behaviour for all staff and contractors and the successful maintenance of the data base "PROMPT" which holds all ODH Policies and procedure has assisted the health service in accessing these documents more easily and facilitated in the process of a number of accreditation processes.

Billie-Jo Thorburn, Kelly Greenland, Katie VanHeek, Tarina Pendergast – Administration Team

Maintenance / Facilities / Grounds

Our hospital continues to be well serviced in our maintenance requirements through the skilled efforts of Stephen Disney and Darryl Shepherd. We wish to thank Glenn Swift for his work with Omeo District Health and extend best wishes for his next venture.

There continue to be significant improvements in the grounds and infrastructure upgrades and maintenance across the whole health service. The comprehensive preventative maintenance program for both general and essential services continues, meeting fire safety requirements and the ongoing repair needs of the organisation. Our team also provides home maintenance under the Home and Community Care service which continues to be a valuable service to support residents in their home.

Our Aged care redevelopment also took up considerable time with our crew and we enjoy and are proud of the completed works which were finalised September 2015.

Steve Disney and Darryl Shepherd – Maintenance Team

Donations:

ODH gratefully acknowledges the kind donations made by the community towards the purchase of equipment and items for residents and patients.

A & M Pendergast	**Freemason Foundation Limited**	**Peter Camm**
Cheryl Crossley	**Glenn Swift**	**Peter Whittington**
Christa Thompson	**Jim Faithfull**	**Ronda Manhire**
Dr Jim McDonald	**MND Mountain Challenge**	**Roselyn Fletcher**
Frank Megens	**Peter Bock**	**Sue Donahue**
	Upper Murray Horsemans Association	**Trakmaster Off-Road Caravan group**

Darren Fitzpatrick *Acting Chief Executive Officer / Director of Nursing*

Workforce Data - Our People

Chief Executive Officer / Director of Nursing
Mr Frank Megens
RN1, RM, Cert Neonatal Intensive care, Cert Paediatric Intensive care, Grad Cert Industrial Relations, Grad Cert Dispute Resolution, Masters Health management (UNE)

Acting Chief Executive Officer / Director of Nursing and Nurse Unit Manager
Mr D Fitzpatrick
Acting CEO/DON from February 2016, RN1, RIPERN

Community Services Manager / Occupational Therapist
Ms M Last
B. App Sc (Occupational Therapy)

Finance
Mr S Jackel, and Mr A Smith *(CA) Accounting & Audit Solutions Bendigo*

Director of Medical Services
Dr J Greacen
MB.BS, Mast.P.H, FACRRM, FACOM

Dental Practitioners
Dr L Bertrand *BDSc, LDS*

General Practitioners
Dr T Watford, *MB.BS, L.R.C.P. (Lond), MRCS (Eng), D. Obst. RCOG, Dip. Anaes. (Eng)*
Dr J Schlager, *MB.BS, CSCT RACGP, FACRRM, Dip. PallMed., Dip. Skin Cancer*
Dr D Appleton, MB.BS, FACRRM
Dr C Roczniok, MB.BS, FACRRM
Dr B Moore, *MB.BS, RCOG,*
Dr D Jones, *MB.BS, FACRRM,*
Dr L Davies, *MB.BS, RACGP,*
Dr J Kilday, *MB.BS, FACRRM,*
Dr L Cadzow, *MB.BS, RACGP,*
Dr R Kerr, *MB.BS, RACGP,*
Dr J Young, *MB.BS, RACGP,*
Dr J McDonald, *MB.BS, FRACGP*

Registered Nurses
Mr D Fitzpatrick *(Nurse Unit Manager)*
Mrs B Flannagan
Ms P Geyle
Mrs H Goudie
Mrs J Hughes *(RN Educator)*
Ms A Kissane
Mrs S O'Keefe *(Casual)*
Ms K Parker *(Casual)*
Mrs T Sedgman
Mr P Somerville
Mrs C Thompson
Mrs A Walker *(O'Brien)*

Enrolled Nurses
Ms J Anderson (Grad RN from Jan. 2016)
Miss S Anderson
Mrs J Connley
Ms K DeVisser
Mrs C Faithfull
Ms R Fletcher
Mrs C Johnson
Mrs S Johnson
Mrs L Mitchell
Ms S O'Brien
Mrs A Richards
Mrs M Worcester

Diversional Therapy
Ms P Craig
Ms R Walker
Mrs P Carruthers *(casual)*

Dental Nurses / Assistants
Ms R. McDairmid
Ms S. Stirling-Hustler *(Trainee Dental Assistant)*
Ms M Sedgman *(Receptionist)*

Omeo Medical Centre
Mrs T AhSam *(Medical Centre Receptionist)*
Ms M Sedgman *(Casual Receptionist)*
Ms M Machtolf *(Casual Receptionist)*

Administrative Assistants
Mrs K Greenland *(Executive PA)*
Mrs B Thorburn *(Payroll/HR Officer)*
Mrs K Van Heek *(Finance Officer)*
Mrs T. Pendergast *(Finance Officer, Maternity Relief)*

Omeo Medical Centre
Ms A Kissane , Practice Nurse
(incorporating Chronic Disease Management)
Mrs A Walker (O'Brien), *Diabetes Educator*

Maintenance / Engineering
Mr S Disney
Mr D Shepherd
Mr G Swift

District Nursing Service
Mrs C Thompson RN1

Home Care Coordinator
Mrs N Boucher
Mrs L Airs *(Admin assistant)*
Ms T Crisp *(Admin assistant)*

Home & Community Care Workers
Mrs L Airs
Mr John Arnott *(Casual)*
Ms D Baker *(Casual)*
Ms P Craig
Ms T Crisp
Ms L Froud *(Casual)*
Mrs J Kennedy *(Casual)*
Mr Peter Matthews *(Casual)*
Ms J Miles *(Casual)*
Ms E Sheean *(Casual)*
Mrs M Vivian *(Casual)*
Ms S Watts *(Casual)*
Ms K Weaver *(Casual)*

Food & Domestic Services
Ms L Appleby (*Casual*)
Mrs M Armstrong *(Casual)*
Mrs R Butler *(Casual)*
Mr T Cameron *(Casual)*
Miss T Carter
Ms P Craig
Ms G Elford *(Food & Domestic Service Supervisor)*
Ms L Leighton
Ms M Machtolf
Mrs M Pendergast
Ms M Sedgman
Ms P Simm
Mrs C Thomas

Allied Health Staff
Mrs E Anthony, *Allied Health Assistant*
Mr W Newcomen, *Social Worker/Counsellor*
Ms L Edwards, *Social Worker/Counsellor*
Ms N Creaser, Dietician *(Brokered service)*
Ms A Seiler, *Speech Pathologist (Brokered service)*
Mrs Jill Hill, *Physiotherapist*
Mrs D Rebeiro, *Foot care services (Brokered Service)*
Mr S Learhinan*, Podiatrist (Brokered service)*

Ms L Mooney, *Health Promotion Worker*
Mrs C Hall, *Youth Worker*
Ms M. Last, *Occupational Therapist*

Planned Activity Group
Ms R Walker
Mrs L Airs
Miss A Dickson

Volunteers
Mrs Roma Lumsden
Mrs Joyce Lee
Mr Ron Grinter
Mr Peter Matthews
Mrs A Thorburn

Equal Employment Opportunity (EEO)

Omeo District Health is subject to the requirements of the Equal Opportunity Act 1995 and applies appropriate merit and equity principles in its management of staff. The Health Service expects all staff to take responsibility for fair, non-discriminatory behaviour.

Recognition of Service

Omeo District Health recognises staff as its greatest asset and acknowledges the dedication and commitment of all staff to residents, patients and the community. Their loyalty to the health service is highly valued.

Full Time Equivalent (FTE) for Omeo District Health:

Hospitals	June	June
Labour Category	**Current Month FTE**	**YTD FTE**
Nursing	14.73	14.82
Admin & Clerical	4.11	5.56
Medical Support	1.58	1.62
Hotel & Allied Services	7.65	6.56
Medical Officers	1.0	1.0
Hospital Medical Officers	N/A	N/A
Sessional Clinicians	N/A	N/A
Ancillary Staff (Allied Health)	9.93	9.19

Application of Employment and Conduct Principles

The Omeo District Health is an equal employment opportunity employer and promotes and applies the public sector principles, developed by the former Victorian State Services Authority (SSA), to its employment practices. ODH supports the Victorian Public Sector Commission's (formerly SSA) Code of Conduct for public sector employees and expects all employees to abide by this Code. All new employees receive a copy of the Code of Conduct on commencement of employment.

ABN: 24 479 149 504

Financial	2016 $,000	2015 $,000	2014 $,000	2013 $,000	2012 $,000
Total Revenue	5,323	5,060	5,295	4,718	4,611
Total Expenses	5,619	5,409	5,223	5,038	4,724
Surplus / (Deficit)	(295)	(349)	72	(320)	(113)
Retained Surplus / (Accumulated Deficit)	2,023	2,318	2,668	2,597	2,917
Total Assets	8,497	8,728	9,102	8,329	7,938
Total Liabilities	1,525	1,460	1,458	1,464	1,284
Net Assets	6,972	7,267	7,617	6,865	6,653
Total Equity	6,972	7,267	7,617	6,865	6,653

Operational and Budgetary Objectives of Omeo District Health for the Financial Year

Omeo District Health projected an operating surplus of $979 for the year and an overall deficit after depreciation of $480,677. The Health Service is operating under tight monetary constraints but continues to provide a broad range of services to the community.

Audited Financial Results

The financial results for 2016 reflect a net surplus before capital and specific items of $51,915 (2015 $62,198) and an overall deficit before asset revaluation movements of $295,436 (2015 defecit $349,854). The overall budget position for the year was a deficit of $295,436. The results are favorable against budget and the Health Service remains positive in key areas such as cash flow.

Summary of Major Changes or Factors Affecting Achievement of Operational Objectives

Improved occupancy with Residential Aged Care has reflected favorably on overall financial results for Omeo District Health, however the fees generated from the transition care program have reduced overall due to lower occupancy. The dental unit has produced a negative variance on operation, which has been offset by the positive results produced by the Medical Clinic.

Events Subsequent to Balance Day, which may have significant effect on Operations in Subsequent Years

There have been no events subsequent to balance day which may have a significant effect on operations in subsequent years.

Consultancies costing in excess of $10,000 (ex GST)

There were no consultancies costing in excess of $10,000 during the financial year.

Consultancies costing less than $10,000 (ex GST)

There were no consultancies costing less than $10,000 during the financial year.

Fees Charged by Omeo District Health

Aged Care

ODH is bound by the Schedule of Resident Fees as set down by the Commonwealth Department of Health & Ageing on a bi-annual basis. Fees for clients include daily care fees, accommodation charges, income tested fees and accommodation bonds.

From the 1st July 2014 Aged Care underwent significant change under the Living Longer Living Better Commonwealth reforms.

Changes included a broader means tested requirement for all residents entering aged care facilities. Information regarding the changes can be accessed through the "MyAgedCare" website and staff at ODH attended training sessions to assist future residents and family with navigating the system.

Dental

ODH is bound by the fee structure set down by Dental Health Services Victoria. Fees are applicable for public and private patients.

Admitted & Non-Admitted Patients

ODH is bound by the Victorian Department of of Health and Human Services Fees Manual for admitted public, private, DVA, WorkCover and TAC patients. The DHS Fees Manual also provides information on charges for non-admitted patients, referred to by ODH for Physiotherapy and Outpatient Facility Fees. Facilitated exercise programs attract a nominal fee.

Home and Community Care

ODH refers to the 'Schedule of Costs for Services provided' as set down by the Victorian Department of Health and Human Services. Fees to other health agencies include post acute care, home care for DVA clients, home care and respite for supported clients. Fees to clients include home care, home maintenance and District Nursing Service visits.

Other

ODH also charges a small fee to clients for items that are not directly funded, nor specified in the Fees Manual, by the Victorian Department of Health and Human Services or the Commonwealth Department of Health & Ageing. Fees to clients include rental of Health Service equipment, rental of Health Service buildings, and outpatient charges for procedures, starter packs and interventions

Occupational Health & Safety

Omeo District Health observes and abides by the *Occupational Health and Safety Act 2004* and seeks to secure the health, safety and welfare of employees and other persons at work by eliminating or minimizing risks at the source when possible. Omeo District Health has an Occupational Health and Safety plan that is reviewed annually. Management and OH&S staff representatives have participated in further education and have been involved in the formulation and implementation of health, safety and welfare standards. OH&S work area assessments are conducted annually to determine areas in need of improvement. Occupational Health and safety activity is documented through quarterly OH&S meetings and through the ODH Quality Management meetings.

Building & Maintenance Compliance

In the year ended 30 June 2016, all buildings of Omeo District Health were fully compliant with the *Building Act 1993*. The Aged care redevelopment was commenced during 2015 and was completed in September 2015.

Freedom of Information Requests

Omeo District Health is subject to the *Freedom of Information Act (Victoria) 1982*. All health service records are accessible to the limitations imposed by the Act. The public may seek access to such records by making a written request to the Chief Executive Officer. In the year ended 30 June 2016, three (3) applications for access to documents under the Freedom of Information Act were received.

Implementation and Compliance with National Competition Policy

In accordance with the national competition principles agreed by the Federal and State Governments in April 1995, Omeo District Health has implemented policies and procedures to ensure compliance with the National Competition Policy. These programs and policies include tendering for the provision of goods and services, and a number of services are already outsourced on a competitive basis including the supply of dairy, bakery and fresh meat and vegetable produce.

ODH is compliant with Health Purchasing Victoria procurement policies and procedures.

External Reviews Undertaken in 2015-16

9th May 2016 – ACHS Accreditation Review – Compliant.
24th November 2015 - Food safety inspection, Gippsland Shire.
December 2015 – Development of Emergency Management Plan (Bushfire Specific).
25th November 2015 – Xray Machine inspection. Externla Consultant.
May 2016 – Review of Clinical Reporting.
May 2016 – Review of Risk Management Framework.
May 2016 – Review of Financial Management Compliance Framework completed (FMCF).
15th / 16th June Crowe Horvath external financial audit

Details of Major Promotional, Public Relations and Marketing Activities to Develop Community Awareness of ODH

Articles and advertisements of interest to the local community and beyond are regularly placed in the Omeo Region News Sheet, published on a weekly basis. Bairnsdale newspapers are also utilised as required. ODH produces "Healthmatters" newsletter on a quarterly basis, distributed to all local residents providing relevant health and activity information. Community health promotional activities included health checks at the Omeo Show and initiatives in response to youth issues.

Details of overseas visits

No overseas visits occurred during the reporting period.

Details of Assessments and Measures Undertaken to improve OH&S of Employees

The ODH OH&S plan outlines the occupational health framework within the organisation.

Influenza vaccination – offered to all staff and residents with documented uptake.

Home and Community Care (HACC) – pre-visit telephone home safety assessments conducted for HACC workers and District Nurses. On-site risk assessments also performed for HACC workers prior to commencement of service.

Organisation wide mandatory training days for all staff covering Manual Handling/No Lift, Infection Control, Fire Safety training and Emergency Response scheduled on a regular basis.

Work area OH&S inspections conducted

ODH is a member of the Victorian Network of Smokefree Health Services.

General Statement on Industrial Relations & Details of Time Lost through Industrial Accidents & Disputes

ODH management meets regularly with employee Australian Nursing Federation representatives, and the regional Industrial Officer and the HSU representative.

There have been 0 day lost through an industrial accident.

Protecting Your Privacy

ODH complies with the provisions of the Health Services Act 1988 (No.49/1988), the Health Records Act 2001 (No.2/2001) and the Information Privacy Act 2000 (No.98/2000) relating to confidentiality and privacy by ensuring that all employees do not disclose any information or records concerning Omeo District Health's patients, clients, staff and customers acquired in the course of their employment, other than for any authorised or lawful purpose.

Protected Disclosure Act 2012

Omeo District Health has in place appropriate procedures for disclosure in accordance with the Protected Disclosure Act 2012. No protected disclosures were made under the Act in 2015/2016.

Carers Recognition Act 2012 Statement

The Carers Recognition Act 2012 recognises, promotes and values the role of people in care relationships. Omeo District health service understands the different needs of persons in care relationships and that care relationships bring benefits to the patients, their carers and to the community. Omeo District health service takes all practicable measures to ensure that its employees, agents and carers have an awareness and understanding of the care relationship

principles and this is reflected in our commitment to a model of patient and family centred care and to involving carers in the development and delivery of our services.

Details of Information and Communication Technology (ICT) expenditure

The total ICT expenditure incurred during 2015-16 is $241,212 (excluding GST) with the details shown below. ($ million)

Business As Usual (BAU) ICT Expenditure	Non – Business As Usual (non BAU) ICT expenditure	Operational expenditure (excluding GST)	Capital Expenditure (excluding GST)
Total $0.24	$0.67	$0.16	$0.19

Occupational Violence

Occupational violence statistics	2015-16
1. Workcover accepted claims with an occupational violence cause per 100 FTE	0
2. Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
3. Number of occupational violence incidents reported	0
4. Number of occupational violence incidents reported per 100 FTE	0
5. Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

Office Based Environmental Statement

ODH remains committed to environmental sustainability and improving environmental performance through the implementation of organisation-wide strategies in environmental sustainability and climate change adaptation.
ODH actively strives to integrate environmental design into new and existing facilities with the aim of saving energy and reduce greenhouse gas emissions.
Omeo District Health achieves this through reducing natural resource usage such as water, power and gas and minimising waste generation.
Redevelopment of facilities focuses on engineered environmental solutions whereby energy saving opportunities are sought through the installation of efficient insulation and double glazing in all reconstruction works.

Total energy consumption by energy type (GJ)	2013-14	2014-15	2015-16
Electricity	736	728	817
Natural gas and LPG	1,564	1,723	1,686

Normalised water consumption	2013-14	2014-15	2015-16
Water per unit of floor space (kL/m2)	0.30	0.33	0.51

Normalised greenhouse gas emissions	2013-14	2014-15	2015-16
Emissions per unit of floor space (kgCO2e/m2)	80	81	88
Emissions per unit of activity (kgCO2e/bed-day)	82	81	85

Additional information (FRD 22F)

Consistent with FRD 22F (Section 6.18) the Report of Operations should confirm that details in respect of the items listed below have been retained by *Omeo District 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) Declarations of pecuniary interests have been duly completed by all relevant officers

(b) Details of shares held by senior officers as nominee or held beneficially;

(c) Details of publications produced by the entity about itself, and how these 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 statements 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;

(k) A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;

(l) Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

Victorian Industry Participation Policy

Omeo did not commence or complete any contracts to which the VIPP Act 2003 would apply.

Disclosure Index

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

Legislation	Requirement	Page Reference
Ministerial Directions		
Report of operations – FRD Guidance		
Charter and purpose		
FRD 22G	Manner of establishment and the relevant Ministers	2
FRD 22G	Objectives, functions, powers and duties	2
FRD 22G	Nature and range of services provided	3
FRD 22G	Initiatives and Key achievements	18
Management and structure		
FRD 22G	Organisational structure	6
Financial and other information		
SD 4.2(g)	Specific Informational Requirements	5-43 (FS)
SD 4.2(j)	Sign-off requirements	37
SD 4.5.5	Risk Management Compliance	4
SD 3.4.13	Attestation on data integrity	4
SD 4.5.5.1	Ministerial Standing Direction 4.5.5. compliance attestation	4
FRD 22G	Operational and budgetary objectives and performance against objectives	29
FRD 22D	Statement of merit and equity	29
FRD 29 A	Workforce Data Disclosures	30
FRD 22G	Workforce Data Disclosures – including a statement on application of employment and conduct principles	30
FRD 22G	Occupational health and safety	32
FRD 22G	Summary of the financial results for the year	30
FRD 22G	Significant changes in financial position during the year	31
FRD 22G	Major changes or factors affecting performance	31
FRD 22G	Subsequent events	n/a
FRD 22G	Application of operation of Freedom of Information Act 1982	32
FRD 22G	Compliance with building and maintenance provisions of Building *Act 1993*	32
FRD 25B	Victorian Industry Participation Policy disclosures	35
FRD 22G	Statement of National Competition Policy	32
FRD 22G	Details of consultancies over $10,000	31
FRD 22G	Details of consultancies under $10,000	31
FRD 22D	Statement of availability of other information	35
FRD 10A	Disclosure index	36

FRD 11A	Disclosure of ex-gratia expenses	n/a
FRD 12A	Disclosure of major contracts	n/a
FRD 21B	Responsible person and executive officer disclosures	42(FS)
FRD 22G	Application and operation of protected disclosure	33
FRD 22G	Application and operation of Careers Recognition Act 2012	33
FRD 22G	Application and operation of Freedom of Information Act 1982	32
FRD 22G	Information And Communication Technology (ICT) expenditure	34
FRG 22G	Car Parking Fees	n/a
FRD 22G	Ocupational Violence	34
FRD 22G	Employment conduct principles	30
FRD 24C	Reporting of office based environmental impacts	34

Legislation	**Requirement**	**Page Reference**
Financial Statements – FRD Guidance		
Financial statements required under part 7 of the FMA		
SD 4.2(b)	Operating Statement	1(FS)
SD 4.2(b)	Balance Sheet	2(FS)
SD 4.2(a)	Statement of Changes in Equity	3(FS)
SD 4.2(b)	Comprehensive operating statement	1(FS)
SD 4.2(b)	Cash Flow Statement	4(FS)
SD 4.2(c)	Accountable officer's declaration	44(FS)
SD 4.2(a)	Compliance with Australian accounting standards and other authorities pronouncements	44(FS)
SD 4.2(c)	Compliance with Ministerial Directions	5(FS)
SD 4.2(d)	Rounding of amounts	8(FS)
Legislation		
Freedom of Information Act 1982		32
Protected Disclosure Act 2001		33
Victorian Industry Protection Act 2003		35
Careers Recognition Act 2012		33
Building Act 1993		32
Financial Management Act 1994		5(FS)

FS = Financial Statements

Responsible Bodies Declaration

In accordance with the *Financial management Act 1994,* I am pleased to present the Report of Operations for Omeo District Health for the year ending 30 June 2016.

.....

Russell Pendergast
Board of Management Interim Chair
Omeo District Health
6th September 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Omeo District Health

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Omeo District Health 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 and Accounting Officer's Declaration.

The Board Members' Responsibility for the Financial Report

The Board Members of the Omeo District Health 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 Omeo District Health 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*.

MELBOURNE
23 September 2016

Andrew Greaves
Auditor-General

OMEO DISTRICT HEALTH
COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
Revenue from Operating Activities	2	4,945,960	4,925,063
Revenue from Non-Operating Activities	2	86,892	103,373
Employee Expenses	3	(3,305,588)	(3,287,670)
Non Salary Labour Costs	3	(581,546)	(530,173)
Supplies and Consumables	3	(142,208)	(123,494)
Other Expenses	3	(951,595)	(987,157)
Net Result Before Capital and Specific Items		51,915	99,942
Capital Purpose Income	2	290,098	189,517
Depreciation	4	(638,282)	(642,762)
Net Result After Capital and Specific Items		(296,269)	(353,303)
Other Economic Flows Included in Net Result			
Revaluation of Long Service Leave		833	3,449
Total Other Economic Flows Included in Net Result		833	3,449
NET RESULT FOR THE YEAR		(295,436)	(349,854)
Other Comprehensive Income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	13	-	-
Total Other Comprehensive Income		-	-
COMPREHENSIVE RESULT		**(295,436)**	**(349,854)**

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

OMEO DISTRICT HEALTH
BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 $	2015 $
Current Assets			
Cash and Cash Equivalents	5	378,122	624,594
Receivables	6	138,066	211,609
Investments and other Financial Assets	7	2,374,044	1,909,074
Prepayments and Other Assets		32,831	24,167
Total Current Assets		**2,923,063**	**2,769,444**
Non-Current Assets			
Receivables	6	40,319	53,021
Property, Plant & Equipment	8	5,533,382	5,905,131
Total Non-Current Assets		**5,573,701**	**5,958,152**
TOTAL ASSETS		**8,496,764**	**8,727,596**
Current Liabilities			
Payables	9	297,300	246,361
Provisions	10	598,595	601,757
Other Liabilities	12	519,233	514,159
Total Current Liabilities		**1,415,128**	**1,362,277**
Non-Current Liabilities			
Provisions	10	109,834	98,081
Total Non-Current Liabilities		**109,834**	**98,081**
TOTAL LIABILITIES		**1,524,962**	**1,460,358**
NET ASSETS		**6,971,802**	**7,267,238**
EQUITY			
Property, Plant and Equipment Revaluation Reserve	13a	3,049,328	3,049,328
Restricted Specific Purpose Reserve	13a	106,508	106,508
Contributed Capital	13b	1,793,235	1,793,235
Accumulated Surpluses	13c	2,022,731	2,318,167
TOTAL EQUITY		**6,971,802**	**7,267,238**
Commitments	16		
Contingent Assets and Contingent Liabilities	17		

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

OMEO DISTRICT HEALTH
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Property, Plant and Equipment Revaluation Reserve $	Restricted Specific Purpose Reserve $	Contributed Capital $	Accumulated Surpluses/ (Deficits) $	Total $
Balance at 1 July 2014		3,049,328	106,508	1,793,235	2,668,021	7,617,092
Net result for the year	13c	-	-	-	(349,854)	(349,854)
Other comprehensive income for the year	13a	-	-	-	-	-
Balance at 30 June 2015		**3,049,328**	**106,508**	**1,793,235**	**2,318,167**	**7,267,238**
Net result for the year	13c	-	-	-	(295,436)	(295,436)
Other comprehensive income for the year	13a	-	-	-	-	-
Balance at 30 June 2016		**3,049,328**	**106,508**	**1,793,235**	**2,022,731**	**6,971,802**

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

OMEO DISTRICT HEALTH
CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Grants from Government		3,838,754	3,648,044
Capital Grants from Government		66,462	25,330
Patient and Resident Fees Received		471,057	560,185
Donations and Bequests Received		125,770	43,450
GST (Paid to)/received from ATO		8,012	(5,518)
Interest Received		108,843	96,692
Other Receipts		584,648	514,780
Total Receipts		***5,203,546***	***4,882,963***
Employee Expenses Paid		(3,327,203)	(3,317,031)
Fee for Service Medical Officers		(581,546)	(530,173)
Payments for Supplies and Consumables		(56,312)	(131,295)
Other Payments		(731,519)	(751,670)
Total Payments		***(4,696,580)***	***(4,730,169)***
NET CASH FLOW FROM /(USED IN) OPERATING ACTIVITIES	14	506,966	152,794
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment		(266,533)	(206,253)
Purchase of Investments		(467,401)	(659,708)
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		(733,934)	(865,961)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		(226,968)	(713,167)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		559,138	1,272,305
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5	332,170	559,138

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 Omeo District Health for the period ended 30 June 2016. The purpose of the report is to provide users with information about the Health Services' 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 Australian Accounting Standards (AASs), which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB101 *Presentation of Financial Statements.*

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and 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 AAS's.

The annual financial statements were authorised for issue by the Board of Omeo District Health on 22nd September, 2016.

(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 the Health Service.

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;

- 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.

Consistent with AASB 13 Fair Value Measurement, Omeo District Health 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.

(b) Basis of accounting preparation and measurement (Continued)

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, Omeo District Health 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, Omeo District Health 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 Omeo District Health's independent valuation agency.

Omeo District Health, 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(k);
- superannuation expense (refer to Note 1(h)); 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(l)).

(c) Reporting Entity

The financial statements includes all the controlled activities of Omeo District Health.

Its principal address is:
Easton Street
Omeo, Victoria 3898

A description of the nature of Omeo District Health'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

Omeo District Health's overall objective is to promote and enhance the health and wellbeing of to people of Omeo and district, as well as improve the quality of life to Victorians.

Omeo District Health is predominantly funded by accrual based grant funding for the provision of outputs.

(d) Principles of Consolidation

Jointly controlled assets or operations

Interest in jointly controlled assets or operations are not consolidated by Omeo District Health, but are accounted for in accordance with the policy outlined in Note 1(k) Financial Assets.

(e) Scope and presentation of financial statements

Fund Accounting

Omeo District Health operates on a fund accounting basis and maintains three funds:
Operating, Specific Purpose and Capital Funds. Omeo District Health's Capital and Specific Purpose Funds include unspent capital donations and receipts from fundraising 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 and Human Services and include 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 Health Service's own activities or local initiatives and/or the Commonwealth.

Residential Aged Care Service

The Hostel & Nursing Home Residential Aged Care Service operations are an integral part of the Omeo District Health Service 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 & 3 to the financial statements.

Comprehensive operating statement

The comprehensive operating statement includes the subtotal entitled 'Net Result Before Capital and Specific Items' to enhance the understanding of the financial performance of Omeo District Health. 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 and Specific Items' is used by the management of Omeo District Health, the Department of Health and 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:
  * Non-current asset revaluation increments/decrements

* 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 (h);

* Depreciation, as described in note 1 (g);

* Assets provided or received free of charge (refer to Note 1 (f)); 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.

Other economic flows; are changes arising from market remeasurements. They include:

* gains and losses from disposals of non-financial assets;
* revaluations and impairments of non-financial physical and intangible assets;
* remeasurement arising from defined benefit superannuation plans; and
* fair value changes of financial instruments.

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 the 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.

(e) Scope and presentation of financial statements (Continued)

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.

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

Comparative information

As a result of disclosure changes relating to our share of income and expenditure in the Gippsland Health Alliance, a number of changes have been made to the comparative amounts for the previous year. Revenue and expenditure has now been grossed up rather than presented on a net basis. This has no impact on the overall results of the Health Service. Refer to note 19 for details of income and expenditure from the Gippsland Health Alliance.

An additional change to the previous year comparative has been made in relation to accommodation payments made by residential aged care residents. This has been required in order to facilitate comparison with the current year allocation of this revenue and amounted to $37,744 which was moved from capital purpose income to resident fees as an operating income.

(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 Omeo District Health 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 the Health Service gains control of the underlying assets irrespective of whether conditions are imposed on the Health Service's use of the contributions.

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

Indirect Contributions from the Department of Health and Human Services

- Insurance is recognised as revenue following advice from the Department of Health and 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 (updated for 2014-15).

Patient and Resident Fees

Patient fees are recognised as revenue at the time invoices are raised.

Private Practice Fees

Private Practice fees are recognised as revenue at the time invoices are raised.

Revenue from commercial activities

Revenue from commercial activities such as provision of meals to external users is recognised at the time the 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 specific restricted purpose surplus.

Interest revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset.

(f) Income from transactions (Continued)

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 services would have been purchased if not donated.

(g) Expense recognition

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

Cost of goods sold

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

Employee expenses

Employee expenses include:

- Wages and salaries;
- Annual leave;
- Sick leave;
- Long service leave; 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 contributions (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 the Health Service to the superannuation plans in respect of the services of current Health Service 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 the Omeo District Health are entitled to receive superannuation benefits and the Omeo District Health contributes to both the defined benefit and defined contribution plans. The defined benefit plans 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 Omeo District Health are disclosed in Note 11: 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.

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset's useful life. 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 and depreciation method for all assets are reviewed at least annually and adjustments made as appropriate. This depreciation charge is not funded by the Department of Health and 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.

(g) Expense recognition (Continued)

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	20 to 40 years	20 to 40 years
- Site Engineering Services and Central Plant	20 to 37 years	20 to 37 years
Central Plant		
- Fit Out	10 to 21 years	10 to 21 years
- Trunk Reticulated Building Systems	10 to 21 years	10 to 21 years
Plant and Equipment	3 to 13 years	3 to 13 years
Medical Equipment	6 to 10 years	6 to 10 years
Computers and Communication	3 years	3 years
Furniture and Fittings	3 to 13 years	3 to 13 years
Motor Vehicles	7 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.

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 service 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 expenses when distributed.

Bad and Doubtful Debts

Refer to note 1 (k) *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 it's 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 Economic Flows Included in Net Result

Other economic flows are changes in the 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:

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 determined after deducting from the proceeds the carrying value of the asset at that time.

Other gains/(losses) from Other Economic Flows

Other gains/(losses) include:

a. The revaluation of the present value of the long service leave liability due to changes in the bond interest rates, this will include the impact of changes related to the impact of moving from the 2004 long service leave model; and

b. 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 Health Service. Due to the nature of Omeo District Health'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

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(k)), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

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

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 rate 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.

(j) Assets (Continued)

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;
- Held-to-maturity;
- Loans and receivables; and
- Available-for-sale financial assets.

The Omeo District Health 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.

Omeo District Health 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 and loss are subject to annual review for impairment.

Non-financial physical assets classified as held for sale

Non-financial physical assets and disposal groups and related liabilities are treated as current and are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group) is expected to be completed within 12 months from the date of classification, and the asset is available for immediate use in the current condition.

Non-financial physical assets (including disposal groups) classified as held for sale are treated as current and are measured at the lower of carrying amount and fair value less costs of disposal, and are not subject to depreciation.

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 / machinery of government 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 8 *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 restriction 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 impairment.

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 depreciated replacement cost 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-current 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.

(j) Assets (Continued)

Revaluation increments are recognised in "other comprehensive income" and are credited directly 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 the 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 transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103F Omeo District Health'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(i) - 'comprehensive income'.

Impairment of non-financial assets

Goodwill and intangible assets with indefinite lives (and intangible assets not yet available for use) are tested annually for impairment (as described below) and whenever there is an indication that the asset may be impaired.

All other non-financial assets are assessed annually for indications of impairment, except for:

- inventories;
- investment properties that are measured at fair value;
- non-current physical assets held for sale; and
- assets arising from construction contracts.

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 reserve 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 to sell.

Investments in joint operations

In respect of any interest in joint operations, Omeo District Health 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.

(j) Assets (Continued)

Impairment of financial assets

At the end of each reporting period Omeo District Health assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit and 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 order to determine an appropriate fair value as at 30 June 2016 for its portfolio of financial assets, Omeo District Health obtained a valuation based on the best available advice using an estimated market value through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2015. These methodologies were critiqued and considered to be consistent with standard market valuation techniques.

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 the Health Service 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 provision 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.

(k) Liabilities (Continued)

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, annual leave and accrued days off which are expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee's services up to the reporting date, and are classified as current liabilities and measured at their nominal values.

Those liabilities that the Health Service are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability - unconditional LSL (representing 10 or more years of continuous service) is disclosed in the notes to the financial statements as a current liability even where the Omeo District Health 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:

- present value - component that the Omeo District Health does not expect to settle within 12 months; and
- nominal value - component that the Omeo District Health expects to settle within 12 months.

Non-current liability - conditional LSL (representing less than 10 years of continuous service) 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. Conditional LSL is required to be measured at present value.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates of Commonwealth Government guaranteed securities in Australia.

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

The health service 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.

On-Costs

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

Superannuation liabilities

The Omeo District Health 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. All other leases are classified as operating leases.

The Health Service does not hold any finance or operating lease agreements with other parties.

(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 or distributions, that have been designated as contributed capital are also treated as contributed capital.

Transfers of net assets arising from administrative restructurings are treated as contributions by owners. Transfers of net liabilities arising from administrative restructures are to go through the comprehensive operating statement.

Property, plant and equipment revaluation surplus

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

General purpose surplus

No General purpose surpluses are in existence at the date of this report.

Restricted Specific Purpose Surplus

A restricted specific purpose surplus is established where the Health Service 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 16) 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 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 operating cash flow.

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

(q) 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. Omeo District Health has not and does not intend to adopt these standards early.

Standard / Interpretation	**Summary**	**Applicable for reporting periods beginning on**	**Impact on Health Service's Annual 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 January 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 January 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.

(q) AASs issued that are not yet effective (Continued)

Standard / Interpretation	Summary	Applicable for reporting periods beginning on	Impact on Health Service's Annual Statements
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 January 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.
AASB 2014-1 *Amendments to* Australian Accounting Standards *[Part E Financial Instruments]*	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 January 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
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 January 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2014-7 *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 January 2018	The assessment has indicated there will be no significant impact for the public sector.
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 January 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.

(q) AASs issued that are not yet effective (Continued)

Standard / Interpretation	**Summary**	**Applicable for reporting periods beginning on**	**Impact on Health Service's Annual Statements**
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 January 2016	The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
AASB 2015-6 *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 January 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.
AASB 2015-8 Amendments to Australian Accounting Standards - Effective Date of AASB 15	This standards defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 January 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 16 *Leases*	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 January 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 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.

(q) AASs issued that are not yet effective (Continued)

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 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 2015-9 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 2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative - Amendments to AASB107

(r) Category Groups

The Omeo District Health 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.

Aged Care 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.

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 a 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.

Note 2: ANALYSIS OF REVENUE BY SOURCE

	Admitted Patients 2016 $	Residential Aged Care 2016 $	Aged Care 2016 $	Primary Health 2016 $	Other 2016 $	TOTAL 2016 $
Government Grants	1,634,029	932,170	390,821	628,614	247,083	3,832,717
Indirect Contributions by Department of Health and Human Services	(1,042)	(2,919)	(957)	(1,507)	(410)	(6,835)
Patient and Resident Fees	12,184	248,510	104,548	105,815	-	471,057
Commercial Activities and Specific Purpose Funds	-	-	-	-	354,575	354,575
Other Revenue from Operating Activities	7,253	15,894	28,367	25,156	217,776	294,446
Total Revenue from Operating Activities	**1,652,424**	**1,193,655**	**522,779**	**758,078**	**819,024**	**4,945,960**
Property Income	-	-	-	-	4,995	4,995
Bank and Investment Income	-	-	-	-	81,897	81,897
Total Revenue from Non-Operating Activities	**-**	**-**	**-**	**-**	**86,892**	**86,892**
Capital Purpose Income	-	-	-	-	290,098	290,098
Total Capital Purpose Income	**-**	**-**	**-**	**-**	**290,098**	**290,098**
Total Revenue	**1,652,424**	**1,193,655**	**522,779**	**758,078**	**1,196,014**	**5,322,950**

Department of Health and 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 2: ANALYSIS OF REVENUE BY SOURCE (Continued)

	Admitted Patients 2015 $	Residential Aged Care 2015 $	Aged Care 2015 $	Primary Health 2015 $	Other 2015 $	TOTAL 2015 $
Government Grants	1,657,785	825,030	386,277	638,569	232,298	3,739,959
Indirect Contributions by Department of Health and Human Services	2,327	6,515	2,136	3,365	915	15,258
Patient and Resident Fees	-	281,224	54,510	108,166	-	443,900
Donations and Bequests (non capital)	-	-	-	-	-	-
Commercial Activities and Specific Purpose Funds	-	-	-	-	377,351	377,351
Other Revenue from Operating Activities	26,533	40,585	19,200	38,279	223,998	348,595
Total Revenue from Operating Activities	**1,686,645**	**1,153,354**	**462,123**	**788,379**	**834,562**	**4,925,063**
Property Income	-	-	-	-	17,091	17,091
Bank and Investment Income	-	-	-	-	86,282	86,282
Total Revenue from Non-Operating Activities	**-**	**-**	**-**	**-**	**103,373**	**103,373**
Capital Purpose Income	-	-	-	-	189,517	189,517
Total Capital Purpose Income	**-**	**-**	**-**	**-**	**189,517**	**189,517**
Total Revenue	**1,686,645**	**1,153,354**	**462,123**	**788,379**	**1,127,452**	**5,217,953**

Department of Health/Department of Health and 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 3: ANALYSIS OF EXPENSE BY SOURCE

	Admitted Patients 2016 $	Residential Aged Care 2016 $	Aged Care 2016 $	Primary Health 2016 $	Other 2016 $	TOTAL 2016 $
Employee Expenses	573,614	1,618,674	410,131	558,334	144,835	3,305,588
Non Salary Labour Costs	23,834	2,566	838	174,240	380,068	581,546
Supplies and Consumables	51,112	57,990	4,382	22,548	6,176	142,208
Other Expenses	100,780	202,383	69,689	136,575	442,168	951,595
Total Expenditure from Operating Activities	**749,340**	**1,881,613**	**485,040**	**891,697**	**973,247**	**4,980,937**
Depreciation (refer note 4)	-	-	-	-	638,282	638,282
Total Other Expenses	**-**	**-**	**-**	**-**	**638,282**	**638,282**
Total Expenses	**749,340**	**1,881,613**	**485,040**	**891,697**	**1,611,529**	**5,619,219**

	Admitted Patients 2015 $	Residential Aged Care 2015 $	Aged Care 2015 $	Primary Health 2015 $	Other 2015 $	TOTAL 2015 $
Employee Expenses	572,404	1,566,296	380,312	616,585	152,073	3,287,670
Non Salary Labour Costs	22,078	1,041	330	154,759	351,965	530,173
Supplies and Consumables	41,582	43,992	2,836	29,950	5,134	123,494
Other Expenses	82,095	243,143	72,321	150,204	439,394	987,157
Total Expenditure from Operating Activities	**718,159**	**1,854,472**	**455,799**	**951,498**	**948,566**	**4,928,494**
Depreciation (refer note 4)	-	-	-	-	642,762	642,762
Total Other Expenses	**-**	**-**	**-**	**-**	**642,762**	**642,762**
Total Expenses	**718,159**	**1,854,472**	**455,799**	**951,498**	**1,591,328**	**5,571,256**

NOTE 4: DEPRECIATION	2016	2015
	$	$
Depreciation		
Buildings	516,306	516,306
Leasehold Improvements	5,978	5,980
Plant and Equipment	61,832	56,897
Furniture and Fittings	19,656	29,283
Motor Vehicles	34,484	34,219
Gippsland Health Alliance (refer note 19)	26	77
TOTAL DEPRECIATION	638,282	642,762

NOTE 5: CASH AND CASH EQUIVALENTS	2016	2015
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.	$	$
Cash at Bank and on Hand	116,893	82,828
Cash Management Account	215,277	476,310
Cash at Gippsland Health Alliance (refer note 19)	45,952	65,456
TOTAL CASH AND CASH EQUIVALENTS	378,122	624,594
Represented by:		
Cash for Health Service Operations (as per cash flow statement)	332,170	559,138
Cash for Monies Held in Trust		
- Cash for Gippsland Health Alliance (refer note 19)	45,952	65,456
TOTAL CASH AND CASH EQUIVALENTS	378,122	624,594

NOTE 6: RECEIVABLES	2016	2015
	$	$
CURRENT		
Contractual		
Trade Debtors	87,223	130,566
Accrued Revenue	7,206	34,152
Gippsland Health Alliance Receivables (refer note 19)	31,858	28,393
less provision for doubtful debts	(176)	(176)
	126,111	192,935
Statutory		
GST Receivable	11,955	18,674
	11,955	18,674
TOTAL CURRENT RECEIVABLES	138,066	211,609

NOTE 6: RECEIVABLES (Continued)	2016 $	2015 $
NON CURRENT		
Statutory		
Long Service Leave - Department of Health and Human Services	40,319	53,021
TOTAL NON-CURRENT RECEIVABLES	40,319	53,021
TOTAL RECEIVABLES	178,385	264,630
(a) Movement in the Allowance for doubtful debts		
Balance at beginning of the year	(176)	(6,155)
Decrease in allowance recognised in net result	-	5,979
Balance at end of the year	(176)	(176)

(b) Ageing analysis of receivables
Please refer to note 15(b) for the ageing analysis of receivables.

(c) Nature and extent of risk arising from receivables
Please refer to note 15(b) for the nature and extent of credit risk arising from receivables.

NOTE 7: INVESTMENTS AND OTHER FINANCIAL ASSETS	Operating Fund		Total	
	2016	2015	2016	2015
CURRENT	$	$	$	$
Loans and Receivable				
Term Deposit				
Aust. Dollar Term deposits > 3 Months	2,374,044	1,909,074	2,374,044	1,909,074
TOTAL CURRENT	2,374,044	1,909,074	2,374,044	1,909,074
TOTAL	2,374,044	1,909,074	2,374,044	1,909,074
Represented by:				
Health Service Investments	1,854,811	1,394,915	1,854,811	1,394,915
Monies Held in Trust				
- Accommodation Bonds (Refundable Entrance Fees)	519,233	514,159	519,233	514,159
TOTAL	2,374,044	1,909,074	2,374,044	1,909,074

(b) Ageing analysis of other investments and financial assets
Please refer to note 15(b) for the ageing analysis of investments and other financial assets.

(c) Nature and extent of risk arising from investments and other financial assets
Please refer to note 15(b) for the nature and extent of credit risk arising from investments and other financial assets.

In accordance with Standing Direction 4.5.6, the Health Service is required to invest surplus funds with TCV/VFMC. At 30 June 2016, the Health Service is compliant with this Standing Direction.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT	2016	2015
(a) Gross carrying amount and accumulated depreciation	$	$
Land		
- Land at Fair Value	338,000	338,000
Less Impairment	-	-
Total Land	338,000	338,000
Buildings		
- Buildings under Construction	-	151,515
- Buildings at Cost	351,901	-
Less Accumulated Depreciation	-	-
	351,901	-
- Buildings at Fair Value	5,462,000	5,462,000
Less Accumulated Depreciation	1,032,612	516,306
	4,429,388	4,945,694
- Leasehold Improvements at Cost	23,918	23,918
Less Accumulated Depreciation	17,938	11,960
	5,980	11,958
Total Buildings	4,787,269	5,109,167
Plant and Equipment		
- Plant - Gippsland Health Alliance (refer note 19)	371	397
- Plant and Equipment at Fair Value	1,054,384	1,007,722
Less Accumulated Depreciation	773,820	711,988
Total Plant and Equipment	280,935	296,131
Furniture and Fittings		
- Furniture and Fittings at Fair Value	485,293	485,293
Less Accumulated Depreciation	433,472	413,816
Total Furniture and Fittings	51,821	71,477
Motor Vehicles		
- Motor Vehicles at Fair Value	259,423	239,938
Less Accumulated Depreciation	184,066	149,582
Total Motor Vehicles	75,357	90,356
TOTAL	5,533,382	5,905,131

Share of jointly controlled assets included in property, plant and equipment are separately disclosed in Note 19 Jointly Controlled Operations and Assets.

(b) Reconciliation of the carrying amounts of each class of asset

	Land	Buildings	Leasehold Improvements	Plant and Equipment	Furniture & Fittings	Motor Vehicle	Total
	$	$	$	$	$	$	$
Balance at 1 July 2014	338,000	5,512,000	17,938	259,331	89,796	124,575	6,341,640
Additions	-	101,515	-	93,774	10,964	-	206,253
Disposals	-	-	-	-	-	-	-
Depreciation (note 4)	-	(516,306)	(5,980)	(56,974)	(29,283)	(34,219)	(642,762)
Balance at 1 July 2015	338,000	5,097,209	11,958	296,131	71,477	90,356	5,905,131
Additions	-	200,386	-	46,662	-	19,485	266,533
Disposals	-	-	-	-	-	-	-
Depreciation (note 4)	-	(516,306)	(5,978)	(61,858)	(19,656)	(34,484)	(638,282)
Balance at 30 June 2016	338,000	4,781,289	5,980	280,935	51,821	75,357	5,533,382

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)

Land and buildings carried at valuation

An independent valuation of the Health Service's land and buildings was performed by the Valuer-General Victoria to determine the 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 30 June 2014.

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

	Carrying amount as at 30 June 2016	Fair value measurement at end of reporting period using: Level 1	Level 2	Level 3
Land at fair value				
Non-specialised land	148,000	-	190,000	-
Specialised land	190,000	-	-	148,000
Total of land at fair value	338,000	-	190,000	148,000
Buildings & Leasehold Improvements at fair value				
Non-specialised buildings	230,000	-	230,000	-
Specialised buildings & leasehold improvements	4,557,269	-	-	4,557,269
Total of building at fair value	4,787,269	-	230,000	4,557,269
Plant and equipment at fair value				
Plant equipment and vehicles at fair value				
- Vehicles	75,357	-	75,357	-
- Plant and equipment	280,935	-	-	280,935
- Furniture and Fittings	51,821	-	-	51,821
Total of plant, equipment and vehicles at fair value	408,113	-	75,357	332,756
Assets Under Construction at fair value				
- Buildings under Construction	0	-	-	0
Total assets under construction at fair value	0	-	-	0
TOTAL	5,533,382	-	495,357	5,038,025

There have been no transfers between levels during the period.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)
Fair value measurement hierarchy for assets as at 30 June 2015

	Carrying amount as at 30 June 2015	Fair value measurement at end of reporting period using: Level 1	Level 2	Level 3
Land at fair value				
Non-specialised land	190,000	-	190,000	-
Specialised land	148,000	-	-	148,000
Total of land at fair value	338,000	-	190,000	148,000
Buildings & Leasehold Improvements at fair value				
Non-specialised buildings	218,940	-	218,940	-
Specialised buildings & leasehold improvements	4,738,712	-	-	4,738,712
Total of building at fair value	4,957,652	-	218,940	4,738,712
Plant and equipment at fair value				
Plant equipment and vehicles at fair value				
- Vehicles	90,356	-	90,356	-
- Plant and equipment	296,131	-	-	296,131
- Furniture and Fittings	71,477	-	-	71,477
Total of plant, equipment and vehicles at fair value	457,964	-	90,356	367,608
Assets Under Construction at fair value				
- Buildings under Construction	151,515	-	-	151,515
Total assets under construction at fair value	151,515	-	-	151,515
TOTAL	5,905,131	-	499,296	5,405,835

There have been no transfers between levels during the period.

Non-specialised land and non-specialised buildings

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

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)
Specialised land and specialised buildings

The market approach is also used for specialised land and specialised buildings 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 and specialised buildings was performed by 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.

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).

Plant and equipment
Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is 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.

(d) Reconciliation of Level 3 fair value as at 30 June 2016

	Land	Buildings & Leasehold Improvements	Plant and equipment
Opening Balance	148,000	4,738,712	367,608
Purchases (sales)	-	-	46,662
Transfers in (out) of Level 3	-	-	-
Gains or losses recognised in net result			
- Depreciation	-	(511,224)	(81,514)
Subtotal	148,000	4,227,488	332,756
Items recognised in other comprehensive income			
- Revaluation	-	-	-
Subtotal	-	-	-
Closing Balance	148,000	4,227,488	332,756
Unrealised gains/(losses) on non-financial assets	-	-	-
	148,000	4,227,488	332,756

There have been no transfers between levels during the period.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)
(d) Reconciliation of Level 3 fair value as at 30 June 2016 (Continued)
Reconciliation of Level 3 fair value as at 30 June 2015

	Land	Buildings & Leasehold Improvements	Plant and equipment
Opening Balance	148,000	5,249,938	349,127
Purchases (sales)	-	-	104,738
Transfers in (out) of Level 3	-	-	-
Gains or losses recognised in net result			
- Depreciation	-	(511,226)	(86,257)
Subtotal	148,000	4,738,712	367,608
Items recognised in other comprehensive income			
- Revaluation	-	-	-
Subtotal	-	-	-
Closing Balance	148,000	4,738,712	367,608
Unrealised gains/(losses) on non-financial assets	-	-	-
	148,000	4,738,712	367,608

There have been no transfers between levels during the period.

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

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs.
Specialised land	Market Approach	Community Service Obligation (CSO)	20%	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised Buildings	Depreciated Replacement Cost	Direct cost per square metre	$669 - $2625 ($1,489)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	20 - 40 Years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment at fair value	Depreciated Replacement Cost	Cost per Unit	$108 - $47,500 ($4,055)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of PPE	3-13 Years (9 Years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles	Depreciated Replacement Cost	Cost per Unit	$6,445 - $23,558 ($16,480)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of vehicles	7 Years (4.5 Years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

NOTE 9: PAYABLES	2016 $	2015 $
CURRENT		
Contractual		
Trade Creditors	134,730	48,834
Accrued Audit Fees	14,400	14,000
Gippsland Health Alliance Payables (refer note 19)	15,251	26,899
Other	9,798	6,112
	174,179	95,845
Statutory		
PAYG Payable	34,802	65,841
GST Payable - Health Service	8,296	7,003
Department of Health and Human Services	80,023	77,672
	123,121	150,516
TOTAL PAYABLES	297,300	246,361

(a) Maturity analysis of payables
Please refer to Note 15(c) for the ageing analysis of payables.

(b) Nature and extent of risk arising from payables
Please refer to note 15(c) for the nature and extent of risks arising payables.

NOTE 10: PROVISIONS	2016 $	2015 $
Current Provisions		
Employee Benefits (i)		
Accrued Wages, ADO & Annual Leave (Note 10(a))		
- unconditional and expected to be settled within 12 months (ii)	242,798	247,447
- unconditional and expected to be settled after 12 months (iii)	-	-
Long Service Leave (Note 10(a))		
- unconditional and expected to be settled within 12 months (ii)	90,000	90,000
- unconditional and expected to be settled after 12 months (iii)	208,329	206,539
Provisions related to employee benefit on-costs		
- unconditional and expected to be settled within 12 months (ii)	35,343	35,837
- unconditional and expected to be settled after 12 months (iii)	22,125	21,934
Total Current Provisions	598,595	601,757
Non-Current Provisions		
Employee Benefits (i) (Note 10(a))	99,289	88,665
Provisions related to employee benefit on-costs (Note 10(a) and Note 10(b))	10,545	9,416
Total Non-Current Provisions	109,834	98,081
Total Provisions	708,429	699,838
(a) Employee Benefits and Related On-Costs		
Current Employee Benefits and related on-costs		
Unconditional Long Service Leave Entitlements	330,012	328,031
Annual Leave Entitlements	233,366	250,777
Accrued Salaries and Wages	31,028	14,541
Accrued Days Off	4,189	8,408
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements (iii)	109,834	98,081
Total Employee Benefits and Related On-Costs	708,429	699,838

NOTE 10: PROVISIONS (Continued)	2016	2015
(b) Movements in provisions	$	$
Movement in Long Service Leave:		
Balance at start of year	426,112	374,778
Provision made during the year		
- revaluations	(833)	(3,449)
- expense recognising employee service	65,775	77,109
Settlement made during the year	(51,208)	(22,326)
Balance at end of year	439,846	426,112

Notes:
(i) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.
(ii) The amounts disclosed are nominal amounts.
(iii) The amounts disclosed are discounted to present values.

NOTE 11: SUPERANNUATION

Employees of the Health Service are entitled to receive superannuation benefits and the Health Service contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) 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 plan(s) 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 tis 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 Services are as follows:

Fund		Paid Contributions for the Year		Outstanding Contributions at Year End	
		2016 $	**2015 $**	**2016 $**	**2015 $**
Defined Benefit Plans:	Health Super	-	-	-	-
Defined Contribution Plans:	Health Super	279,069	284,254	10,810	-
Total		**279,069**	**284,254**	**10,810**	**-**

NOTE 12: OTHER LIABILITIES	2016	2015
	$	$
CURRENT		
Monies Held in Trust*		
- Accommodation Bonds (Refundable Entrance Fees)	519,233	514,159
TOTAL CURRENT	519,233	514,159
*** Total Monies Held in Trust**		
Represented by the following assets:		
Investments and Other Financial Assets (refer to Note 7)	519,233	514,159
TOTAL	519,233	514,159

NOTE 13: EQUITY	2016	2015
	$	$
(a) Surpluses		
Property, Plant and Equipment Revaluation Reserve [1]		
Balance at beginning of the reporting period		
- Land	336,000	336,000
- Buildings	2,713,328	2,713,328
Revaluation Increment/(Decrement)		
- Land	-	-
- Buildings	-	-
Balance at the end of the reporting period	3,049,328	3,049,328
Represented by:		
- Land	336,000	336,000
- Buildings	2,713,328	2,713,328
	3,049,328	3,049,328

(1) The property, plant and equipment asset revaluation reserve arises on the revaluation of property, plant and equipment.

Restricted Specific Purpose Surplus		
Balance at the beginning of the reporting period	106,508	106,508
Balance at the end of the reporting period	106,508	106,508
Total Surpluses	3,155,836	3,155,836
(b) Contributed Capital		
Balance at the beginning of the reporting period	1,793,235	1,793,235
Balance at the end of the reporting period	1,793,235	1,793,235
(c) Accumulated Surpluses		
Balance at the beginning of the reporting period	2,318,167	2,668,021
Net Result for the Year	(295,436)	(349,854)
Balance at the end of the reporting period	2,022,731	2,318,167
Total Equity at end of financial year	6,971,802	7,267,238

NOTE 14: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	2016	2015
	$	$
NET RESULT FOR THE YEAR	(295,436)	(349,854)
Non-cash movements		
Depreciation	638,256	642,685
Share of Net Result from Joint Operations	(4,740)	(3,825)
Land and Buildings Provided Free of Charge	-	-
Movements included in investing and financing activities		
Net (Gain)/Loss from Sale of Plant and Equipment	-	-
Movements in assets and liabilities		
Change in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	90,625	(14,760)
(Increase)/Decrease in Prepayments	(8,664)	11,526
Increase/(Decrease) in Payables	78,334	(100,168)
Increase/(Decrease) in Provisions	8,591	(32,810)
NET CASH INFLOW FROM OPERATING ACTIVITIES	506,966	152,794

NOTE 15: FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

Omeo District Health's principal financial instruments comprise of:
- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Payables (excluding statutory receivables)
- 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.

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

The Health Service 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 financial risk management committee of the Health Service.

The main purpose in holding financial instruments is to prudentially manage Omeo District Health's financial risks within the government policy parameters.

(a) Financial risk management objectives and policies

	Carrying Amount 2016 $	Carrying Amount 2015 $
Financial Assets		
Cash and cash equivalents	378,122	624,594
Loans and Receivables	2,500,155	2,102,009
Total Financial Assets (i)	2,878,277	2,726,603
Financial Liabilities		
At amortised cost	693,412	610,004
Total Financial Liabilities (ii)	693,412	610,004

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit receivable)

(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payables)

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

	Net holding gain/(loss) 2016 $	Net holding gain/(loss) 2015 $
Financial Assets		
Cash and Cash Equivalents (i)	18,960	23,345
Loans and Receivables	62,937	62,937
Total Financial Assets	81,897	86,282
Financial Liabilities		
At amortised cost (ii)	-	-
Total Financial Liabilities	-	-

(i) For cash and cash equivalents and loans or receivables, the net gain or loss is calculated by taking the interest revenue, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;

(ii) For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

NOTE 15: FINANCIAL INSTRUMENTS (Continued)

(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 policy to only deal with entities with high credit ratings of a minimum Triple-B and to obtain sufficient collateral or credit enhancements, where appropriate.

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. As with the policy for debtors, 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 Omeo District Health'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 (min. BBB credit rating) $	Government agencies (AAA credit rating) $	Other (Unrated) $	Total $
Financial Assets				
Cash and Cash Equivalents	378,122	-	-	378,122
Receivables				
- Trade Debtors	-	-	126,111	126,111
Other Financial Assets				
- Term Deposit	2,374,044	-	-	2,374,044
Total Financial Assets	2,752,166	-	126,111	2,878,277
2015				
Financial Assets				
Cash and Cash Equivalents	624,594	-	-	624,594
Receivables				
- Trade Debtors	-	-	192,935	192,935
Other Financial Assets				
- Term Deposit	1,909,074	-	-	1,909,074
Total Financial Assets	2,533,668	-	192,935	2,726,603

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

NOTE 15: FINANCIAL INSTRUMENTS (Continued)
(b) Credit Risk (Continued)

Ageing analysis of financial asset as at 30 June

			Past Due But Not Impaired				
2016	Carrying Amount $	Not Past due and not impaired $	Less than 1 Month $	1 - 3 Months $	3 Months - 1 Year $	1 - 5 Years $	Impaired Financial Assets $
Financial Assets							
Cash and Cash Equivalents	378,122	378,122	-	-	-	-	-
Receivables							
- Trade & Patient Debtors	126,111	82,413	5,180	6,660	31,682	-	176
Other Financial Assets							
- Term Deposits	2,374,044	2,374,044	-	-	-	-	-
Total Financial Assets	2,878,277	2,834,579	5,180	6,660	31,682	-	176
2015							
Financial Assets							
Cash and Cash Equivalents	624,594	624,594	-	-	-	-	-
Receivables							
- Trade & Patient Debtors	192,935	141,899	17,992	6,295	26,573	-	176
Other Financial Assets							
- Term Deposits	1,909,074	1,909,074	-	-	-	-	-
Total Financial Assets	2,726,603	2,675,567	17,992	6,295	26,573	-	176

Contractual financial assets that are neither 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.

NOTE 15: FINANCIAL INSTRUMENTS (Continued)

(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 Service operates under the Government's fair payments policy of setting 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. The Health Service manages its liquidity risk as follows:

- Term Deposits and cash held at financial institutions are managed with variable maturity dates and take into consideration cashflow requirements of the Health Service from month to month.

The following table discloses the contractual maturity analysis for Omeo District Health'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

			Maturity Dates			
	Total Carrying Amount	Nominal Amount	Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
2016	$	$	$	$	$	$
Financial Liabilities						
Payables	174,179	174,179	174,179	-	-	-
Other Financial Liabilities						
- Accommodation Bonds	519,233	519,233	-	-	519,233	-
Total Financial Liabilities	693,412	693,412	174,179	-	519,233	-
2015						
Financial Liabilities						
Payables	95,845	95,845	95,845	-	-	-
Other Financial Liabilities						
- Accommodation Bonds	514,159	514,159	-	-	514,159	-
Total Financial Liabilities	610,004	610,004	95,845	-	514,159	-

(i) Ageing analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST payable).

(d) Market Risk

The Omeo District Health'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 paragraphs below.

Currency Risk

Omeo District Health 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's arise primarily through the Omeo District Health's other financial assets. Minimisation of risk is achieved by mainly holding fixed rate or non-interest bearing financial instruments. For financial assets the Health Service mainly holds financial assets 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 movements in interest rates on a daily basis.

Other Price Risk

The Health Service is exposed to normal price fluctuations from time to time through market forces. Where adequate notice is provided by suppliers, additional purchases are made for long term goods. Supplier contracts are also in place for major product lines purchased by the Hospital on a monthly basis. These contracts have set price arrangements and are reviewed on a regular basis.

NOTE 15: FINANCIAL INSTRUMENTS (Continued)

(d) Market Risk (Continued)

Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

2016	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate $	Variable Interest Rate $	Non - Interest Bearing $
Financial Assets					
Cash and Cash Equivalents	0.67	378,122	-	377,917	205
Receivables					
- Trade Debtors	-	126,111	-	-	126,111
Other Financial Assets					
- Term Deposit	2.86	2,374,044	2,374,044	-	-
Total Financial Assets		2,878,277	2,374,044	377,917	126,316
Financial Liabilities					
Payables	-	174,179	-	-	174,179
Other Financial Liabilities					
- Accommodation Bonds	-	519,233	-	-	519,233
Total Financial Liabilities		693,412	-	-	693,412

2015	Weighted Average Effective Interest Rate (%)	Carrying Amount	Interest Rate Exposure		
			Fixed Interest Rate $	Variable Interest Rate $	Non - Interest Bearing $
Financial Assets					
Cash and Cash Equivalents	1.79	624,594	-	624,389	205
Receivables					
- Trade Debtors	-	192,935	-	-	192,935
Other Financial Assets					
- Term Deposit	3.22	1,909,074	1,909,074	-	-
Total Financial Assets		2,726,603	1,909,074	624,389	193,140
Financial Liabilities					
Payables	-	95,845	-	-	95,845
Other Financial Liabilities					
- Accommodation Bonds	-	514,159	-	-	514,159
Total Financial Liabilities		610,004	-	-	610,004

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Omeo District Health believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Westpac Banking Corporation).

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 3.22%.

NOTE 15: FINANCIAL INSTRUMENTS (Continued)

(d) Market Risk (Continued)

Sensitivity Disclosure Analysis (Continued)

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

	Carrying Amount	Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
2016	$	$	$	$	$
Financial Assets					
Cash and Cash Equivalents	378,122	(3,781)	(3,781)	3,781	3,781
		(3,781)	(3,781)	3,781	3,781
2015					
Financial Assets					
Cash and Cash Equivalents	624,594	(6,246)	(6,246)	6,246	6,246
		(6,246)	(6,246)	6,246	6,246

(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 Health Service considers that the carrying amount of 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.

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 $	Fair Value 2016 $	Carrying Amount 2015 $	Fair Value 2015 $
Financial Assets				
Cash and Cash Equivalents	378,122	378,122	624,594	624,594
Receivables				
- Trade Debtors	126,111	126,111	192,935	192,935
Other Financial Assets				
-Term Deposits	2,374,044	2,374,044	1,909,074	1,909,074
Total Financial Assets	**2,878,277**	**2,878,277**	**2,726,603**	**2,726,603**
Financial Liabilities				
Payables	174,179	174,179	95,845	95,845
Other Financial Liabilities				
-Accommodation Bonds	519,233	519,233	514,159	514,159
Total Financial Liabilities	**693,412**	**693,412**	**610,004**	**610,004**

NOTE 16: COMMITMENTS FOR EXPENDITURE

There are no known capital or leasing commitments as at the date of this report, at 30 June 2016 (30 June 2015: $Nil)

NOTE 17: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no known contingent assets or liabilities for Omeo District Health as at the date of this report (30 June 2015: $Nil)

NOTE 18: OPERATING SEGMENTS

	ACUTE		RACS		OTHER SERVICES		CONSOLIDATED	
	2016	2015	2016	2015	2016	2015	2016	2015
	$	$	$	$	$	$	$	$
REVENUE								
External Segment Revenue	1,652,424	1,686,645	1,193,655	1,115,610	2,394,974	2,170,982	5,241,053	4,973,237
Total Revenue	**1,652,424**	**1,686,645**	**1,193,655**	**1,115,610**	**2,394,974**	**2,170,982**	**5,241,053**	**4,973,237**
EXPENSES								
External Segment Expenses	748,507	714,710	1,881,613	1,854,472	2,988,266	2,840,191	5,618,386	5,409,373
Total Expenses	**748,507**	**714,710**	**1,881,613**	**1,854,472**	**2,988,266**	**2,840,191**	**5,618,386**	**5,409,373**
Net Result from ordinary activities	**903,917**	**971,935**	**(687,958)**	**(738,862)**	**(593,292)**	**(669,209)**	**(377,333)**	**(436,136)**
Interest Income	-	-	-	-	81,897	86,282	81,897	86,282
Net Result for Year	**903,917**	**971,935**	**(687,958)**	**(738,862)**	**(511,395)**	**(582,927)**	**(295,436)**	**(349,854)**
OTHER INFORMATION								
Segment Assets	4,905,482	5,136,314	3,192,250	3,192,250	399,032	399,032	8,496,764	8,727,596
Total Assets	**4,905,482**	**5,136,314**	**3,192,250**	**3,192,250**	**399,032**	**399,032**	**8,496,764**	**8,727,596**
Segment Liabilities	693,460	628,856	777,152	777,152	54,350	54,350	1,524,962	1,460,358
Total Liabilities	**693,460**	**628,856**	**777,152**	**777,152**	**54,350**	**54,350**	**1,524,962**	**1,460,358**
Acquisition of property, plant and equipment and intangible assets	214,121	153,841	9,118	9,118	43,294	43,294	266,533	206,253
Depreciation expense	375,082	379,562	233,956	233,956	29,244	29,244	638,282	642,762
Non cash expenses other than depreciation	8,984	6,455	-	-	-	-	8,984	6,455

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

Business Segments	**Services**
Acute	Acute Hospital services
Residential Aged Care	Nursing Home facilities Hostel facilities
Other	Primary Health services

Geographical Segment
Omeo District Health operates predominantly in Omeo, Victoria. More than 90% of revenue, net surplus from ordinary activities and segment assets relate to operations in Omeo, Victoria.

NOTE 19: JOINTLY CONTROLLED OPERATIONS AND ASSETS

Name of Entity	Principal Activity	Ownership Interest 2016 %	Ownership Interest 2015 %
Gippsland Health Alliance	Information Technology	2.22	2.22

The amounts included within each respective asset and liability line item of the Hospital's financial statements at 30 June 2016 is disclosed below:

	2016 $	2015 $
Current Assets		
Cash and Cash Equivalents	45,951	65,456
Receivables and Other	31,536	28,393
Total Current Assets	77,487	93,849
Non Current Assets		
Plant and Equipment	294	320
Total Non Current Assets	294	320
Total Assets	77,781	94,169
Current Liabilities		
Payables	15,251	26,899
Total Current Liabilities	15,251	26,899
Net Assets	62,530	67,270

Omeo District Hospitals interest in revenues and expenses resulting from jointly controlled operations and assets is detailed below:

Revenue from Operating Activities	216,093	211,363
Expenditure	220,807	213,506
Surplus/(Deficit) before Capital and Depreciation	(4,714)	(2,143)
Capital Purpose Income	-	6,045
Depreciation	26	77
Total	(26)	5,968
Current Year Surplus/(Deficit)	(4,740)	3,825

Contingent Liabilities and Capital Commitments
There are no known contingent liabilities or commitments for expenditure for Gippsland Health Alliance as at the date of this report.

NOTE 20a: RESPONSIBLE PERSON 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, Minister for Equality and Minister for Creative Industries	01/07/2015 - 30/06/2016
Governing Boards	
Mrs. L. Armit	01/07/2015 - 30/06/2016
Mr. R. Pendergast	01/07/2015 - 30/06/2016
Mr. E. Newcomen	01/07/2015 - 30/06/2016
Mrs. A. Burston	01/07/2015 - 30/06/2016
Ms. S. Malcolm	01/07/2015 - 30/06/2016
Mrs. S. Crisp	01/07/2015 - 30/06/2016
Mrs. K. Commins	01/07/2015 - 30/06/2016
Mr. D. Foster	01/07/2015 - 30/06/2016
Mr. E. Perry	01/07/2015 - 30/06/2016
Mrs. R. Fitzgerald	01/07/2015 - 30/11/2015
Accountable Officer	
Mr Frank Megens	01/07/2015 - 10/05/2016
Mr Darren Fitzpatrick	11/05/2016 - 30/06/2016

Remuneration of Responsible Persons

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

	2016 No.	2015 No.
$0 - $9,999	9	9
$100,000 - $129,999	1	-
$140,000 - $149,999	-	1
$150,000 - $159,999	1	-
Total Numbers	11	10
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	$274,677	$149,395

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

Other Transactions of Responsible Persons and their Related Parties

During the year, there were no transactions with Responsible Persons or their Related Parties.

NOTE 20b: EXECUTIVE OFFICER DISCLOSURES

Executive Officers' Remuneration

There were no executive officers, other than Ministers and Accountable Officers, whose base/total remuneration exceeded $100,000 per annum during the reporting period.

NOTE 20c: PAYMENTS TO OTHER PERSONNEL (i.e. Contractors with significant management responsibilities)

During the year, there were no payments made to contractors with significant management responsibilities.

Note 21: REMUNERATION OF AUDITORS

	2016	**2015**
Victorian Auditor-General's Office	**$**	**$**
Audit or review of financial statement	14,400	14,000
	14,400	14,000

NOTE 22: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no events subsequent to the reporting date which require further disclosure.

NOTE 23: ALTERNATIVE PRESENTATION OF COMPREHENSIVE OPERATING STATEMENT

	2016 $	2015 $
Interest	81,897	86,282
Sales of goods and services	471,057	443,900
Grants	3,825,882	3,755,217
Other	944,114	932,554
Total Revenue	**5,322,950**	**5,217,953**
Employee expenses	3,305,588	3,287,670
Depreciation	638,282	642,762
Other operating expenses	1,675,349	1,640,824
Total Expenses	**5,619,219**	**5,571,256**
Net result from transactions - Net Operating Balance	**(296,269)**	**(353,303)**
Net gain/ (loss) on sale of non-financial assets	0	0
Other gains/ (losses) from other economic flows included in net result	833	3,449
Total Other Economic flows included in Net Result	**833**	**3,449**
Net Result	**(295,436)**	**(349,854)**

OMEO DISTRICT HEALTH

BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE AND ACCOUNTING OFFICER'S DECLARATION

The attached financial statements for Omeo District Health have been prepared in accordance with Standing Directions 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 Statement, 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 Omeo District Health 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.

.....	.....	.....
Mrs Lou Armit Board President	Mr Darren Fitzpatrick Acting Chief Executive Officer	Mr Steven Jackel Chief Finance Officer
Omeo	Omeo	Omeo
22nd September, 2016	22nd September, 2016	22nd September, 2016