

ANNUAL REPORT

2015–2016

Gold Coast Hospital and Health Service



Queensland
Government

The Gold Coast Hospital and Health Service Annual Report 2015–16 has been prepared to meet annual reporting requirements for the Minister for Health and Minister for Ambulance Services, government, the community and other stakeholders.

The annual report provides an overview of our non-financial performance and financial position for the 2015–16 reporting year. This includes details of outcomes against its strategic priorities and the Queensland Government's objectives for the community. The report also provides information on how we are governed, the people who enable us to operate and our plans for building a healthier Gold Coast community.

Public availability statement

An electronic copy of this publication and other annual online data reporting documents are available at <https://publications.qld.gov.au/dataset/gold-coast-health-annual-report>

For further information, or to request a hard copy of this publication, please contact the Governance, Risk and Commercial Services Unit, Gold Coast Hospital and Health Service, by phone 1300 744 284 or email ExecOfficeReception@health.qld.gov.au

Interpreter Service statement



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report you can contact us on either (07) 5687 7100 or 1300 744 284.

Licence and attribution

Licence:

This annual report is licensed by the Gold Coast Hospital and Health Service under a Creative Commons Attribution (CC BY) 3.0 Australia license.

CC BY Licence summary statement:

In essence, you are free to copy, communicate and adapt this annual report, as long as you attribute the work to the Gold Coast Hospital and Health Service. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/au/deed.en>

Attribution:

Content from this annual report should be attributed as: Gold Coast Hospital and Health Service Annual Report 2015–2016



© Gold Coast Hospital and Health Service 2016 ISSN 2202-4530
Digital version ISSN 2206-9003

Letter of compliance

2 September 2016

The Honourable Cameron Dick MP
Minister for Health and Minister for Ambulance Services
Level 19, 147–163 Charlotte Street
Brisbane Qld 4000

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2015–2016 and financial statements for Gold Coast Hospital and Health Service.

I certify that this Annual Report complies with:

- the prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009, and
- the detailed requirements set out in the Annual Report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found in Appendix 4 of this report.

Yours sincerely



Mr Ian Langdon
Chair of Board
Gold Coast Hospital and Health Service

Table of contents

From the Board Chair	5
From the Chief Executive.....	6
About Gold Coast Health.....	7
Our vision and priorities	8
Year in review.....	10
Our facilities	12
Our performance.....	13
Our services	18
Our people.....	26
Our future	33
Board and management.....	36
Our organisational structure	40
Risk management and accountability	42
Financial Statements	46
Management certificate.....	82
Appendices	
Appendix 1 Index of charts and tables	85
Appendix 2 Glossary of terms.....	86
Appendix 3 Glossary of acronyms.....	90
Appendix 4 Compliance checklist.....	91

From the Board Chair

Ian Langdon



Our success at Gold Coast Health over the past 12 months means improved access to health services for our community with fewer needing to travel to Brisbane for care as local resources and services continue to expand.

We have amazing staff at Gold Coast Health, they innovate, they provide

excellent clinical outcomes and most important of all, they care about their patients.

Highlights include a balanced budget (excluding property value gains), better results in key performance areas such as emergency treatment times and elective surgery long waiting lists. The significant growth in services is detailed within the chief executive's report.

Further highlights include:

Strategy and planning

Gold Coast Health embarked on a comprehensive consultation process to review and refresh its strategic plan. Extensive staff input resulted in the addition of a new value – compassion – which is a fitting reflection of our organisational culture.

People

Compassion has come to the fore with the launch of a Diversity and Inclusion Strategy this year. Our commitment to provide more opportunities for people with disabilities will be significant as the largest employer on the Gold Coast.

Culture

The cultural strength of an organisation is measured by the commitment of its workforce. Through Clinical Congress events, staff have helped frame the priorities of Gold Coast Health around values, culture and accountability. In addition, a community survey has provided a positive baseline on which to build our reputation.

Services

A range of initiatives to improve patient access have been introduced such as the Clinical Decision Unit and more in the Robina Hospital Emergency Department. Technology enhancements such as the pharmacy robots at both Gold Coast University Hospital (GCUH) and Robina Hospital and the opening of a state-of-the-art dental clinic and home renal training service at Southport Health Precinct

have also better supported increased demand.

The Integrated Care program is embedded into the hospital system in recognition of its crucial role in shifting care delivery. The introduction of Nurse Navigators to improve complex patient care coordination also better links care in the hospital and the community. Carrara Health Centre closed and in its place a new contemporary model of care for aged care and rehabilitation services has been established.

Further, Gold Coast Health continues to provide increasingly complex care for babies and children, including pediatric surgery, meaning even fewer families need to travel to Brisbane.

Board

Two founding board members, deputy chair Ken Brown and member Pauline Ross, were bade farewell this year. They worked tirelessly over a period of significant change and growth and I wish them well. Four new board members have joined and each bring a wealth of experience to their respective roles.

Management

I want to extend a heartfelt thanks to Ron Calvert and his executive team for the hard work done to achieve and manage a budget in the face of unprecedented demand whilst remaining focused on delivering the highest quality care.

Future

Gold Coast University Hospital continues to be closely involved in developing the Gold Coast Health and Knowledge Precinct that includes the Games Village for the 2018 Commonwealth Games; Griffith University; and the new private hospital.

Over the next decade Gold Coast Hospital and Health Service will continue to define a new standard of health service delivery that will result in a healthier population and achieve worldwide recognition as a hub of health research and innovation.

From the Chief Executive

Ron Calvert



It is a source of great pride to deliver an annual summary displaying Gold Coast Health as arguably the highest performing Hospital and Health Service in the state. There are many ways to evidence such a claim but with limited space I will highlight only a fraction of the good work performed this year. There are two key points to make about the care Gold Coast Health has delivered.

The first is to acknowledge that the demand for services has continued to grow steadily – as it has every year since Gold Coast University Hospital opened in September 2013. The second point is that despite the growth across facilities, important targets that result in better patient care are being delivered. Our results demonstrate that there is a compassionate team dedicated to caring for the community.

A good example is the growth in the number of total patients being seen in our clinics across the city. The number of outpatient services has risen from 530,000 in 2013–14 to 699,000 the following year and now 835,000 this financial year. That means this year Gold Coast Health provided 135,000 more services to patients over the course of just one year.

The increase in demand is also reflected in Emergency Department (ED) attendances, which have grown from 125,744 patients three years ago to 161,385 in 2015–16. The GCUH Emergency Department is by some way the busiest in the state, however the service is managing well

as our emergency access times attest. The service has improved from 55 per cent of patients seen within four hours of their ED arrival in August 2012, the month before I arrived at the Gold Coast, to 79 per cent in the last financial year – a great outcome for patients.

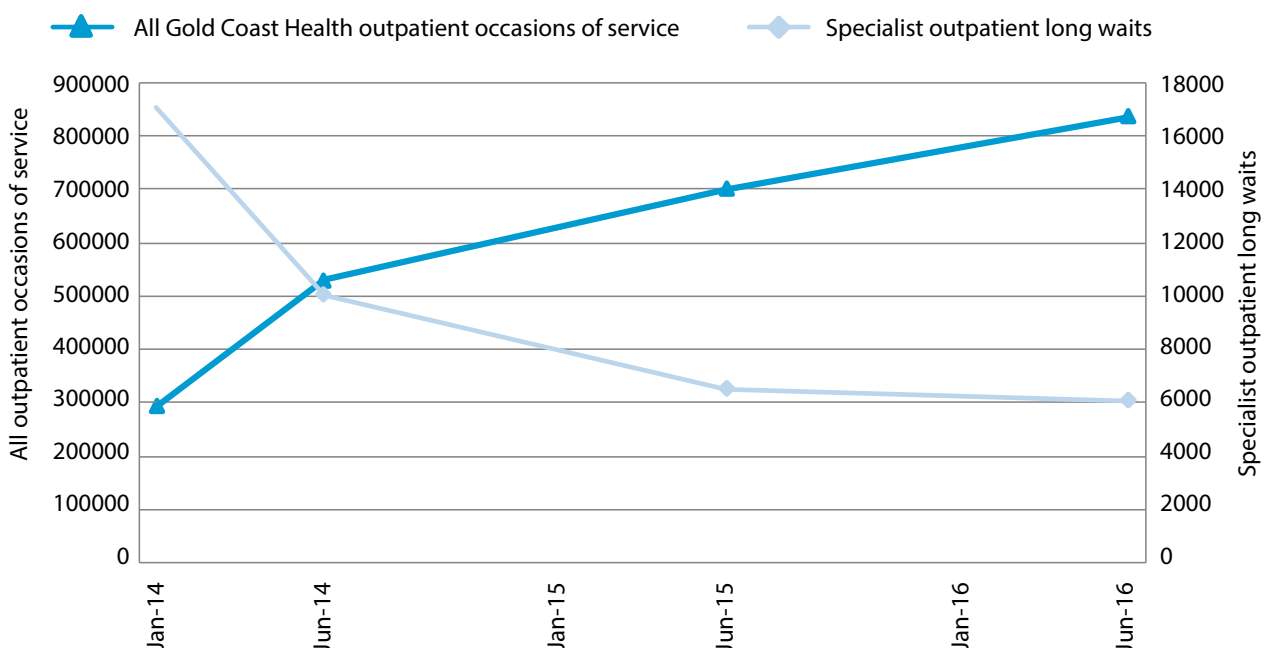
It's a similar story when it comes to waiting times for an outpatient appointment. In January 2014 more than 17,000 patients were waiting too long for an appointment to see a specialist. Six months later the number had been reduced by over 40 per cent. The improvements continued in 2015 when long waits for outpatient appointments were reduced by a further 35 per cent to 6541. I am very pleased to say that again, this year, the number of specialist outpatient long waits has been reduced by a further 7 per cent. While clinical performance is a fundamental measure of success it has to be achieved within our means.

It is pleasing to note that our budget has come in at a small surplus, which has subsequently been boosted further by some increases in property values.

Growth has continued in several critical areas, increasing hospital bed capacity and new, expanded or remodelled services. A record number of theatre operations were performed and all but seven out of 16,401 patients were treated within clinically recommended timeframes. Such achievements need to be considered in the context of GCUH assuming a full trauma centre role in southeast Queensland and northern New South Wales.

The Gold Coast community will continue to share in and benefit from the journey Gold Coast Health is on to build a healthier community.

Chart 1: Total occasions of service and specialist outpatient long waits



About Gold Coast Health

Gold Coast Hospital and Health Service (Gold Coast Health) is becoming a world-class provider of public healthcare services through innovation and patient-centred care.

Gold Coast Health comprises more than 20 facilities and delivers a broad range of secondary and tertiary health services throughout the region. Sites include the Gold Coast University Hospital, Robina Hospital and the Southport and Robina Health Precincts.

Key primary health services are also offered from community settings such as community child health clinics and oral health services for adults and children.

Gold Coast Health is a statutory body governed by the Gold Coast Health Board which is accountable to the local community and the Minister for Health and Minister for Ambulance Services. Gold Coast Health was established as a statutory body on 1 July 2012 under the *Hospital and Health Boards Act 2011*.

In May 2016 the board expanded to nine members who are focussed on strategies to meet the growth in demand for health services. The board is supported by an executive management team to deliver strategic and operational objectives.

Gold Coast Health Executives

Chief Executive

Ron Calvert

Executive Director Operations

Jane Hancock

Executive Director People Systems and Performance

Damian Green

Executive Director Clinical Governance, Education and Research

Professor Marianne Vonau

Executive Director Governance, Risk and Commercial Services

Rebecca Freath

Executive Director Strategy and Planning

Toni Peggrem

Executive Director Finance and Business Services

Ian Moody

Executive Director Centre for Health Innovation

Professor Martin Connor

Our vision and priorities

Our vision

Gold Coast Health will be recognised as a centre of excellence for world class healthcare.

Our purpose

Providing excellence in sustainable and evidence based healthcare that meets the needs of the community.

Our values

Integrity

To be open and accountable to the people we serve

Community first

To have the patient's and the community's best interest at heart

Excellence

To strive for outstanding performance and outcomes

Respect

To listen, value and acknowledge each other

Compassion

To treat others with understanding and sensitivity

Empower

To take ownership and enable each other to achieve more

Queensland Government's objectives for the community

Gold Coast Health's priorities closely align with the Department of Health's commitment to healthy Queenslanders, accessible services, innovation and research, governance, and partnerships and workforce.

Our Strategic Plan and organisational values also support the Queensland Government's objectives for the community and the Queensland public service values.

Our commitment to meeting our community's expectations helps build safe, caring and connected communities.

Through strengthening our public health system and providing responsive and integrated government services, we deliver quality frontline services.

My health, Queensland's future: Advancing health 2026

Advancing health 2026 was developed to respond to the challenges and opportunities we face in Queensland.

Advancing health 2026 establishes a common purpose and a framework for the health system in Queensland. It seeks to bring together government agencies, service providers and the community to work collaboratively to make Queenslanders among the healthiest people in the world.

Five principles underpin this vision, directions and strategic agenda.

1. Sustainability

We will ensure available resources are used efficiently and effectively for current and future generations.

2. Compassion

We will apply the highest ethical standards, recognising the worth and dignity of the whole person and respecting and valuing our patients, consumers, families, carers and health workers.

3. Inclusion

We will respond to the needs of all Queenslanders and ensure that, regardless of circumstances, we deliver the most appropriate care and service with the aim of achieving better health for all.

4. Excellence

We will deliver appropriate, timely, high quality and evidence-based care, supported by innovation, research and the application of best practice to improve outcomes.

5. Empowerment

We recognise that our healthcare system is stronger when consumers are at the heart of everything we do, and they can make informed decisions.

Other whole-of-government plans and specific initiatives

Gold Coast Health objectives and strategic priorities are guided by the National Health Reform Agreement, the Queensland Plan and the Queensland Department of Health strategic objectives which are:

Healthy Queenslanders

We will ensure available resources are used efficiently and effectively for current and future generations.

Safe, equitable and quality services

Ensure there is access to safe, equitable and quality services that maintain dignity and consumer empowerment.



A well-governed system

Sound management of funding and delivery of performance for the whole system.

Strategic policy leadership

Develop, implement and evaluate evidence-based policy that sets system-wide direction.

Broad engagement with partners

Build partnerships with all levels of the community to plan, design, deliver and oversee health services.

Engaged people

Cultivate a culture that harnesses capability and values our people.

They also align with the Queensland Government objectives of delivering quality frontline services which are:

- strengthening our public health system
- providing responsive, integrated government services
- supporting disadvantaged Queenslanders
- creating jobs and a diverse economy
- building safe, caring and connected communities.

Our priorities and strategic objectives

The Gold Coast Health Board sets the strategic priorities through the Strategic Plan which provides a roadmap for how the health service will evolve in order to meet the changing needs of the community.

The patients' needs guide strategic planning across every level of healthcare – improving community health, hospital care and highly specialised services.

Our strategic focus areas, objectives and measures of success are:

1. Ensure patients have access to health services

The Gold Coast community will have timely access to health services. All members of the Gold Coast community have equal access to health services regardless of economic conditions or social background. The majority of patients with complex or rare illnesses are treated by Gold Coast Health.
Measures of success: Community's confidence in receiving treatment within clinically recommended timeframes without the need to travel to other health services.

2. Deliver safe, effective and efficient quality of services

Provide sustainable and high quality services through coordinated care and continuous improvement of our healthcare knowledge. Patients experience seamless treatment across all health

service providers involved in their care through collaboration and communication.

Measures of success: Patient satisfaction, clinical excellence and our reputation as a world class health and research organisation.

3. Support a healthy Gold Coast community

Identified patients with chronic and mental illnesses are suitably cared for in the community to ensure continued quality of life. Have established partnerships with GPs and health service providers to reduce the rate of avoidable hospital admissions. Actively promote a healthy lifestyle through community engagement and public health campaigns.

Measures of success: A reduction in service demand for preventable and mental illnesses that require hospital care.

Strategic enablers are organisational resources and qualities that define the health service's ability to deliver the strategy. They are:

- staff and culture
- research, teaching and education
- information management and innovation
- health service facilities and partnerships.

Our strategic challenges

Gold Coast Health is continuing to enhance performance improvements while providing an environment for a sustainable world-class healthcare service. To achieve this ambition, the service is managing a number of key strategic challenges.

Challenge: Achieve national performance targets and meet increasing demand for services

Our strategy: Further develop our partnership with primary healthcare providers to develop integrated care pathways

Challenge: Meet critical quality and safety performance outcomes

Our strategy: On-going engagement with clinicians, strengthened accountability and reporting systems

Our commitment

A range of services and programs were implemented to deliver on the service's strategic objectives for 2015–16. The service agreement between the Gold Coast Health Board and Queensland Health sets out the agreed services that will be provided to the community every year.

Year in review

Highlights: July–December 2015

Major milestone for midwifery service

Gold Coast Health's Midwifery Group Practice (MGP) celebrated its 10th anniversary on 5 May 2016. MGP, a model of care that is increasing in popularity among Gold Coast families, also recently celebrated its 1000th birth since the opening of Gold Coast University Hospital in September 2013. MGP is family-centred care which gives expectant mothers continuity with a primary midwife throughout their pregnancy, labour, birth and early parenting period, including home visits. Formerly known as The Birth Centre, the caseload model is holistic and addresses a woman's social, emotional, physical, physiological, spiritual and cultural needs and expectations. Twelve midwives provided care to 443 women during 2015–16. Research recommends that continuity of care is best practice for maternity services and is certainly the direction Gold Coast Health is working towards.



Robina Hospital introduces specialised emergency care model

Patients attending Emergency Department at Robina Hospital are benefiting from a \$4.4 million investment to establish a specialised Clinical Decision Unit (CDU). The six-bed CDU opened in September 2015 and allows patients who require a longer stay in Emergency to be streamed to an inpatient area, providing greater comfort and opening up space for more seriously injured patients. About 5000 people present at Robina Hospital ED each month, putting it on par with the Princess Alexandra Hospital, a tertiary facility in Brisbane. Since the CDU opened, the department has recorded improvements in the number of Category 1 (immediate care/ resuscitation) and Category 2 (assessed within 10 minutes) patients being seen within clinically recommended times. Alongside the CDU initiative was a \$400,000 project



to redevelop the ED triage area to support an Early Assessment and Streaming Zone where senior clinicians conduct early decision-making on patients.

Clinicians receive global recognition

A revolutionary stroke treatment used by Gold Coast Health clinicians Dr Hal Rice and Dr Laetitia de Villiers received support from neuroradiologists from across the world when the city hosted the 13th Congress of the World Federation of Interventional and Therapeutic Neuroradiology. About 1000 of the world's leading experts from the specialities of interventional neuroradiology, neurosurgery and neurology attended. Dr Rice and Dr de Villiers were early adopters of endovascular treatment of brain aneurysms and acute stroke.

State-of-the-art \$4 million dental clinic opens at Southport Health Precinct

About 70 dental and oral health specialists attend to more than 140,000 appointments each year in a state-of-the-art dental clinic established at Southport Health Precinct. The \$4 million investment in public oral health services includes a 26-chair clinic and associated dental laboratory. Oral health was the final service to open at the \$12.5 million Southport Health Precinct, which was established in 2014 to improve public access to health services such as Children's Community Health, Alcohol and Drug Services, Sexual Health, Public Health and Integrated Care.

Gold Coast takes action on ice epidemic

Gold Coast Health is leading a targeted frontline response to the impact of the drug ice on hospital admissions and the broader health service. A dedicated taskforce has been established to develop and implement a program for young people aged between 15–25 years who are using ice or at risk of using ice. The initiative, which follows the discussion paper *Ways to Combat Ice Addiction in Queensland*, received \$980,000 funding from the State Government. The health service has invested in its Drug and Alcohol Brief Intervention Team (DABIT), employing three new staff and broadening its operating hours to include peak presentation times. DABIT services are delivered in Emergency Departments at GCUH and Robina Hospital seven days a week and evenings at GCUH ED. The taskforce acknowledges that substance abuse does not occur in isolation and has a treatment model which is holistic, stepped and community-focused. Objectives include increasing culturally-appropriate support, education and information, improving access to early intervention treatment and developing partnerships with schools, GPs and others. Research has been commissioned in order to identify trends of the population using ice on the Gold Coast.

Highlights: January–June 2016

GCUH unit makes impact on children's critical care

Demand continues to grow on the specialist unit which cares for children with critical illnesses. The Children's Critical Care Unit (CCCU) at Gold Coast University Hospital treated its 1000th patient since opening in February 2014. CCCU Director Dr Phil Sargent said demand for the 4-bed unit had been driven by a high number of referrals from neighbouring regions, an increase in surgical activity at GCUH and the implementation of an early intervention approach. The unit works in close collaboration with Brisbane's tertiary paediatric hospitals. Every patient cared for at GCUH is one less family that must travel to Brisbane to be with their loved one.

Aged care model delivers better outcomes

Thousands of elderly patients who have presented to the Emergency Department at Gold Coast University Hospital and Robina Hospital have benefited from a component of a new model of aged care and rehabilitation services introduced in March 2016. As part of changes introduced with the new model, an Aged Response Team (ART) has been screening elderly patients presenting to ED using the Identification of Seniors at Risk tool (ISAR). This tool is used internationally to identify older people who potentially need specialised or additional support throughout their journey following their presentation to the hospital.

Wise choices make for 'champion' service

Gold Coast Health's commitment to providing value-based care in pathology testing has earned national recognition as a 'Champion Health Service' by Choosing Wisely Australia. The status was bestowed recently following our agreement to be part of Choosing Wisely Australia's Health Services Pilot Program for organisations with a focus on improving patient outcomes through reducing use of unnecessary tests, treatments and procedures. Gold Coast Health has met these criteria through efforts to improve pathology ordering practices via the Choosing Wisely – Pathology Project. "Our health service is now part of a growing, clinician-led, national and international movement that focuses on 'Choosing Wisely' principles to provide better value care for patients," Executive Director Operations Jane Hancock said. The 'Choosing Wisely Pathology Project' started in early 2016 with a small team working with clinical specialities and service areas to review their pathology use.



Health service an incubator for innovation

Each year The Improvers challenges Gold Coast Health staff to think about innovative ways to provide the best possible service to patients. This year's winning ideas shared in more than \$280,000 funding in addition to Special Ministerial Awards. Winning projects included a sustainable produce garden at Gold Coast University Hospital; a project to improve telephone triaging of cancer patients; a device to enable clinicians to assess club foot deformity more objectively; and buying four beach wheelchairs for community palliative care patients.

Navigators lead patient journey

The first Nurse Navigators signal a smoother journey through the health



system for young patients with complex or chronic conditions. Four Nurse Navigators joined the Children's Outpatients Department at Gold Coast University Hospital, with another based at Southport Health Precinct with the Community Child Health team. Nurse Navigators provide a broad scope of knowledge and skills in clinical, interpersonal and problem-solving domains, and strengthen inter-professional collaboration. The approach puts patients at the centre of care.

Immunisation rates on the rise



Gold Coast Health has worked closely with the Gold Coast Primary Health Network and other partners to improve childhood vaccination

rates. Fully vaccinated coverage rates at 12 months and two years of age reached 93.5 per cent and 91.1 per cent respectively at the end of March 2016. Local research and programs addressing vaccine hesitancy and promoting the importance of vaccinations through social media have all contributed to the increase. An example of success is one social media post on whooping cough reached 1.56 million people and was shared by more than 8000 people on Facebook.

Our facilities



Gold Coast University Hospital

Gold Coast University Hospital is a tertiary-level facility with 750 beds. The facility continues to develop and deliver clinical services to meet growing community demands. Its high-level services include surgery, general and specialist medicine, maternity and intensive neonatal care, aged and dementia care, emergency medicine, intensive care, cardiology, mental health, outpatients, environmental health and public health services and more.

It is co-located with the Gold Coast Private Hospital, which opened in early 2016, and the Gold Coast Health and Knowledge Precinct, a collaboration between Gold Coast Health, Griffith University and City of Gold Coast.



Robina Hospital

Robina Hospital is a 404-bed facility which offers services including surgery, general and specialist medicine, aged and dementia care, emergency medicine, intensive care, cardiology, mental health and ambulatory care services. The facility also increased general and orthopaedic surgery services during the financial year.

Robina Health Precinct

Robina Health Precinct provides a mix of services including aged and palliative care, community child health services (Child Youth and Family Health), outreach maternity services, rehabilitation services plus transition services such as cardiac rehabilitation, chronic disease wellness programs such as Falls and Balance.

Southport Health Precinct

The Southport Health Precinct opened in October 2014 with a number of health and community services relocating to the refurbished facility. The redevelopment consolidates a number of community services into one location which enables improved access, service delivery and patient outcomes through enhanced flow and closer relationships between services. By September 2015 it provided patient-based services including child health, child and youth mental health, oral health, alcohol and drug services, sexual health, public health, renal dialysis and the transition care service.

Community services

Community service facilities are located throughout the region and provide a range of services including child health, mental health and oral health. Major health centres are at key locations including Palm Beach and Helensvale. A number of facilities owned and leased by the health service have relocated to the Southport Health Precinct during this financial year.

Carrara Health Centre

To support the new model of aged care and rehabilitation services, patients were relocated to Robina and GCUH, enabling the closure of Carrara Health Centre in March 2016.

Our performance

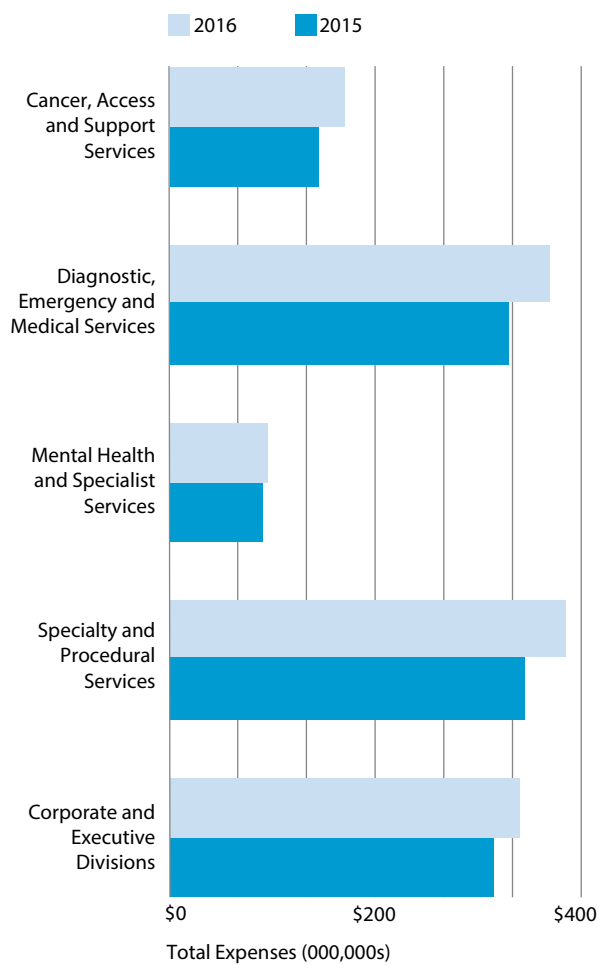
Gold Coast Health delivers public health services to a population of more than 560,000 people in the Gold Coast region (as of July 2016), as well as people in northern New South Wales. The health service has an annual operating budget of almost \$1.29 billion and oversees more than 1100 beds across two hospitals as well as a wide range of community facilities and services.

The Gold Coast region is projected to have the largest population growth of any local government area in Queensland over the coming years, with a population projection of more than 700,000 by 2026. The rate of population growth is expected to peak between 2016 and 2021.

Summary of financial performance

Gold Coast Health reported total comprehensive income of \$34 million for the year. This included a net revaluation increment of \$33.8 million on land and buildings that is due to a number of property-related factors, including the current state of the Gold Coast property market. The underlying operating performance was therefore a surplus of \$253,000.

Chart 2: Expenses by five directorates and corporate services 2015–2016

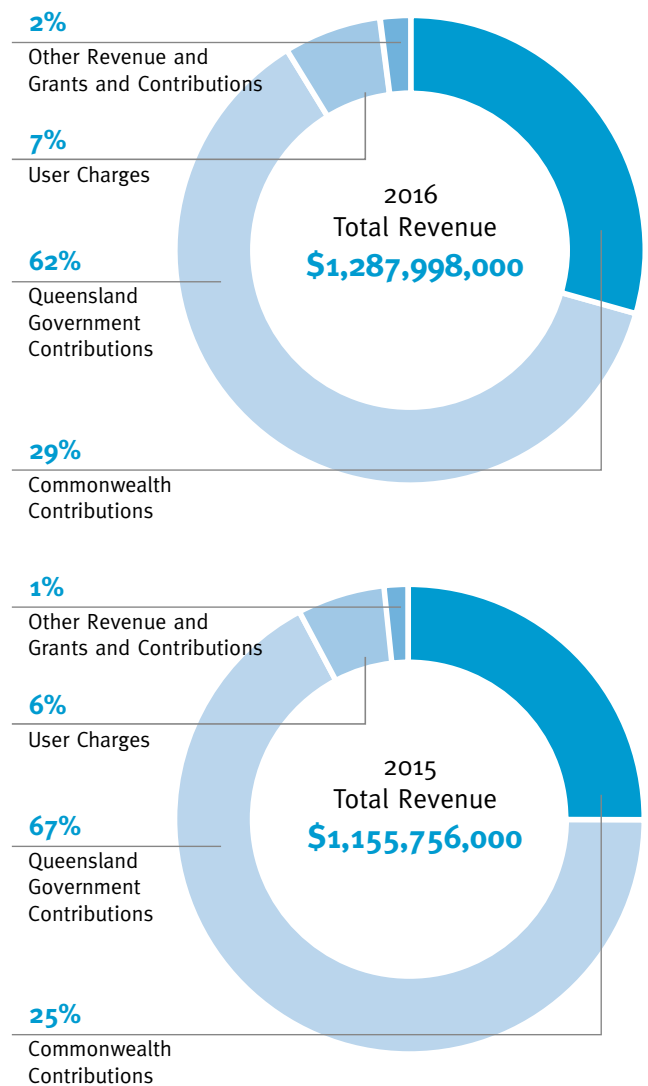


Where our funds came from

Queensland Department of Health commissions services from Gold Coast Health on behalf of the State and the Commonwealth. The relationship is managed and monitored using a service agreement underpinned by a performance management framework.

The total income for Gold Coast Health for 2015–16 was \$1.29 billion (compared to \$1.16 billion in 2014–15). The main source of funds is the Department of Health.

Chart 3: Revenue by funding source



Activity-based funding

The measure of activity is known as Queensland Weighted Activity Units (QWAU) in the service agreement between Gold Coast Health and the department. A QWAU is a measure of the complexity of care provided to patients. The base value is recalculated each year to match national measures and 2015–16 is the 18th for Queensland (Q18 QWAU).

Gold Coast Health provided activity of 195,856 Q18 QWAUs, which was 0.3 per cent over the contracted level of activity and 7.6 per cent more than what was provided in 2014–15.

How our funds were used

The significant increase in delivered activity combines with the operational requirements of the enhanced Gold Coast University Hospital facility have been a significant driver behind the 11 per cent increase in expenditure from \$1.15 billion to \$1.28 billion. This has been evidenced by:

- 14 per cent increase in employee expenses to \$831 million
- 7.5 per cent increase in supplies and service expenses to \$358 million

Chart 4: WAUs by purchasing category

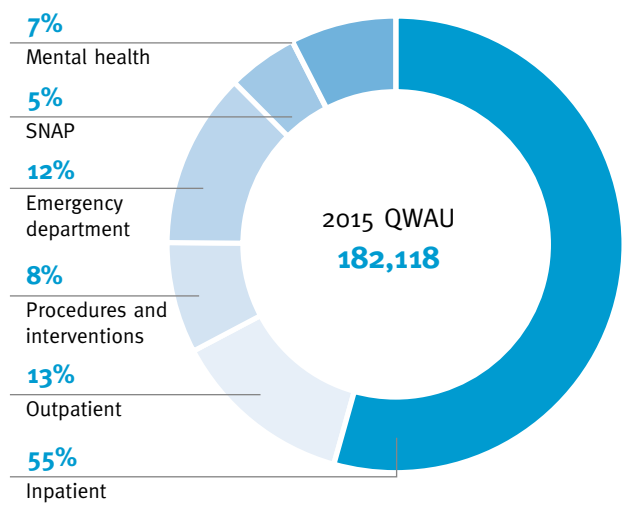
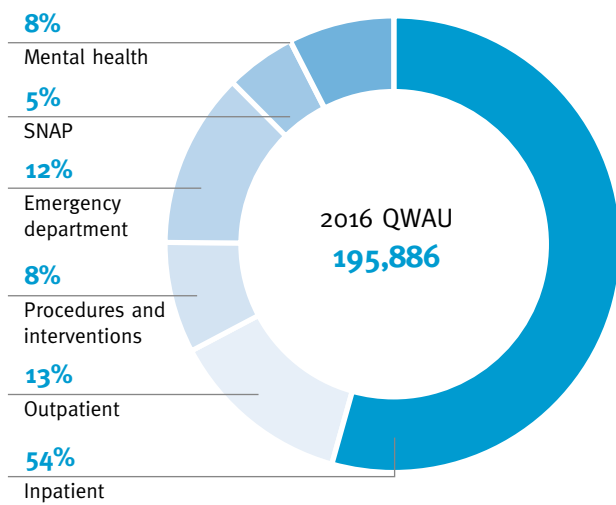
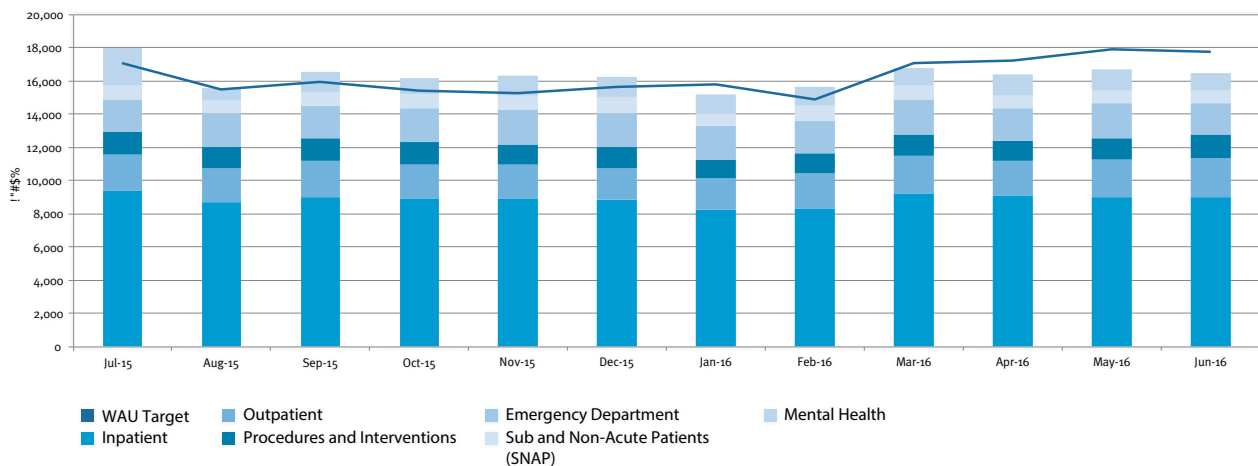


Chart 5: WAU delivery performance by month, Q18 QWAUs vs targets



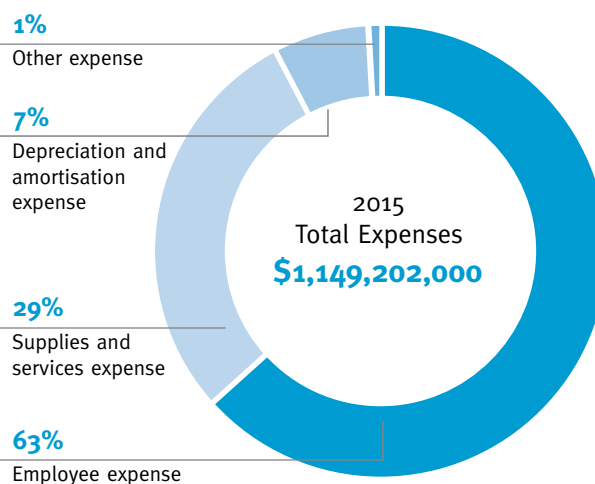
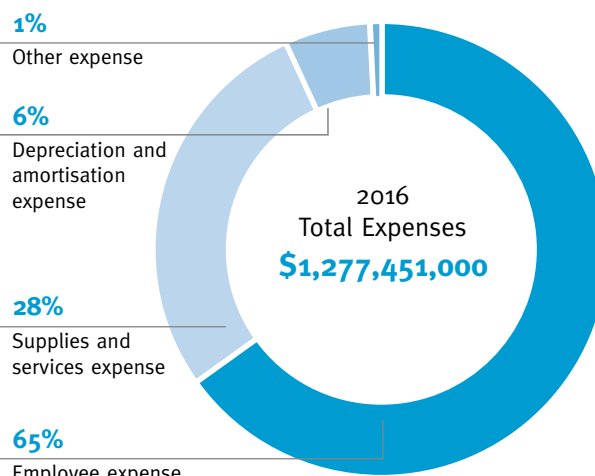
Future financial outlook

Gold Coast Health is committed to providing better health outcomes for the community and achieves this goal through reinvesting in its people and infrastructure. The organisation is exploring innovative and cost-effective solutions to enhance the value we provide to the community.

Assurance statement

For the financial year ended 30 June 2016, the Executive Director of Finance and Business Services provided an assurance statement to the Gold Coast Health Board and Chief Executive about the preparation of the financial statements and notes thereto, the internal financial control framework, and compliance with prescribed requirements for establishing and keeping the financial records in accordance with applicable accounting standards.

Chart 6: Expenditure by major category



Service performance

Gold Coast Hospital and Health Service		Note	2015–16 target	2015–16 actual	2016–17 target
Service standards – percentage of patients attending emergency departments seen within recommended timeframes:	Source: DSS Necto Scorecard 25/07/16				
Category 1 (within 2 minutes)			100%	100%	100%
Category 2 (within 10 minutes)			80%	57%	80%
Category 3 (within 30 minutes)			75%	41%	75%
Category 4 (within 60 minutes)			70%	59%	70%
Category 5 (within 120 minutes)			70%	83%	70%
Percentage of emergency department attendances who depart within four hours of their arrival in the department	Source: DSS Necto Scorecard 25/07/16		90%	80%	>80%
Percentage of elective surgery patients treated within clinically recommended times:	Source: DSS Necto Scorecard 25/07/16				
Category 1 (30 days)			>98%	100%	>98%
Category 2 (90 days)			>95%	100%	>95%
Category 3 (365 days)			>95%	100%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patients days	Source: Infection Control Department		<2	0	<2
Rate of community follow-up within 1–7 days following discharge from an acute Mental Health inpatient unit	Source: Mental Health Performance report, Gold Coast MHSO summary		>65%	63%	>65%
Proportion of readmissions to an Acute Mental Health inpatient unit within 28 days of discharge	Source: Mental Health Performance report, Gold Coast MHSO summary		<12%	11%	<12%
Percentage of specialist outpatients waiting longer than clinically recommended:	Source: DSS Necto Scorecard 25/07/16				
Category 1 (30 days)			--	81%	65%
Category 2 (90 days)			--	59%	55%
Category 3 (365 days)			--	86%	85%
Median wait time for treatment in emergency departments (minutes)	Source: DSS Necto Scorecard 25/07/16		20	30	20
Median wait time for elective surgery (days)	Source: DSS Necto Scorecard 25/07/16		25	36	25
Ambulatory mental health service contact duration	Source (Target and Est. Actual): GCHHS Service Delivery Statement		>86,601	83,434	>90,125
Efficiency Measure					
Average cost per weighted activity unit for Activity Based Funding facilities			\$4,780	\$5,014	\$4,756
Other Measures				Q18 QWAU	Q19 QWAU
Total weighted activity units					
Acute Inpatient			111,022	106,468	112,993
Outpatient			21,235	25,303	25,241
Sub-Acute			6,864	9,721	9,885
Emergency Department			20,438	24,322	21,783
Mental Health			12,223	14,682	11,245
Procedures and Interventions			19,103	15,390	18,615
Prevention and Primary Care					4,103
Total weighted activity units				195,886	203,865

Our services

Gold Coast Health has three key drivers that will enable us to fulfill our vision to be recognised as a centre of excellence for world class healthcare. They are ensuring patients have access to health services; providing those services in a safe, effective and efficient manner and supporting a healthy Gold Coast community.

Gold Coast Health is leading the way in health innovation and service provision – providing safe, sustainable, efficient, quality and responsive health services for the Gold Coast community.

We deliver leading health outcomes by:

- leading disease prevention on the Gold Coast
- providing secondary and tertiary services of the highest quality and best value
- designing and implementing contemporary healthcare models
- providing high quality healthcare education
- contributing to knowledge development through research and evidence-based clinical practice.

Reducing surgery waiting times

Achieving the National Elective Surgery Target (NEST) is important because it has a direct impact on our community.

In June 2016 Gold Coast Health had effectively eliminated elective surgery long waits with all but seven patients receiving their surgery within the clinically recommended time – 16,394 out of the 16,401 patients.

Providing timely access to surgery positively contributes to a patient's quality of life.

In the past it has been difficult to determine the actions that would most directly improve the access to those patients most in need.

With the introduction of Management Information Systems (MIS) the information is now available to make the right decisions to improve outcomes.

Reliable, real-time data has changed the nature of the discussion and is allowing clinicians to engage in constructive dialogue.

By making data available it is easier to select the patients who have waited longest.

The length of the waiting times have been reduced for all patients and the culture of the organisation

Elective surgical procedures increased by 22% over the past two years



has also improved because productive discussions have been based on rich information.

Success in reducing waiting times for elective

surgery comes as surgical activity soars, with Gold Coast Health performing 22 per cent more elective surgical procedures in 2015–16 than in 2013–14.

These gains in elective surgery performance have been delivered despite Gold Coast Health assuming a full trauma centre role in South East Queensland and northern NSW. The health service also experienced increasing ED presentations which places pressure on operating theatres and beds.

Patients benefit from redesign of endoscopy service

The health service has taken positive action towards meeting clinically recommended timetables for potential cancer patients.

A reform program undertaken in endoscopy services has had positive outcomes, providing an increasing number of patients with safe quality treatment.



In the first six months of 2016, 2415 Category 4 patients underwent endoscopies within the clinically recommended timeframe, allowing doctors to make a cancer diagnosis sooner. The service has sustained this commitment.

The successful redesign project focused on improved process flow and management of the entire patient journey. The project included working with private sector partners to ensure clinically safe wait times and reduced extended waiting times.

When the endoscopy service receives a referral it is categorised and the patient booked to attend the Endoscopy Assessment Clinic.

This one-stop clinic allows patients who are deemed Category 4 to receive their procedure booking date on the same day, receive a pre-procedure anaesthetic assessment and important information on the required bowel preparation from nurses and administration staff.

Previously this may have required the patient to return to the hospital up to three times.

The caring approach being delivered by the frontline staff, which puts the patient at the centre of care, has received positive feedback from patients.

Technology was also an important element of the service redesign project and the Endoscopy Integrated Performance Dashboard, which maps every patients' progression through the service, received an eHealth eAward nomination.

Emergency treatment

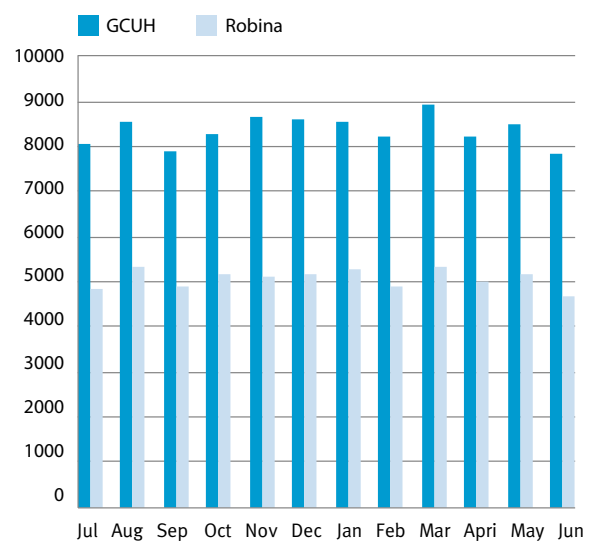
Clinicians in Gold Coast Health emergency departments attended to 161,385 patients during 2015–16. This included 100,433 at Gold Coast University Hospital and 60,952 at Robina Hospital.

The Paediatric Emergency Department at GCUH saw 22,573 children, whilst Robina Hospital emergency treated 10,267 children. Combined, Gold Coast Health treated the second largest number of children in the state behind Lady Cilento Children's Hospital.

Clinicians continue to successfully manage the continued growth in volume, up from 150,000 presentations in 2014–15, and this is reflected in the National Emergency Access Target (NEAT) outcomes at both hospitals. The overall health service NEAT for 2015–16 was 79 per cent. NEAT is a national performance benchmark for public hospitals across Australia. Since April this year, 80 per cent of all patients presenting to our emergency departments are required to be discharged home, admitted to hospital or transferred to another facility within four hours of arrival. Prior to April 2016 the target was 90 per cent.

To address the unprecedented increase in activity while sustaining performance, both Gold Coast Health emergency departments continue to develop innovative models of care. Weekly breach meetings are held with input from all directorates to address issues with patient flow. Currently a number of projects are being undertaken with input from clinicians across the service looking at improved models of care for both the emergency and Medical Assessment Units.

Chart 7: 2015–16 ED presentations by facility



Practical measures include early senior decision-making zones within the triage area (post intervention therapy) and an early assessment and streaming zone. The introduction of the Nurse Navigator model within the Emergency Department assists and promotes flow through the department. The introduction of a waiting room nurse in emergency aims to reduce the number of patients that 'did not wait' and the discharge nurse ensures timely discharge from the short stay and Clinical Decision Unit.

The Medical Assessment Unit (MAU) model at both hospitals aims to improve patient care and flow through the health service. This is achieved by improving patient flow through the hospital, providing rapid assessment by the general internal medical team of the majority of patients presenting to emergency departments and the early intervention of the multidisciplinary team. This limits unnecessary investigations and avoids multiple internal referrals to clinical teams.

Refinements to the MAU in 2016–17 will aim to:

- reduce waiting times
- provide high quality, cost effective care
- provide patients, likely to be admitted, with appropriate facilities.
- avoid unnecessary admissions to inpatient ward accommodation
- prevent inappropriate patient discharge.



GCUH trauma surgeons, Dr Randy Bindra and Dr Martin Wullschleger

Service grows our trauma capabilities

Gold Coast Health is a tertiary level service providing a dedicated trauma service to support the care of the complex multi-trauma patients that present to Gold Coast University Hospital.

In 2015, the Trauma Service managed 1270 multi-trauma patients and of these 300 sustained serious, life-threatening injuries and required intensive care, operative management, extensive recovery and rehabilitation care.

The service, which operates seven days a week, provides a continuation of service from presentation in the Emergency Department, for the duration of the patient's stay in an acute ward and throughout inpatient rehabilitation.

Trauma service nurses are an important link between multidisciplinary treating teams and are able to make referrals when appropriate, and initiate and facilitate discharge planning.

In the past year the service has relocated to a new space within the Intensive Care Unit of GCUH, where there is scope to accommodate future growth.

The trauma service team shares knowledge and drives cohesion across the hospital's emergency, surgical and orthopaedic departments by hosting monthly simulation sessions and education sessions for nursing and medical staff.

It continues the successful PARTY program (Prevent Alcohol Risk-related Trauma in Youth) which exposes local teenagers to the harsh reality of the catastrophic results of risky behaviour.

During 2016–17 about 150 high school students from across the Gold Coast will take part in the program. The GCUH trauma service is progressing towards, and will apply for, verification as a Level 1 Trauma Centre in late 2017.

Level 1 Trauma Centre status is awarded by the Royal Australasian College of Surgeons (RACS) and acknowledges a 24-hour trauma service at a principal hospital led by a trauma director and with first class facilities including emergency department, operating theatre suit and intensive care units.

Trauma verification will allow GCUH to benchmark its services against international standards and reflects the health service's dedication to excellence.

Specialist outpatients investment delivers results

Gold Coast Health has embarked on a two-year project to reshape specialist outpatient services in order to reduce wait times despite receiving an increasing number of referrals.

RESHAPE was launched in March 2016 with a focus on ear, nose and throat (ENT), gastroenterology and colorectal surgery, ophthalmology and neurosurgery.

The project has already had a positive impact on patients who are receiving better access to outpatient appointments, an improved patient experience and improved patient safety.

RESHAPE has also delivered greater productivity and efficiency within the health service with Gold Coast Health delivering more outpatient services than ever before.

What does RESHAPE mean?

Reduce long waits

Enhance value

Sustainable services for future

Health system wide approach

Access is timely and most appropriate clinician

Positive patient experience

Engaged clinicians

The number of patients waiting longer than clinically recommended times has reduced from 31 per cent in June 2015 to 27 per cent in June 2016.

These results have occurred against a backdrop of rising referrals (see chart 7, pg 19) with outpatient occasions of service (patient contacts) increasing from 699,684 in the year to June 2015 to 835,335 by 30 June, 2016.

A patient is considered a long wait if they are:

- Category 1 – waiting longer than 30 days
- Category 2 – waiting longer than 90 days
- Category 3 – waiting longer than 365 days

The project allowed multi-disciplinary teams to:

- audit more than 10,000 referrals to ensure our waiting list was accurate and that those patients on the waiting list still required an appointment
- transfer 320 patients to one of the new allied health pathways instead of waiting to see a specialist
- see more than 1000 patients through additional outpatient clinics on evenings, weekends and weekdays.

The ENT Allied Health Primary Contact Service is one example of the new allied health pathway model of care making a difference.

It is providing on-site, same-day testing for many Category 2 and 3 patients who are seen by experienced specialist allied health professionals.

A speech pathologist assesses patients with symptoms relating to dysphagia and dysphonia, conditions which affect swallowing and speaking.

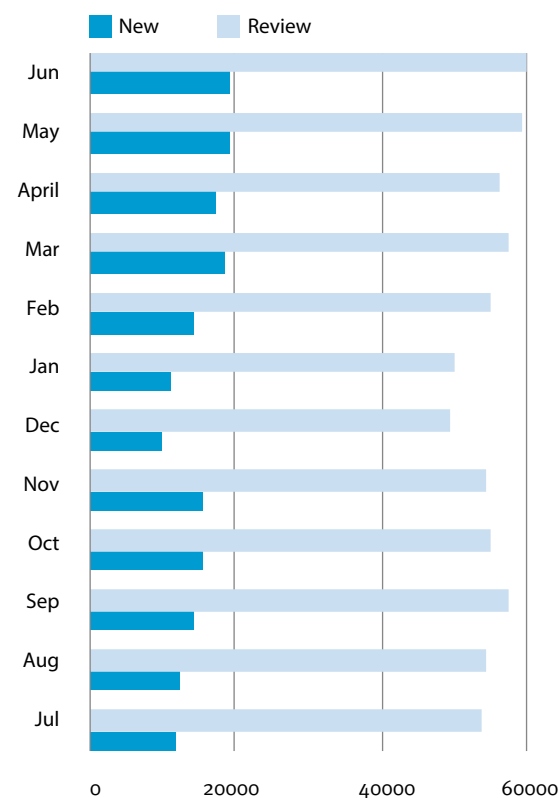
An audiologist, the first directly employed by Gold Coast Health, performs audiology and hearing assessments for paediatric patients with a history of hearing loss associated with vestibular dysfunction.

A physiotherapist performs vestibular assessments and management for patients referred for symptoms of dizziness, vertigo and disequilibrium.

The service complements and supports the existing specialist ENT pathway. If allied health practitioners detect abnormal findings or clinical concerns patients remain on the ENT waiting list, and in some cases their clinical priority may be upgraded to a more urgent level.

However if the clinical history and findings are reassuring or if patients' symptoms have resolved completely they are discharged from the service and their names removed from the ENT waiting list.

Chart 8: 2015–16 outpatient activity



Aged care and rehabilitation reform

Gold Coast Health has introduced a contemporary new model of care for aged care and rehabilitation services in order to meet the demands of a growing ageing population.

The reforms take a patient-centred approach and include innovative features such as mobile response teams to provide greater support for elderly and rehabilitation patients and help appropriate patients to return home sooner.

The Aged Response Teams (ART) at GCUH and Robina Hospital are a team of specialist health professionals from a range of disciplines who:

- provide expert assessment of older people with complex, age-related needs when they present to the Emergency Department or the Medical Assessment Unit
- provide advice and expertise regarding the admission or discharge of elderly people with complex needs, and follow up assessments
- develop a patient care plan for inpatient or community care, to ensure appropriate follow-up care and support is provided
- provide specialist consultation to inpatient wards.

The multidisciplinary team of medical, nursing and allied health professionals is run by a geriatrician.

Robina Hospital has opened 28 acute care beds for the elderly, while 10 acute care beds have been allocated at GCUH. The Inpatient Rehabilitation Units at GCUH and Robina have expanded to 32 beds and 40 beds respectively.

New interpreter team improves patient care

Gold Coast Health has improved its service to patients who can speak little or no English by directly contracting a team of interpreters.

Gold Coast Health engaged interpreters on 6895 occasions during 2015–16. A total of 1.3 percent of Gold Coast Health consumers required language support. Our interpreters speak Mandarin, Cantonese, Japanese, Korean, Bosnian, Serbian, Croatian, Macedonian and many other languages.

This service will improve the responsiveness, cost-efficiency, quality and supply of interpreters for the health service, in turn improving quality of care. It is provided free to patients.

Integrated Care tackles chronic disease patient experience



Gold Coast Integrated Care (GCIC) is changing the way patients with chronic conditions are treated on the Gold Coast. The complex program incorporates a multi-disciplinary team, from specialist care to allied health and community-based services, across a number of sites supporting patients with chronic diseases and their GPs.

GCIC has established partnerships with 14 GP clinics across the region and community-based healthcare providers to facilitate a seamless continuum of care to patients with chronic conditions such as heart disease, chronic obstructive pulmonary disease, kidney disease and diabetes.

The GPs involved have an active population of about 130,000 patients, which represents about 25 per cent of the Gold Coast population.

From planning through to implementation, GCIC had many achievements during 2015–16. Recruitment of all key positions was completed, including senior Nurse Navigators who were employed as a joint appointment with general practice.

A coordination centre provides a single point of contact for patients, their families and/or their carers. Patient care is supported by standard operating procedures which include clinical guidelines, care pathways, discharge and referral guidelines.

The centre provides rapid access to clinical support for patients, with a 24-hour hotline staffed by specialist teams. The introduction of a Shared Care Record for each patient participating in the initiative allows all members of the care team to assist in the timely coordination of care.

In addition, a process has been designed to identify patients who are at risk of hospitalisation. Each patient is given a risk rating and GCIC clinical teams, together with GPs, review these scores for potential new patients to the program.

As GCIC enters the second half of its four-year proof-of-concept phase, an evaluation is well under way by Griffith University.

Growing our research capabilities

Gold Coast Health recognises the importance of building research capacity and capability to produce a sound evidence base for decision-making in policy and practice.

Gold Coast Health saw a **30% increase** in the number of research projects initiated



In 2015–2016 a research governance structure was established to provide strategic guidance and operational support for research across the health service.

A range of research training initiatives have been developed and implemented to increase staff awareness and engagement. These include the Stimulating Action in Research (STAR) program delivered by Gold Coast Health and Griffith University staff, Evidence Based Practice (EBP) workshops delivered by the newly-established Evidence Based Practice Unit (supported by the Centre of Research Evidence Based Practice, Bond University) and a Practising Knowledge Translation Workshop delivered by visiting industry professionals from St Michael's Hospital in Toronto, Canada.

Investment in research capacity building activities should translate to increased research activity.

There was a 30 per cent increase in the number of research projects being undertaken for the period January-June 2016 versus 2015. Research is across a wide range of disciplines internal and external to the institution, leading to the formation of collaborative partnerships. These key activities will drive high quality research and set the research themes for the future Gold Coast Health and Knowledge Precinct.



More information about our research activities can be found in the Gold Coast Health Annual Research Report

Nutrition Research Group provides food for thought

A collaborative Nutrition Research Group within Gold Coast Health has brought together multidisciplinary health professionals to ensure optimal patient outcomes on the frontline.

The health service has a strong tradition of conducting high quality nutrition-related research, which continued in 2015–16. For example, through the PARTiCiPATE project, which aimed to improve nutrition among adult inpatients, a number of innovative interventions were developed and implemented during collaboration between clinicians and researchers. The interventions have been adopted on the Acute Medical Ward at Robina Hospital and are set to be implemented more widely.

In this study of 207 patients, it was firstly identified that there was opportunity to improve energy and protein intakes among these patients, as inadequate nutrition can impact a patient's ability to recover from injury or illness.

Barriers to eating were identified in the initial data collection phase, and the clinician-driven research team worked with multidisciplinary staff to develop and adopt strategies to enhance nutrition care and delivery among these patients.

As a result of this collaboration, changes have occurred at a food service system level, as well as at the ward level. For example, a traffic light system now clearly shows how much each patient is eating – red for less than half; amber for 1/2–3/4 and green for more than 3/4 of their meals. Nutrition assistants or nursing staff update the traffic light status on the whiteboard in each patient's room.

After the intervention was implemented, a statistically significant increase in energy and protein intakes (in proportion to patients' estimated requirements) was observed.

The Nutrition Research Group was established as a multidisciplinary, inter-professional and inter-institutional collaborative within Gold Coast Health.

It unites a number of research projects across the areas of Intensive Care, Oncology, Public Health, Food Services and Acute Care.



Dr Andrea Marshall, Jennifer Anderson, Shelley Roberts, Julie Jenkins and Connie Mather at the Robina Hospital Acute Medical Ward.

Going for gold – together

Gold Coast Health is on a journey towards the prestigious, world-renowned Magnet® designation.

Magnet recognises organisations for excellence in health care services and quality of patient care. The program is steeped in evidence demonstrating improved patient outcomes (such as lower rates of falls with harm, pressure injuries and surgical infection rates) and high levels of staff satisfaction.

Three hospitals in Australia have achieved designation, but none as a whole of health service.

At Gold Coast Health we are adopting an interdisciplinary approach to our Magnet journey, as we recognise that every employee in our health service affects, and is affected by, the environment in which we work.

As we aim to become the first Magnet-designated health service in Australia, it makes sense that we travel on the journey towards Magnet designation together.

Our official Magnet journey began with the launch of the inaugural ‘Going for Gold’ staff engagement survey in February 2016.

This survey saw 55 per cent of our staff participate, which is significantly higher than previous surveys undertaken in recent years.

With 46.8 per cent engagement across the service, this sits us in a Culture of Consolidation.

The survey has provided us with valuable data about our health service and how we can improve the work environment to enhance staff satisfaction, which will ultimately translate to excellence in patient care.

Action plans from these surveys are being created in collaboration with staff, to ensure there is joint ownership of actions between managers and staff to create a Culture of Success across Gold Coast Health.

February 2016 also saw the launch of new patient satisfaction surveys ‘Your Experience and Expectations’. These surveys will be conducted



quarterly in February, May, August and November each year, across all Gold Coast Health inpatient units, clinics, emergency departments and ambulatory services.

Data obtained from these surveys will assist with enhancing the care we provide to our patients throughout the continuum of care, and to showcase the excellent work that is done every day by our healthcare teams.

Our Magnet Ambassadors now number more than 140 dedicated staff across our service. The Ambassadors are committed to leading their teams on the journey towards Magnet excellence and are role models and representatives of their departments.

Their role is critical to our success, as they assist with increasing awareness about the program and identifying opportunities for creating a workplace synonymous with Magnet organisations.

2016–2017 is an exciting year, as we continue with staff engagement activities, culture improvement strategies, spread awareness about the Magnet program and instill the philosophies throughout the health service.

We will develop and embed an interdisciplinary professional practice model to define the structures and processes that enable us to provide excellence in patient care and healthcare services. In September 2017, we will repeat the Going for Gold staff survey to see how far we have progressed towards a Culture of Success.

“As we aim to become the first Magnet-designated health service in Australia, it makes sense that we travel on the journey towards Magnet® designation together.”

Samantha Clayton, Nursing Director, Magnet Program Coordinator

Momentum mounting in mental health

Mental Health and Specialist Services (MHSS) is committed to leading the way in health innovation and service provision – providing safe, sustainable, efficient, quality and responsive health services for the Gold Coast community.

Five priority areas for action have been identified in the Gold Coast Health MHSS's Alcohol, Tobacco and Other Drugs Service Strategic Plan 2012–2017, which match those in the Queensland Plan for Mental Health 2007–2017 specifically:

- mental health prevention, promotion and early intervention
- integrating and improving the care system
- participation in the community
- co-ordinating care
- workforce, information, quality and safety.

These priorities form the foundation for all services provided by the MHSS across a variety of service settings in partnership with our key stakeholders.

This year has seen the development of new programs including enhancement funding to support responsiveness within the Acute Care Team – the primary access point for our service. This has allowed the team to increase their community response which means more people can be seen without having to present to the Emergency Department.

Additionally, MHSS was one of the seven Queensland Health and Hospital Services selected to participate in a program specifically targeted to address the issue of increasing use of crystal methamphetamine, commonly known as ice. The funding was provided by the State Government to:

- enhance the Drug and Alcohol Brief Intervention Team (DABIT) service provision at GCUH and Robina Hospital Emergency Departments
- develop a community engagement strategy in relation to ice use in the community
- develop a community-based treatment program for 15–25 year olds who are currently using or at high risk of using ice
- community forums, which have commenced.

Innovation themes

The MHSS has also led the implementation of the Safewards initiative in all eight inpatient units. This framework refocuses on the therapeutic interventions required to assist mental health consumers on their recovery journey. One of the interventions is to create a 'discharge tree' where consumers leaving hospital are able to write messages of hope for others. This has been very well received and is a beautiful addition to the environment.

A recent implementation of a pet therapy program is another example of an innovative approach to help reduce anxiety for our consumers. This was led by Consumer Consultant Angela Davies who was successful in achieving funding through the Gold Coast Health Improvers awards initiative. This program was made possible via a partnership with the Delta Dogs volunteers.



Reaching out to our community

Queensland Health has provided funding to the Karulbo Aboriginal and Torres Strait Islander Partnership to support and promote health and wellbeing in the community. An inspirational music video, funded via Proud to be Me, featured young people from the local community.

Youth connections

The Konnect 4 Kids program was created by the Evolve Therapeutic Services team who work in partnership with Child Safety. This is an inter-agency initiative aimed at building capacity within service providers for young people with complex needs.

Continuing initiatives

Gains continue to be made into reducing the waiting time for the Interdisciplinary Persistent Pain Service and the provision of the Treatment Access Pathway are continuing to achieve improved outcomes for people suffering with persistent pain. It is exciting to confirm that the Mother and Baby inpatient pod and community team will be commencing in 2017.

Our people

Gold Coast Health is positioning itself as an employer of choice, and as such is driving a positive work culture. A number of strategies contribute to this objective, some of which are featured below.

Improving workplace culture

A staff survey in late 2015 identified things we need to do to create a better workplace and achieve our ultimate goal of gaining world-class recognition for the quality of care for our patients. Staff from each directorate and division attended manager-led forums which enabled them to be involved in developing strategies to improve workplace culture. Progress against these action plans was reported quarterly to the board and published on the intranet.

In February 2016 the health service participated in the Going for Gold Survey, part of the Magnet accreditation process, which returned a 55 per cent response rate. This data has provided a wealth of information which leaders are using to inform their vision and culture planning.

Commitment to employment security

Gold Coast Health is committed to the Queensland Government Employment Security Policy and supports all initiatives that strengthen this commitment. Significant work was undertaken in response to the result of the Gold Coast Health survey that 28 per cent of staff did not feel secure in their role. Human Resource Services undertook a review of all temporary work engagements against the conversion criteria in the *Conversion from Temporary to Permanent Status Human Resource Policy B52*. Out of 2253 temporary contracts reviewed, 192 staff (8.5 per cent) were offered permanent roles within the health service.

Valuing transparency

Gold Coast Health adheres to the values and principles outlined in the *Queensland Public Service Code of Conduct* to ensure accountability and transparency. In addition, the health service is committed to providing every employee with a safe, secure and supportive workplace. As part of the broader human resources strategy, education, escalation and reporting of complaints is critical in ensuring complaints are addressed appropriately and in a timely manner.

A dedicated intranet page gives staff information on different types of concerns and complaints and how these are escalated.

Members of the public are also encouraged, through the Public Interest Disclosure (PID) information on the health service's internet web page, to disclose any wrongdoing such as fraud and corrupt practices that they may have witnessed. This information includes contact information of responsible officers within Gold Coast Health and complies with the publication requirements of the Crime and Corruption Commission (CCC).

The Statutory Compliance and Conduct unit (SCC) is the health service's central point for receiving, reporting and managing allegations of suspected corrupt conduct under the *Crime and Corruption Act 2001* and public interest disclosures under the *Public Interest Act 2010*.

The creation of a SCC unit supports the chief executive in fulfilling a statutory obligation to report public interest disclosures to the Queensland Ombudsman and allegations of suspected corrupt conduct to the CCC. Allegations referred back to the health service by the commission are monitored by the SCC.

In 2015–16 the SCC participated in two audits by the CCC and was deemed compliant on both occasions. Gold Coast Health has also pro-actively mitigated fraud and other CCC matters by:

- delivering ethics/PID/corrupt conduct coaching sessions to managers and developing on-line programs for mandatory training requirements
- chairing the Matters Assessment Committee (MAC) in assessing PID and other fraud incidences.

Developing our leaders

Service provision within Gold Coast Health is a changing environment and requires leaders who can move away from traditional problem solving thinking and move towards thinking which identifies opportunities for improvement, both operationally and strategically.

The Senior Leadership Development Program (SLDP) was commissioned to invest and build 'an opportunity focussed' leadership culture across middle management and senior leaders. In 2015, 150 participants participated in a contextualised SLDP program. In 2016 a further 130 participants have enrolled to complete this program.

Diversity strategy and action plan

The health service joined with key partners to launch a Diversity and Inclusion Strategy 2016–2019. This strategy encompasses a 12-month action plan identifying a priority to build employment opportunities for people with disabilities and people from disadvantaged backgrounds.

This will be achieved by forging key partnerships with vocational and higher educational institutions, offering a work placement program for students with disabilities and those from disadvantaged backgrounds, working with specialist disability recruitment agencies to educate our workforce and to provide suitable candidates for employment opportunities within our health service.

Additionally, Gold Coast Health is committed to providing ongoing entry pathways for people in the community and have committed to a partnership with the Department of Education and Training to support school-based traineeships.

As part of the introduction of the Diversity and Inclusion Strategy, the health service's Workplace Equity and Harassment Officer (WEHO) network was revamped.

This action reaffirms Gold Coast Health's commitment to providing a workplace which is free from unlawful discrimination and where equal employment opportunity practices are embraced.



Board Chair Ian Langdon (third from right) and other dignitaries mark the launch of the Diversity and Inclusion Strategy (2016–2019) and action plan



The RU OK Day event attracted more than 1200 staff

Promoting healthy lifestyles

Team Health, our workforce health and wellbeing program, was awarded silver in the Queensland Health 'Healthier, Happier Workplaces' initiative.

The program has grown to provide more holistic services for our staff including more opportunities for staff to meet with our sponsors and partners. The annual RU OK Day, held in 2015 at Gold Coast University Hospital, was once again a popular event attracting more than 1200 staff with a focus on 'a conversation that could change a life'.

In February 2016, an event promoting Healthy Weight Week, was held at GCUH and attracted 1500 staff, who met with our range of partners for advice on topics ranging from alcohol intake, oral health and work life balance.

Robina Hospital had more than 550 staff attend an event in June 2016, which focused on heart disease prevention. Staff were provided with blood pressure testing, heart disease and diabetes risk checks and follow up information in relation to treatment.

Team Health raised more than \$13,000 to reinvest in our staff to encourage them to be active, make healthy lifestyle choices and care for their mental health.

Staff active and health achievements include:

- first in the men's Australian Super Corporate Triathlon in May 2016
- first in corporate netball games in May 2015.

Team Health works to instill the importance of living a healthy life in staff and role model this practice to the community, utilising knowledge and energy from both within our organisation and from our industry partners.

Our workforce at a glance

Increase in clinical staff

From July 2015 to June 2016 the number of clinical staff (ie medical, nursing, allied health professionals, other professionals, scientific and technical and oral health practitioners) has increased from 5404 to 6084.

Professional stream

Gold Coast Health's workforce is made up of 8648 people who contribute to the strategic objectives of the business. Actual employment figures are 7266 full-time equivalent (FTE).

All figures are based on Minimum Obligatory Human Resource Information (MOHRI) Occupied Headcount.

Table 1: MOHRI Occupied Headcount by sex

Sex	MOHRI Occupied Headcount	%
Female	6414	74.17%
Male	2234	25.83%
Total	8648	100%

Table 2: Professional stream MOHRI occupied FTE

Managerial and Clerical	1208
Medical including visiting medical officers (VMOs)	993
Nursing	3173
Operational	964
Trade and artisans	12
Professional and technical	913
Total	7266

8648
staff



1205
new employees
in 2015-16



70%
in clinical
roles





11%
increase in
clinical roles

Youngest employee:
18, male



Oldest employee:
81, male

Women fill
55%
of executive
management positions



An equal opportunity employer

Figures from May 2016 show 0.95% of Gold Coast Health employees are Aboriginal Torres Strait Islander, 9.32% are from a non-English speaking background and 1.19% have a disability.

Please note data has been sourced from DSS Necto and is current as at June 2016.

Composition: age and sex

Gold Coast Health has a diverse workforce.

Our youngest staff member is a male and 18 years old and our oldest employee is a male aged 81. Overall the health service employs 6414 females and 2234 males.

Table 3: Sex and age profile as at June 2016

Age	Female	Male	Total
Under 20 years	7	9	16
20–29 years	1251	425	1676
30–39 years	1494	570	2064
40–49 years	1580	605	2185
50–59 years	1535	461	1996
60–69 years	523	150	673
70–79 years	25	13	38
80 years and over	0	1	1
Total	6414	2234	8648

Women in the workforce

Women comprise 74.17 per cent of the service's workforce, with 55 per cent of executive management positions filled by women, based on the Executive Management Team organisation structure.

Table 4: Women in professional streams as at June 2016

Profession	2015	2016
Managerial and clerical	943	1106
Medical (including VMOs)	369	417
Nursing	3046	3441
Operational	641	665
Professional and technical	695	785
Total	5694	6414

Workforce planning

Gold Coast Health's Workforce Planning Strategy was developed and presented to the board in September 2015. Based on activities undertaken in the development of this strategy, five key workforce management priorities were identified – resourcing the future workforce (supply and demand); development of workforce (maintain skilled and engaged workforce); retirement and succession planning; preparing for emerging needs (workforce risk/labour market) and changing work environment (innovation, technology, job design).

Gold Coast Health acknowledges it has an aging workforce and developed a 'transition to retirement' guideline which was published in November 2015. A new succession planning toolkit and handbook is in the consultation and testing stages. This toolkit supports both the identification of critical roles and capability within the health service. Integrating it within service planning allows for greater visibility of workforce risk to our services and provides the opportunity to mitigate capability loss through our mentoring and capability development programs.

We are committed to continuing to find innovative ways to improve service efficiency, meet identified skill gaps, mitigate challenges and deliver best practice solutions. In order to identify our high potential employees and enhance individual performance, we are planning to introduce a core capability framework that includes a competency model. This framework will influence future recruitment practices and provide a stronger foundation for opportunity and development across Gold Coast Health as well as supporting better resource optimisation.

Recruitment selection and appointment

As a result of the recruitment reform program, the average time (identified in last year's audit as 118 business days) to fill a position from request to hire to letter of offer has reduced by 57 per cent.

We achieved this through:

- introduction of automated online Request to hire and Selection Reports
- more visibility to the health service on their division performance, through a monthly 'Attraction and Recruitment – Activity and Performance Report' with established key performance indicators (KPIs)
- recruitment partner model has allowed more strategic targeted advertising campaigns for hard-to-fill positions – this involved greater use of SEEK and LinkedIn
- involvement in the business through manager coaching sessions for attraction and recruitment, job evaluations and establishment
- introduction of the HR Hub streamlined the recruitment process and provided information to assist hiring managers through a five-step approach.

Other activity in the health service saw increased demands for recruitment support in the following areas: ongoing process to manage temporary-to-permanent conversions, internal restructures and the closure of the Carrara facility.

Table 5: Advertised vacancies 2015–16

Administration	165
Allied health	123
Dentistry	8
Medical	107
Nursing	233
Operational	22
Professional	11
Technical	2
Trade	2
Total 2015–2016	*675
Total 2014–2015	596

*12% increase in advertised vacancies

This year saw the implementation of a state wide Job Evaluation Management System (JEMS) Module through the Vacancy Advertising Database for Effective Recruitment (VADER). This allows visibility across the state and provides tools to complete evaluations and introduced JEMS reporting.

As a result of this Gold Coast Health remains on target in relation to the KPI surrounding JEMS evaluations. Ongoing demand will be put on this function given upcoming industrial changes that include plans to take on future evaluations within the health service.

Continuing staff development

Our end-to-end performance management framework begins with induction of new employees,



mandatory training and putting performance development plans in place within the first 30 days of employment and annually thereafter. In 2015–16 our focus has been on building

leadership capability for managing performance and enhancing the tools available to assist managers.

Gold Coast Health's staff development efforts continue to be strongly supported by our local online learning management system, GCH-LOL. Employees have enrolled and completed about 70,000 e-learning courses this financial year. The development of e-learning programs continues to increase with demand. This has translated in expanding our services to other health services who recognise the benefits of these programs and this method of employee learning that supports a diverse and mobile workforce. Our technology is evolving with the increased demand of our programs – this can only benefit our workforce, increasing access to employee development programs.

We also provide a range of face-to-face and blended learning programs such as working in teams, powerful job applications and management development programs.

We are working with vocational partners to up-skill our existing workforce, currently focussing on our operational officers and administration officers with the view to expand program offerings more broadly across professional streams.

In addition, we continue to provide a range of partial and fully funded learning and development opportunities for staff.

Manager Coaching Sessions were implemented

to strengthen leadership capability amongst staff. Sessions were aimed at people leaders and structured to maximise engagement and discussion using real scenarios to aid learning. A total of 421 staff attended these sessions conducted by experienced HR practitioners. Topics covered included:

- basic performance management
- performance management framework
- complaints management
- discipline
- injury and ill health management
- risk management
- safety
- performance development planning
- advanced recruitment.

Unscheduled leave

The unscheduled leave rate for 2015–16 was 1.65 per cent (average).

Early retirement, redundancy, retrenchment and separation

No redundancy, early retirement or retrenchment packages were paid during the past financial year.

Gold Coast Health has experienced a 5.86% permanent separation rate.

Our industrial partners

Gold Coast Health is committed to upholding the Queensland Government's Union Encouragement Policy and supports the role unions play in looking after the welfare of employees.

Gold Coast Health has an established industrial and employee relations framework to effectively manage industrial relations activities. The health service strengthens its relationship with the unions through the following groups:

- Gold Coast Health Consultative Forum
- Nursing and Midwifery Consultative Forum
- Work Health and Safety Consultative Committee
- Oral Health Local Consultative Forum
- Building, Engineering and Maintenance Services (BEMS) Local Consultative Forum
- Environmental Services Local Consultative Forum (GCUH)
- Operational Support Services Local Consultative Forum (Robina and Communities)
- Aged Care and Rehabilitation Reform Local Consultative Forum.

Workforce performance

Policy

Gold Coast Health has a responsive policy framework that supports workforce and operational needs. Strategic policy instruments have been implemented that align with Queensland Government policy, support the community and promote the wellbeing of employees.

Gold Coast is at the forefront of supporting employee wellbeing through the implementation of the Domestic and Family Violence – Support for Employees policy. As members of the Gold Coast community, staff undergoing domestic and family violence are provided with confidential assistance when and where needed.

In addition, as the largest employer in the city, Gold Coast Health is committed to providing the local community with employment opportunities. A policy on Work Experience Programs and Placement has been implemented to support competency building and skills development in the community, providing a pathway for employment in Gold Coast Health.

Reporting

Workforce reporting strategies have been implemented to ensure effective management of Gold Coast Health's largest investment – its workforce. Workforce key performance indicators (KPIs) and Minimum Obligatory Human Resource Information (MOHRI) measurements have been developed to provide the board and Executive Management Team with greater visibility of their workforce in order to inform decision making.

Workforce reporting has also supported major projects such as the assessment of temporary employees for conversion to permanent status.

Intranet

Human Resources Services' intranet pages have been extensively revitalised and were launched as the HR Hub in April 2016.

The HR Hub is the central location for all HR needs and significantly streamlines content to support both employees and managers to easily locate information and resources, reducing the amount of time searching for the correct content. The HR Hub content and navigation was developed in consultation with staff across the health service and will continue to improve.

Our future

An increasing population and demand for public health services on the Gold Coast requires Gold Coast Health to monitor its performance against key indicators and continually seek improvements to service delivery, including the consolidation and expansion of a range of tertiary services and increased self-sufficiency. Gold Coast Health has increased investment in the delivery of secondary and tertiary health services to the community, as well as expansion of services to match the local health needs.

Community engagement improves our approach

Gold Coast Health seeks input and feedback from the local community, health consumers and carers to help plan new services while assessing current activities and reviewing quality and safety key performance indicators.

Gold Coast Health's focus on quality and safety is supported via a transparent consumer participation program. This includes consumer input in many of the high-level organisational safety and quality committees, reviews and changes to models of care and one-off special projects to review documentation in such areas as patient access and communications.

The 2015–16 reporting period included a new community and consumer engagement strategy adopted by the Gold Coast Health Board following broad consultation. The engagement strategy includes an extensive and increasingly important role for the Consumer Advisory Group in strategy and performance review.

Community engagement opportunities were increased through the adoption of an online community consultation portal 'Have Your Say' which allowed staff and community engagement on dedicated topics where broad community input and feedback was required to ensure optimum and relevant outcomes were delivered to our local community. For example the Gold Coast Health

The five-year Gold Coast Health Strategic Plan 2016–2020 takes into consideration a number of high-level targets to deliver ever-improving patient care as demand continues to increase, all within the need to maintain the economic sustainability of the service.

These targets are as follows:

1. Move Integrated Care into mainstream business
2. Continue to improve access aligned with future significant growth in demand
3. Position Gold Coast Health as a leading health service nationally, and eventually internationally
4. Continue the cultural journey to establish Gold Coast Health as a high quality, relatively autonomous organisation
5. Establish mechanisms to effectively manage the estate in the long term

10 Year Health Service Plan was fielded for community input.

An important facet of the 2015–17 engagement strategy will include a focus on improving the local community's health literacy to ensure people understand information about health and health care, how they apply that information to their lives and use it to make decisions and eventually act on it. Health literacy is important because it shapes people's health, the safety and quality of care.



Merrimac State High School showcased a Bangarra-inspired traditional dance at the annual National Close The Gap event held at GCUH



The Community and Consumer Engagement Strategy 2016–20 is available from the Gold Coast Health website

The importance of fundraising

The Gold Coast Hospital Foundation is the official charity for Gold Coast Health and exists to relieve the poverty and distress caused to patients suffering from illness and disease, as well as to advance clinical treatment.

The impact of the foundation was significant, reaching more than 180,000 patients during 2015–16 across all Gold Coast Health hospitals and community health clinics. Gold Coast Health Board Chair Ian Langdon said the support and equipment provided by the foundation would not otherwise be achievable and was greatly appreciated by health staff, patients and their families.

As the official channel for the community and organisations to donate to Gold Coast Health hospitals and health centres, the foundation often receives donations from patients and families in appreciation for the vital treatment and support they receive during their medical crisis.

Over the past year, support from the local community has enabled the foundation to purchase more than 100 major pieces of vital medical equipment for child and adult wards such as Cancer and Blood Disorders, palliative services, renal home training, Emergency Department, Community Child Health and Mental Health, Newborn Care Unit, physiotherapy unit, allied health, Intensive Care Unit and theatre services.

In addition, 220 health staff received specialist training through foundation-funded and organised education workshops. There were eight nursing and midwifery scholarships awarded and 10 youth health programs delivered for school children through the PARTY program.

The foundation gifted the Gold Coast University Hospital new furniture for the paediatric unit; improved facilities at the Robina Child and Adolescent Mental Health Unit; refurbished three ICU family waiting rooms and the ICU large indoor areas atrium; and made provision for a part-time play therapist and part-time music therapist to help children in hospital.

Very importantly, the foundation also delivered vital support services to patients and families affected by serious trauma and medical crisis. The 2015–16 year marked the foundation's first year of operating the Cancer Patient Transport Service, which helped more than 360 cancer patients make more than 7000 journeys to and from hospital for treatment.

The Trauma Support Program was introduced to assist ICU patients and their families suffering emotional and financial hardship due to serious illness or injury. The program provided 160 nights of accommodation to families of ICU patients, who often require prolonged stays in hospital. Accommodation is in close proximity to the hospital and some families also received transport and parking assistance.



Dr Naomi Pearson, specialist paediatric anaesthetist, caring for a baby in theatre at GCUH using a purpose-built Critical Care Cot, one of three purchased by the foundation using community donations



Thomas Wiltshire uses the Lecky Totstander, provided by the foundation in partnership with Woolworths, while his mum Katherine watches on. The totstander helps children with broken bones and serious medical conditions gain the strength to stand and walk



The foundation relies upon community support and donations are welcomed at www.gchfoundation.org.au

Health and Knowledge Precinct ambitions

Gold Coast Health is central to the largest urban renewal project ever undertaken on the Gold Coast.

The Precinct is already home to Gold Coast University Hospital, Griffith University, Gold Coast Private Hospital and the Gold Coast 2018 Commonwealth Games Village, which is currently under construction.

The Gold Coast Health and Knowledge Precinct master plan was finalised in April 2016, primed to become a global hub for innovation and research in healthcare. As planning continues, Gold Coast Health is engaged in discussions to ensure the precinct will result in a robust local economy.

The master plan will activate the full potential of the site to incorporate the redevelopment of the Commonwealth Games Village following the Commonwealth Games in 2018 into a genuine, well-designed and integrated urban community which sits beside a vibrant community of knowledge-based healthcare research and innovation.

A formal memorandum of understanding has been signed by major stakeholders of the precinct including Gold Coast Health, Griffith University, State Government and the City of Gold Coast to demonstrate their support and agreement towards the ambitions of the precinct.

Gold Coast 2018 Commonwealth Games

Gold Coast Health is partnering with the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) to ensure the provision of healthcare services for the 2018 Commonwealth Games (GC2018).

A collaboration agreement between the organisations will enable seamless care for the Gold Coast community and all Commonwealth Games constituents at Games time.

GCUH is the designated hospital for GC2018, which means the hospital will be the referral point for acute injuries and illness from the Commonwealth Games Village Polyclinic or competition venues, providing specialist services like medical imaging when required.

Gold Coast Health is leading public health planning including surveillance and incident response for communicable diseases and food and water safety in collaboration with Queensland Health and GOLDOC.

The partnership offers a unique opportunity for health service staff to be involved in the Games from the outset, offering clinical oversight to planning, assistance in health service delivery and volunteer opportunities at Games time.



Board and management

The Gold Coast Health Board is appointed by the Governor in Council on the recommendation of the State Minister for Health and Minister for Ambulance Services and is responsible for the governance activities of the organisation, deriving its authority from the *Hospital and Health Boards Act 2011* and the *Hospital and Health Boards Regulation 2012*.

The board has the following functions:

- Setting the strategic direction and priorities for the operation of Gold Coast Health
- Monitoring compliance and performance
- Ensuring safety and quality systems are in place which are focused on the patient experience, quality outcomes, evidence-based practice, education and research
- Developing targets, goals and standardised care plans to use public resources wisely
- Ensuring risk management systems are in place and overseeing the operation of systems for compliance and risk management reporting to stakeholders
- Establishing and maintaining effective systems to ensure that the health services meet the needs of the community

In May 2016 the Gold Coast Health Board was expanded from seven to nine independent members, who bring a wealth of experience and knowledge in public, private and not-for-profit sectors as well as a range of clinical, health and business experience.

Ken Brown and Pauline Ross were valued members of the board until their retirement in May 2016.

The Gold Coast Health Board is well placed to manage continual improvements, expected growth, and increasing demand on the health service from the Gold Coast community.

The Gold Coast Health Board includes:

Chair – Ian Langdon

Ian Langdon has extensive board experience encompassing roles such as chairman, audit committee chairman and non-executive director with a wide range of companies from industries such as agribusiness, food production and marketing. Ian has also held various academic positions with the last being Associate Professor and Dean of Business at Griffith University (Gold Coast campus).

Deputy chair – Teresa Dyson

Teresa Dyson has leadership and governance experience across the private and public sectors. Through her legal practice, Teresa has been closely involved in business issues affecting the financial services sector, transport services, infrastructure projects and the energy and resources industry.

Robert Buker

Robert Buker has more than 43 years as a Chartered Accountant, with extensive experience delivering internal and external audit, accounting services, corporate governance, project management, as well as providing financial and management consulting.

Professor Helen Chenery

Professor Helen Chenery is Executive Dean of the Faculty of Health Sciences and Medicine at Bond University and has a career total of more than 130 peer reviewed research publications.

Professor Allan Cripps

Professor Allan Cripps has strong academic expertise in health. Allan is the Pro Vice Chancellor of Health at Griffith University and has served as a member of many academic and health industry boards and advisory committees.

Dr Cherrell Hirst

Dr Cherrell Hirst graduated from the University of Queensland in medicine and practised for 30 years, predominately as director of the Wesley Breast Clinic (1982-2001) where she achieved a national reputation in the field of breast cancer screening and diagnosis.

Colette McCool

Colette McCool is a senior executive with 20 years public sector management experience at senior executive level. Colette is deputy chair of Regional Development Authority Gold Coast and a Gold Coast Hospital Foundation Director.

Professor Judy Searle

Professor Judy Searle is a Fellow of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists. She started her career as a medical specialist before moving primarily into leadership and management positions in academe both in Australia and the UK, including roles at Griffith University's School of Medicine and as a member of the Academie Corporate Governance Board.

Dr Andrew Weissenberger

Dr Andrew Weissenberger is Practice Principal at Hope Island Medical Centre and has been in the medical profession for more than two decades. His interests include aged care and chronic disease management.

Improving governance and transparency

All statutory committees of the board abide by their approved terms of reference.

Finance and Performance Committee

The Finance and Performance Committee meets monthly to review all aspects of financial and service performance and has a range of functions required under the *Hospital and Health Boards Regulation 2012*. The committee advises the board about a range of financial and performance matters, monitors budgets and cash flow as well as ensuring that the health service's financial systems are adequate.

Audit and Risk Committee

The Audit and Risk Committee is required under the *Hospital and Health Boards Regulation 2012* and under the *Financial and Performance Management Standard 2009*. The committee meets bi-monthly to oversee governance, risk and assurance processes, including internal audit reporting and function. In alignment with the Act, it is responsible for assessing the integrity of the service's financial statements, including the appropriateness of the accounting practices used and compliance with prescribed accounting standards under the *Financial Accountability Act 2009*. The Audit and Risk Committee also monitors the management of legal and compliance risks and internal compliance systems, including compliance with relevant laws and government policies.

Safety Quality and Clinical Engagement Committee

The Safety Quality and Clinical Engagement Committee is prescribed by S.31 of the *Hospital and Health Boards Regulation 2012* and advises the board on matters relating to the safety and quality of health care provided, including the health service's strategies for the following:

- (i) minimising preventable patient harm;
- (ii) reducing unjustified variation in clinical care;
- (iii) improving the experience of patients and carers in receiving health services;
- (iv) complying with national and State strategies, policies, agreements and standards relevant to promoting consultation about the provision of health services;

This committee also monitors governance arrangements, policies and plans about safety and quality and promotes improvements in safety and quality.

Executive Committee

As set out in section 32B of the *Hospital and Health Board Act 2011 (Qld)*, the Executive Committee supports the board in progressing the delivery of strategic objectives for the Gold Coast Health and by strengthening the relationship between the board and the chief executive to ensure accountability in the delivery of services.

Research Committee

The Research Committee advises the board in relation to building long-term collaborations in research and enhancing clinical service delivery founded on sustainable and trusting partnerships. These research programs are facilitated by a shared collective vision with clear benefits to all parties which will help to position the Gold Coast Health and Knowledge Precinct as a world class health precinct of national and international significance.

Table 6: Board member attendance

Board member	Ian Langdon	Ken Brown	Pauline Ross	Allan Cripps	Andrew Weissenberger	Colette McCool	Cherrell Hirst*
Board	10/11	11/11	10/11	10/11	11/11	10/11	9/11
Extraordinary Board Meeting	2/2	2/2	2/2	1/2	2/2	2/2	2/2
Executive	4/4		2/3**	3/3***	4/4		3/4
Finance and Performance		6/6		3/6		4/6	5/6
Audit and Risk		6/6				4/6	5/6
Safety Quality & Clinical Engagement	1/1	4/5**	5/5**		5/6	6/6	5/6
Research			2/2	2/2			1/2

* Appointment ended on 17 May 2015 and reappointed for a three-year term on 26 June 2015.

** Appointment ended on 17 May 2016 *** Committee membership modified 7 June 2016

Table 7: Board member attendance for those appointed 18 May 2016

Board member	Teresa Dyson	Judy Searle	Rob Buker	Helen Chenery
Board	1/1	1/1	1/1	1/1
Executive	1/1			
Finance and Performance	1/1			
Audit and Risk				
Safety Quality & Clinical Engagement		1/1		
Research				

Table 8: Board member appointment dates

Name and position	Gazetted term of appointment	Gazetted re-appointment	Current appointment
Board Chair – Mr Ian Langdon	18/05/13 to 17/05/16	18/05/16 to 17/05/19	18/05/16 to 17/05/19
Deputy Board Chair – Ms Teresa Dyson	18/05/16 to 17/05/19	N/a	18/05/16 to 17/05/19
Board Members			
Dr Andrew Weissenberger	7/09/12 to 17/05/13	18/05/13 to 17/05/14	18/05/14 to 17/05/18
Ms Colette McCool	29/06/12 to 17/05/13	18/05/13 to 17/05/14	18/05/14 to 17/05/18
Prof Allan Cripps	29/06/12 to 17/05/13	18/05/13 to 17/05/14	18/05/14 to 17/05/18
Ms Cherrell Hirst	26/06/15 to 17/05/18	18/05/14 to 17/05/18	18/05/14 to 17/05/18
Mr Robert Buker	18/05/16 to 17/05/17	N/a	18/05/16 to 17/05/17
Prof Helen Chenery	18/05/16 to 17/05/17	N/a	18/05/16 to 17/05/17
Prof Judy Searle	18/05/16 to 17/05/17	N/a	18/05/16 to 17/05/17
Mr Kenneth Brown	29/06/12 to 17/05/13	18/05/13 to 17/05/16	Retired
Ms Pauline Ross	29/06/12 to 17/05/13	18/05/13 to 17/05/16	Retired

Board remuneration

The Governor in Council approves the remuneration arrangements for the board chairs, deputy chairs and members. The annual fees paid by Gold Coast Health are consistent with the remuneration procedures for part-time chairs and members of Queensland Government bodies. In accordance with this government procedure, annual fees are paid per statutory committee membership (\$3000) or committee chair role (\$4000).

As research plays an integral role in the strategic direction of the organisation, the health service also recognises the Research Committee of the board.

Several board members were reimbursed for out of pocket expenses during 2015–16. The total value reimbursed was \$19,025.

Executive Management Committees

Executive Management Team

The Executive Management Team (EMT) is comprised of the executive directors, general managers, clinical directors and the professors of nursing and midwifery and allied health. Meetings are held twice monthly to consider matters of strategic importance and cross-divisional impact. In this forum, members of the executive provide information and advice to the chief executive and their colleagues to enable planning review and analysis. Each member holds responsibility for their divisional, financial, operational and clinical performance.

Clinical Council

Clinical Council is the clinical advisory forum within Gold Coast Health, empowered by the board and chief executive.

The objective of the Clinical Council is to facilitate authentic engagement of clinicians in health service planning, strategy development and other issues of clinical importance. The council provides advice to the chief executive and provides an opportunity to embed clinician feedback in governance, strategy and cultural development initiatives.

Clinical Governance Committee

The Clinical Governance Committee is responsible for overseeing and setting standards of clinical governance within Gold Coast Health. The committee monitors, evaluates and improves performance in clinical practice to ensure optimal patient safety and high care quality.

This committee reports to the board's Safety Quality and Clinical Engagement Committee and has membership comprised of clinicians and senior managers across a number of disciplines including allied health, medicine, nursing and clinical governance.

ICT Governance Committee

The ICT Governance Committee adopts a strategic view of planning, performance and benefits realisation of Information Communication Technology (ICT) systems across Gold Coast Health. This committee oversees the capacity, capability and solutions are planned procured designed, implemented and evaluated and makes recommendations to the chief executive about investment decisions, including current systems and those planned as part of future expansion.

Executive Coordination Group – Operations

The Executive Coordination Group – Operations (ECGO) ensures leadership, management and review of the service's day-to-day operations. The committee adds value through service-wide implementation of strategies, proactively identifies and addresses service or business issues which are complex or have system-wide significance.

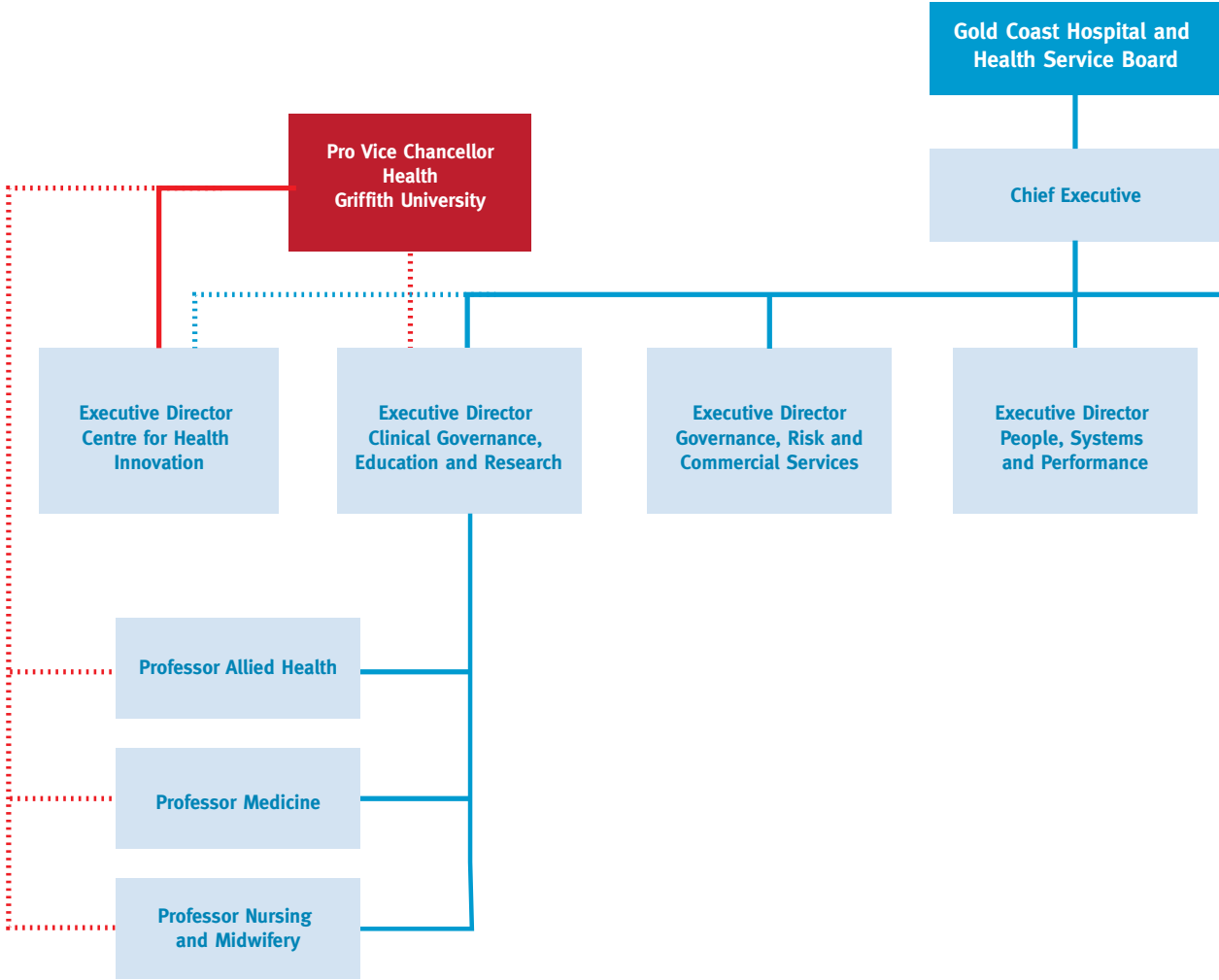
Work Health and Safety Management Committee

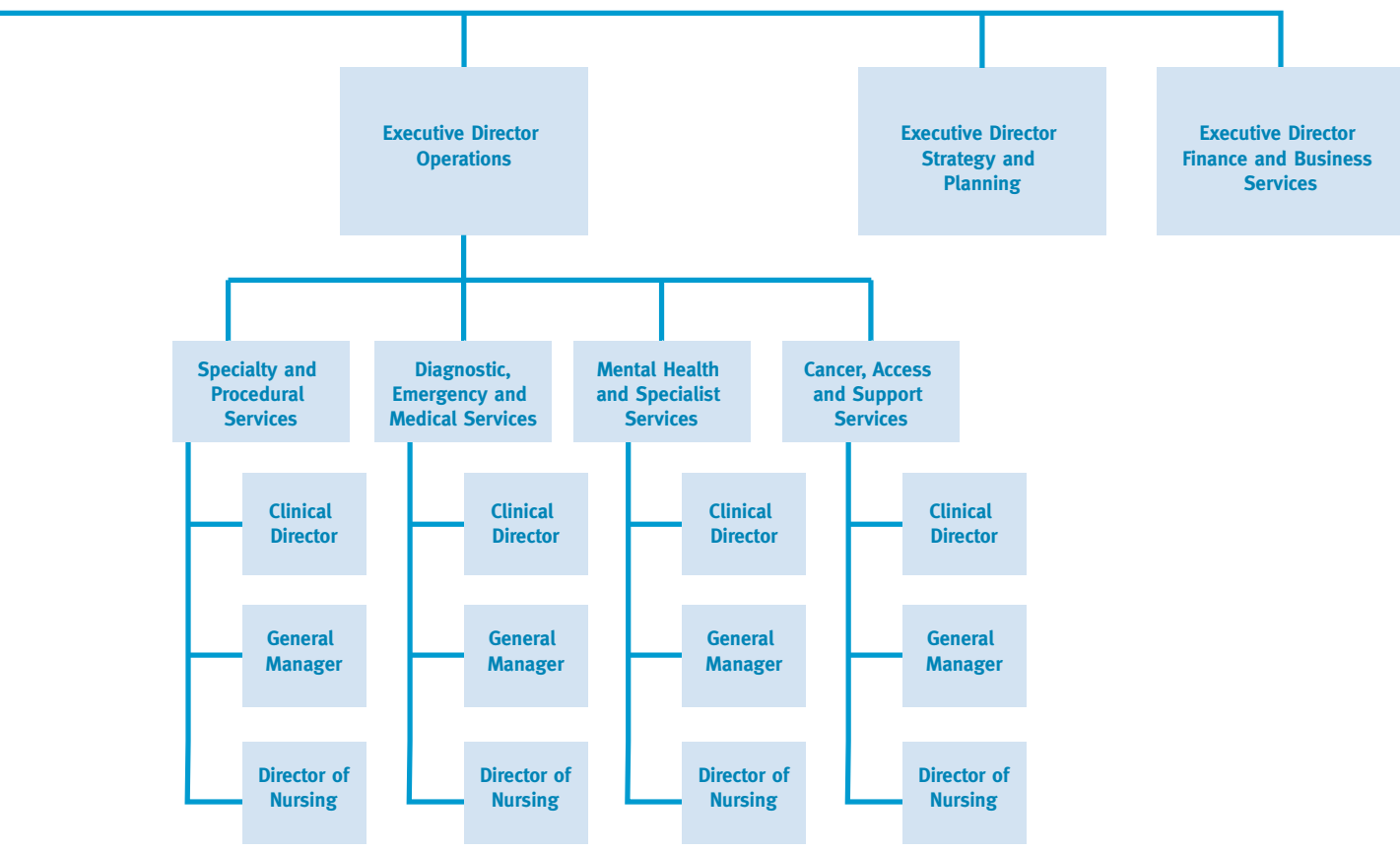
Our Work Health and Safety Committee meets quarterly and provides a forum for multi-divisional consultation and dissemination of all safety and wellness related information. Our committee monitor performance and make recommendations based on identified work health and safety risks to staff, patients and visitors.

Joint appointments

Gold Coast Health has arrangements with universities to jointly appoint clinical and health service management leaders. Individuals may be employed by either organisation with an agreed percentage of their time shared between the institutions.

Our organisational structure





Risk management and accountability

Gold Coast Health has a documented risk management framework that is aligned to *Australian/New Zealand ISO 31000:2009* and includes procedures for the identification, analysis, evaluation, treatment, management and communication of the risks associated with the health service.

Gold Coast Health recognises that risk management is an essential element of good corporate governance and is committed to managing risk in order to ensure its strategic and operational objectives are achieved.

Risk management

Risk management is a process which is a central part of strategic planning and decision making to achieve the delivery of quality health care, provision of a safe and productive work place, with efficient and effective use of resources.

The board is committed to ensuring:

- There is a consistent approach to managing risks across the hospital and health service.
- Roles and responsibilities are clearly defined.
- All employees are provided with the necessary training to allow them to undertake their risk management responsibilities.
- Management has responsibility for risk mitigation.
- That the necessary resources are assigned to support the risk management function.
- Communication within our stakeholder community in relation to the identification and management of risks is promoted and encouraged.
- We are honest with ourselves and with others in relation to risk exposures and challenges faced with delivery of our service.

Risk management issues are regularly monitored and reported to the board through the Audit and Risk Committee.

External scrutiny

Queensland Audit Office

In 2015–16, the Queensland Audit Office (QAO) conducted two audits which included coverage of Gold Coast Health.

Report to Parliament 5: 2015–16 – Hospital and Health Services: 2014–15 financial statements

The objective of this audit was to summarise the results of the financial audits of the 16 Hospital and Health Services which included timeliness and quality of financial reporting, financial performance and sustainability for the financial year ended on 30 June 2015.

Report to Parliament 15: 2015–16 – Queensland public hospital operating theatre efficiency

The objective of the audit was to examine how effectively 39 of Queensland's 51 public hospitals were managing their 221 public operating theatres to deliver emergency and elective surgical services. Analysis was conducted on whether the systems and practices used to manage, monitor and report on theatre efficiency were effective.

Accreditation

Gold Coast Health is committed to meeting and exceeding the The Australian Council on Healthcare Standards (ACHS), National Health Standards, and other speciality standards and benchmarks to ensure safe, quality care can be demonstrated to our consumers and our community.

The organisation successfully maintained accreditation status following a Periodic Review in November 2015. The external surveyors noted extensive improvements made in care delivery and quality and safety since the previous survey. Of note is Gold Coast Health's achievement in developing and opening a number of new tertiary level services and significant improvements in National Safety and Quality Health Service (NSQHS) Standards performance metrics.

While Gold Coast Health focussed on safety and quality, the organisation has continued to meet operational activity and financial targets, satisfied external audit compliance and achieved all clinical education accreditation requirements.

Special commendation was made to the board for continuing with its strategy of visibility, commitment to partnering with patients, their families and carers and ensuring services provided meets the needs of the community.

A number of accreditation actions achieved a Met with Merit (MM) rating. These were:

- Action is taken to improve the safety and quality patient care
- An organisation-wide quality management system is used and regularly monitored
- Consumers and/or carers are involved in the governance of the health service organisation.
- Consumers and/or carers are actively involved in decision making about safety and quality.
- Guidelines are available and accessible by staff on the specific health needs of self-identified Aboriginal and Torres Strait Islander consumers / patients

In addition to the whole of service ACHS accreditation, individual services are accredited with relevant professional regulators, for example:

- Palliative Care Services National Standards Assessment Program
- National Diagnostic Imaging Accreditation Scheme Standards
- National Association of Testing Authorities (NATA)
- National Breast Screen Australia Standards
- Human Services Quality Standards
- Post Graduate Medical Education Council
- Other relevant accrediting bodies (e.g. Professional colleges, professional societies)

Internal audit

The health service has established an internal audit function in accordance with section 29 of the *Financial and Performance Management Standard 2009*. Gold Coast Health's Internal Audit Unit is staffed by the manager, assurance and advisory and a principal assurance officer, and co-sources its internal audit activity with numerous professional services firms and subject matter experts.

The internal audit function provides the Audit and Risk Committee and the board with independent and objective assurance on the adequacy and effectiveness of systems of risk management, internal control and governance in key risk areas, by undertaking the following activities:

- Reviewing and appraising the adequacy and effectiveness of financial and operational controls
- Ascertaining compliance with established policies, procedures and statutory requirements
- Ascertaining that assets are accounted for and safeguarded from loss
- Identifying opportunities to improve business processes and recommending improvements to existing systems of internal control

- Conducting investigations and special reviews requested by management and/or the Audit and Risk Committee

The Audit and Risk Committee convenes bi-monthly and is responsible for overseeing the health service's financial statements, internal and external audit activities, risk management, and compliance with legal and regulatory requirements. The internal audit function operates independently of management under a mandate approved by the Audit and Risk Committee and has full access to the chair of the Audit and Risk Committee, as well as all organisational functions, records, property and personnel.

Internal audit activities are executed based on a risk-based three year Internal Audit Plan, which is presented to the Audit and Risk Committee annually for their endorsement and recommendation to the board for approval. The Internal Audit Plan is developed in consultation with key stakeholders and includes key risks identified by management. Progress against the implementation of audit recommendations is reported to the Executive Management Team and Audit and Risk Committee on a quarterly basis.

The focus areas for audits conducted in the 2015–2016 Financial Year were patient safety, financial controls, clinical processes, human resource management and corporate governance.

Our commitment to safety

Safety is of paramount importance at Gold Coast Health. We are committed to providing a safe environment for staff, patients, and visitors. It is well recognised that safe and healthy staff support an enhanced patient journey and better quality of life for our valued staff.

Safety is integrated into all service lines and our Work Health and Safety Team support all levels of management and staff in meeting legislative and policy obligations. Our primary focus is injury prevention; however, should an injury occur, we support proactive and positive rehabilitation of our workers.

Gold Coast Health maintains a Work Health and Safety Performance Measures Scorecard to assist members of the board and executive group to monitor performance against the Queensland Health Safety and Assurance Assessment Model and EQulP National Accreditation Criteria.

Work Cover indicators continue to record performance well below industry average and sick leave absenteeism rates continue to trend down, demonstrating the effectiveness of the internal partnerships.

Core strategies of information systems and record keeping

The health service continues on its journey towards becoming a world class digital healthcare provider with the key driver being ‘patient safety and experience’.

Digitisation and enabling technologies led and enabled improvements to the patient experience with a number of key projects. These included the Electronic Medical Record (EMR) System Remediation Project, the K2 Project, Windows 7 upgrade and the Q-Flow Project.

ICT Governance was refreshed and renewed in conjunction with the latest global best practice standards to facilitate appropriate investment decision making.

The Service Now system was implemented to provide a service management system for the health service. The security, library and Information Management and Technology (IMT) business areas have implemented Service Now to provide a single point of entry into their service area with the ability to monitor, manage and report on levels of service.

Business engagement and communication improved with the IMT directorate hosting a FixIT conference and ICT Visioning and Strategy Workshop held over four days.

IMT continues to partner with eHealth Queensland to harmonise health care directions, strategies and plans, and align to and leverage enterprise cost effective solutions. The health service has entered into an Memorandum of Understanding (MoU) to focus on cyber security to ensure the safety of ICT assets at all times.

Key healthcare improvements

The flagship initiative for Gold Coast Health was the Electronic Medical Record (EMR) Remediation Project. Gold Coast became the first health service in the state to establish a single patient record. A patient can now present at either GCUH, Robina or at any of five community service locations and their record will be accessible by clinicians.

Business improvements enabled through the EMR technology includes the provision of a message centre, electronic plotting of paediatric growth charts and the recording of allergies and alerts on a single patient page.

Newborns’ safety and monitoring improved through enhancements to the K2 system and implementation of a messaging centre in the Neonatal Intensive Care Unit (NICU). This provides:

- cardiotocography digitisation
- supplementary monitoring and alarm system for newborns in intensive and speciality care

Patient flow has been improved through the Q-Flow project for outpatients, cancer services and paediatrics.

Clinical records are handled in accordance with the Health Sector (Clinical Records) Retention and Disposal Schedule 2012.

Privacy and confidentiality

Gold Coast Health has a Privacy and Confidentiality Contact Officer who is responsible for receiving and managing issues related to privacy of information.

Public interest disclosure

Gold Coast Health made one disclosure of confidential information in the public interest under section 160 of the *Hospital and Health Board Act 2011*. Confidential information was released to the media for the purpose of clarifying information a patient had provided regarding their care to restore public confidence in the health system.

Open data

The Queensland Government’s Open Data Initiative aims to make as much public service data available for members of the public to access through: www.qld.gov.au/data

The open data website publishes data on:

- expenditure on consultancies
- expenditure on staff overseas travel and the reasons for travel
- utilisation of interpreter services, available under the Queensland Language Services Policy

[This page has intentionally been left blank]

Financial Statements

30 June 2016

Within this section:

Statement of comprehensive income	47
Statement of financial position	48
Statement of changes in equity	49
Statement of cash flows.....	50
Notes to the financial statements	51–81
Management certificate.....	82
Independent auditor’s report	83–84

General information

Gold Coast Hospital and Health Service (‘Gold Coast Health’) is a Government statutory body established under the *Hospital and Health Boards Act 2011* and its registered trading name is Gold Coast Hospital and Health Service.

The head office and principal place of business of Gold Coast Health is:
Gold Coast University Hospital, 1 Hospital Boulevard, Southport QLD 4215

A description of the nature of Gold Coast Health's operations and its principal activities is included in the annual report.

For information in relation to Gold Coast Health, please visit the website www.health.qld.gov.au/goldcoasthealth

Gold Coast Hospital and Health Service Statement of comprehensive income for the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Revenue			
Health service funding	4	1,166,779	1,059,150
User charges and fees	5	85,703	68,641
Grants and other contributions	6	19,276	18,574
Other revenue	7	5,946	5,731
Net revaluation increment	15	10,294	3,660
Total revenue		1,287,998	1,155,756
Expenses			
Employee expenses	8	(831,413)	(727,585)
Supplies and services	9	(358,204)	(333,257)
Grants and subsidies		(953)	(1,376)
Depreciation and amortisation	15/16	(77,553)	(78,111)
Impairment loss	10	(1,667)	(4,015)
Other expenses	11	(7,661)	(4,858)
Total expenses		(1,277,451)	(1,149,202)
Surplus for the year		10,547	6,554
Other comprehensive income for the year <i>Items that will not be reclassified subsequently to operating result:</i>			
– Increase in asset revaluation surplus	15	23,474	8,681
Total other comprehensive income		23,474	8,681
Total comprehensive income for the year		34,021	15,235

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Gold Coast Hospital and Health Service Statement of financial position as at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	12	62,494	43,946
Receivables	13	20,987	43,899
Inventories	14	8,117	7,928
Prepayments		1,449	1,002
Total current assets		93,047	96,775
Non-current assets			
Property, plant and equipment	15	1,761,609	1,786,231
Intangibles	16	2,298	1,421
Total non-current assets		1,763,907	1,787,652
Total assets		1,856,954	1,884,427
Liabilities			
Current liabilities			
Payables	17	37,475	33,853
Accrued employee benefits	18	30,818	36,334
Unearned revenue	19	1,132	5,048
Total current liabilities		69,425	75,235
Total liabilities		69,425	75,235
Net assets		1,787,529	1,809,192
Equity			
Contributed equity		1,745,761	1,801,445
Accumulated surplus/(deficit)		9,613	(934)
Asset revaluation surplus	15	32,155	8,681
Total equity		1,787,529	1,809,192

The above statement of financial position should be read in conjunction with the accompanying notes.

Gold Coast Hospital and Health Service Statement of changes in equity for the year ended 30 June 2016

	Note	Contributed Equity \$'000	Accumulated Surplus \$'000	Asset Revaluation Surplus \$'000	Total equity \$'000
Balance at 1 July 2014		1,869,829	(7,488)	-	1,862,341
Surplus for the year		-	6,554	-	6,554
<i>Other comprehensive income for the year</i>					
– Increase in asset revaluation surplus	15	-	-	8,681	8,681
Total comprehensive income for the year		-	6,554	8,681	15,235
<i>Transactions with owners in their capacity as owners:</i>					
Equity injections		12,132	-	-	12,132
Net non-current asset transfers	15	(2,405)	-	-	(2,405)
Equity withdrawals		(78,111)	-	-	(78,111)
Balance at 30 June 2015		1,801,445	(934)	8,681	1,809,192
Balance at 1 July 2015		1,801,445	(934)	8,681	1,809,192
Surplus for the year		-	10,547	-	10,547
<i>Other comprehensive income for the year</i>					
– Increase in asset revaluation surplus	15	-	-	23,474	23,474
Total comprehensive income for the year		-	10,547	23,474	34,021
<i>Transactions with owners in their capacity as owners:</i>					
Equity injections		20,580	-	-	20,582
Net non-current asset transfers	15	1,289	-	-	1,289
Equity withdrawals		(77,553)	-	-	(77,555)
Balance at 30 June 2016		1,745,761	9,613	32,155	1,787,529

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Gold Coast Hospital and Health Service Statement of cash flows for the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Cash flows from operating activities			
Health service funding		1,114,149	951,622
User charges and fees		77,945	65,982
Grants and contributions		19,067	18,504
GST collected from customers		1,336	1,889
GST input tax credits from Australian Taxation Office		16,582	14,880
Other operating cash inflows		5,904	6,079
Employee expenses		(836,929)	(696,043)
Health service employee expenses		-	(41,988)
Supplies and services		(354,818)	(334,309)
Grants and subsidies		(953)	(1,000)
GST paid to suppliers		(16,315)	(15,580)
GST remitted to Australian Taxation Office		(1,572)	(1,683)
Other operating cash outflows		(7,286)	(2,523)
Net cash (used in)/ from operating activities	12	17,110	(34,170)
Cash flows from investing activities			
Payments for property, plant and equipment		(17,451)	(14,686)
Payments for intangibles		(1,756)	(587)
Proceeds from sale of property, plant and equipment		65	97
Net cash used in investing activities		(19,142)	(15,176)
Cash flows from financing activities			
Equity injections		20,580	12,532
Liability transfer (prescribed employer)		-	4,745
Net cash from financing activities		20,580	17,277
Net increase/(decrease) in cash and cash equivalents		18,548	(32,069)
Cash and cash equivalents at the beginning of the financial year		43,946	76,015
Cash and cash equivalents at the end of the financial year	12	62,494	43,946

The above statement of cash flows should be read in conjunction with the accompanying notes.

Gold Coast Hospital and Health Service

Notes to the financial statements

30 June 2016

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) The reporting entity

Gold Coast Health is established under the *Hospital and Health Boards Act 2011*. Gold Coast Health is an independent statutory body and a reporting entity, which is domiciled in Australia. Accountable to the Minister for Health and to the Queensland Parliament, it is primarily responsible for providing quality and safe public hospital and health services and for the direct management of the facilities within the Gold Coast region. The ultimate parent entity is the State of Queensland.

These financial statements include the value of all revenue, expenses, assets, liabilities and equity of Gold Coast Health. Gold Coast Health does not have any controlled entities.

(b) Statement of compliance

Gold Coast Health has prepared these financial statements in compliance with section 62(1) of the *Financial Accountability Act 2009* and section 43 of the *Queensland Financial and Performance Management Standard 2009*. The financial statements are authorised for issue by the Board Chair and Chief Executive at the date of signing the management certificate.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the year ended 30 June 2016, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, Gold Coast Health has applied those requirements applicable to not-for-profit entities. Except where stated, the historical cost convention is used.

Amounts in this report are in Australian dollars and have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. For instance, due to the significance of health service funding revenue, this is now disclosed on a separate line in the Statement of Comprehensive Income. Similarly, interstate patient

expenses (reflecting the cost of Gold Coast residents treated interstate), is now disclosed separately in the supplies and services note.

(c) Basis of preparation

Gold Coast Health has prepared these financial statements on a going concern basis, which assumes that Gold Coast Health will be able to meet the payment terms of its financial obligations as and when they fall due. Gold Coast Health is economically dependent on funding received from its Service Agreement with the Department of Health ("the Department").

A Service Agreement Framework is in place in order to provide Gold Coast Health with a level of guidance regarding funding commitments and purchase activity for 2016-2017 to 2018-2019. The Board and management believe that the terms and conditions of its funding arrangements under the Service Agreement Framework will provide Gold Coast Health with sufficient cash resources to meet its financial obligations for at least the next year.

In addition to the Gold Coast Health's funding arrangements under the Service Agreement Framework, Gold Coast Health has no intention to liquidate or to cease operations; and under section 18 of the *Hospital and Health Boards Act 2011*, Gold Coast Health represents the State of Queensland and has all the privileges and immunities of the State.

(d) Critical accounting estimates

The preparation of the financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant. Estimates and assumptions with the most significant effect on the financial statements are:

- Useful lives assessment – refer note 1(i)
- Land and building valuation assessment – refer note 1(j)
- Impairment of non-current assets – refer note 1(k)

Note 1. Significant accounting policies (continued)

(e) Health service funding

Health service funding is received as part of the Service Agreement between Gold Coast Health and the Department. The funding from the Department (excluding depreciation funding) is received in cash fortnightly in advance. Refer below for key types of funding and Gold Coast Health's revenue recognition policy.

Activity based funding (ABF)

ABF funding is provided according to the type and number of services purchased by the Department, based on a Queensland price for each type of service. ABF funding is received for acute inpatients, intensive care patients, subacute inpatients, emergency department presentations and outpatients. Revenue is recognised on the basis of purchased activity once delivered. Where actual activity exceeds purchased activity, additional funding is negotiated with the Department and accrued as an asset on the Statement of Financial Position where funding has been agreed to, but not yet received.

Non-activity based funding

Non-activity based funding is received for other services Gold Coast Health has agreed to provide per the Service Agreement with the Department. This funding has specific conditions attached that are not related to activity covered by ABF. This funding is recognised as revenue where the specific conditions have been met. Where conditions are not met, funding is renegotiated with the Department and may result in a deferral or return of revenue recognised as a liability on the Statement of Financial Position.

Depreciation and amortisation funding

The service agreement between the Department of Health and Gold Coast Health specifies that the Department funds Gold Coast Health's depreciation and amortisation charges via non-cash revenue. The Department retains the cash to fund future major capital replacements. This transaction is shown in the Statement of Changes in Equity as a non-appropriated equity withdrawal.

(f) User charges and fees

User charges and fees are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. Refer below for key types of user charges and revenue recognition policy.

Hospital fees and related services/goods

Hospital fees (mainly from private patients and

patients ineligible for Medicare) are recognised as revenue when the services/goods have been provided, and cash is received or the invoice is raised. Where inpatients have not been discharged and therefore not invoiced, revenue is accrued on the Statement of Financial Position to the extent of services/goods provided. Revenue is recognised net of discounts provided in accordance with approved policies.

Private Practice revenue

This revenue relates in part to fees generated by bulk billing services performed by doctors with an assignment private practice arrangement with Gold Coast Health. These fees are recognised as revenue when cash has been received by Gold Coast Health. In addition, service fees charged to doctors with a retention private practice arrangement with Gold Coast Health are recognised monthly based on a percentage of revenue which has been received by the practice in cash. See note 25.

Pharmaceutical Benefits Scheme

Reimbursements from the federal government under the Pharmaceutical Benefits Scheme are recognised when the revenue is received or accrued where a reliable estimate of the value of eligible drugs that have been distributed and claimed can be made, but the cash has not yet been received.

(g) Grants and contributions

Grants and contributions received are non-reciprocal in nature as the financial assistance received is typically less than the value of the services provided in return. These are recognised in the year in which Gold Coast Health obtains control over them.

Contributed services are recognised only when a fair value can be measured reliably and the services would have been purchased if they had not been donated. Gold Coast Health receives corporate services support from the Department for no cost. Corporate services received include payroll services and accounts payable services. As the fair value of these services is unable to be estimated reliably, no associated revenue and expense is recognised.

(h) Employee expenses

Gold Coast Health is a prescribed employer (effective 1 July 2014) and as a result, all employees are deemed to be Gold Coast Health employees and related costs are recognised as employee expenses. Gold Coast Health also holds the liabilities for rostered days off, nurses professional development and purchased leave entitlements for these employees.

The Director-General, Department of Health, is responsible for setting terms and conditions for employment, including remuneration and classification structures, and for negotiating enterprise agreements.

Classification of employee expenses

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits. Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Recoveries of costs associated with salaries and wages are offset against employee expenses. Workers compensation insurance premium is included as an employee related expense.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. For unpaid entitlement expected to be paid within 12 months, the liabilities are recognised at their undiscounted values.

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

Annual Leave, Long Service Leave and Other Leave

Gold Coast Health participates in the Queensland Government's Annual Leave Central Scheme and Long Service Leave Scheme. Under the Annual Leave Central Scheme (established on 30 June 2008) and Long Service Leave Central Scheme (established on 1 July 1999), a levy is made on Gold Coast Health to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the Schemes quarterly in arrears.

No provision for annual leave or long service leave is recognised as the liability is held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Other leave relates to Rostered Days Off, Nurses Professional Development and Purchased leave entitlements. These liabilities are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the amounts expected to be paid when the liabilities are settled, and recognised at undiscounted values.

Superannuation

Employer superannuation contributions are paid to the employees' superannuation fund at rates prescribed by the government. Contributions are expensed in the period in which they are paid or payable. Gold Coast Health's obligation is limited to its contributions. The superannuation schemes have defined benefit and contribution categories. The liability for defined benefits is held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

(i) Depreciation of non-current assets

Property, plant and equipment is depreciated on a straight-line basis. Annual depreciation is based on an assessment of the remaining useful life of individual assets. Land is not depreciated as it has an unlimited useful life. Assets under construction (work-in-progress) are not depreciated until they are ready for use as intended by management.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset. Where assets have separately identifiable components that are subject to regular replacement and these components have useful lives distinct from the asset to which they relate, they are separated into components and depreciated accordingly.

The estimated useful lives of assets are reviewed annually and where necessary, are adjusted to better reflect the pattern of consumption. The useful lives could change significantly as a result of events such as:

- the asset is technically obsolete; or
- non-strategic assets that have been abandoned or sold.

Note 1. Significant accounting policies (continued)

For each class of depreciable asset the following depreciation and amortisation rates are generally used:

Buildings	3.3%
Leasehold improvements	6.7%–20%
Plant and equipment	
Computer Hardware and Motor Vehicles	20%
Engineering and Office Equipment	10%
Furniture and Fittings	5%
Medical equipment < \$200,000	6.7%–25%
Medical equipment > \$200,000	12.5%
Intangible Assets	20%

(j) Revaluations of non-current assets

Land and buildings are measured at fair value in accordance with AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement as well as Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector.

Fair value is the price that would be received by using assets in their highest and best use or by selling it to another market participant that would use the assets in their highest and best use, regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. All Gold Coast Health assets are currently used in line with their highest and best use.

Gold Coast Health engage external valuers to determine fair value through either comprehensive revaluations and/or the indexation of the assets not subject to comprehensive revaluations.

External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data. Detailed disclosure of fair value methodology and inputs (including unobservable inputs) is included in Note 15.

Where indices are used, these are either publicly available, or are derived from market information available to the valuer. The valuer provides assurance of their robustness, validity and appropriateness for application to the

relevant assets. Indices used are also tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by the valuer, and analysing the trend of changes in values over time.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class. On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

(k) Impairment of non-current assets

Property, plant and equipment and intangible assets are assessed for indicators of impairment on an annual basis in accordance with AASB 136 Impairment of Assets. If an indicator of impairment exists, Gold Coast Health determines the asset's recoverable amount (higher of value in use and fair value less costs to sell). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase to the carrying amount.

(l) Cash and cash equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June.

(m) Receivables

Receivables comprise trade receivables, GST net receivables and other accrued revenue. Trade receivables are recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with provisions made for impairment. Increases in the allowance for impairment are based on loss events as disclosed in Note 13. All known bad debts are written off when identified.

The provision for impairment of receivables assessment requires a degree of estimation and judgement.

(n) Inventories

Inventories consist mainly of pharmaceutical supplies and clinical supplies held in wards for use throughout the hospitals. Inventories are measured at the lower of cost and net realisable value based on periodic assessments for obsolescence. Where damaged or expired items have been identified, provisions are made for impairment.

Consignment stock is held but is not recognised as inventory as it remains the property of the supplier until consumption. Upon consumption it is expensed as clinical supplies.

(o) Property, plant and equipment

Items of property, plant and equipment with a cost or other value equal to or more than the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings - \$10,000

Land - \$1

Plant and Equipment - \$5,000

Property, plant and equipment are initially recorded at consideration plus any other costs directly incurred in bringing the asset ready for use. Items or components that form an integral part of an asset are recognised as a single (functional) asset.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at date of acquisition in accordance with AASB 116 Property, Plant and Equipment.

(p) Intangible assets

Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are

expensed. Each intangible asset is amortised over its estimated useful life, currently 5 years.

It has been determined that there is not an active market for any of Gold Coast Health's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses. Work in progress is for software developed in-house but not yet in use and will be amortised in the same way as purchased software.

(q) Payables

Trade creditors are recognised on receipt of the goods or services ordered and are measured at the agreed purchase or contract price, net of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 to 60 day terms.

(r) Provisions

Provisions are recorded when there is a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

(s) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when Gold Coast Health becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value
- Receivables – held at amortised cost
- Payables – held at amortised cost

Gold Coast Health does not enter into derivative and other financial instrument transactions for speculative purposes nor for hedging. Apart from cash and cash equivalents, Gold Coast Health holds no financial assets classified at fair value through profit and loss. All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 20.

(t) Taxation

Gold Coast Health is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of

Note 1. Significant accounting policies (continued)

Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). All Queensland Hospital and Health Services and the Department are grouped for the purposes of Section 149–25 *A New Tax System (Goods and Services Tax) Act 1999*.

Therefore all transactions made between the entities in the tax group do not attract GST, and all transactions external to the group are required to be accounted for GST where applicable. GST credits receivable from, and GST payable to the Australian Taxation Office are recognised.

(u) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all risks and benefits.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

(v) Trust transactions and balances

Gold Coast Health manages patient trust accounts transactions (fiduciary funds) as trustee. As Gold Coast Health acts only in a custodial role in respect of these transactions and balances, they are not recognised in the financial statements. Trust activities are included in the annual audit performed by the Auditor-General of Queensland and disclosed in Note 24.

(w) Private practice arrangements

Gold Coast Health administers the Private Practice arrangements. As Gold Coast Health acts only in an agency role in respect of these transactions and balances, they are not recognised in the financial statements. Fees collected under the scheme must be deposited initially into the private practice bank accounts and later distributed in accordance with the policy governing the private practice scheme. Private Practice funds are not controlled but the activities are included in the annual audit performed by the Auditor-General of Queensland and disclosed in Note 25.

(x) New, revised or amending Accounting Standards and Interpretations adopted

Two Australian Accounting Standards have been early adopted for the 2015–16 year as required by Queensland Treasury. These are:

AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]

The amendments arising from this standard seek to improve financial reporting by providing flexibility as to the ordering of notes, the identification and location of significant accounting policies and the presentation of sub-totals, and provides clarity on aggregating line items. It also emphasizes only including material disclosures in the notes. Gold Coast Health has applied this flexibility in preparing the 2015–16 financial statements where appropriate to enhance the understanding of financial statement users.

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB 13]

This standard amends AASB 13 Fair Value Measurement and provides relief to not-for-profit public sector entities from certain disclosures about property, plant and equipment that is primarily held for its current service potential rather than to generate future net cash inflows. The relief applies to assets under AASB 116 Property, Plant and Equipment which are measured at fair value and categorised within Level 3 of the fair value hierarchy.

As a result, the following disclosures are no longer required for those assets and have been removed from the 2015–16 financial statements:

- disaggregation of certain gains/losses on assets reflected in the operating result;
- quantitative information about the significant unobservable inputs used in the fair value measurement ; and
- a description of the sensitivity of the fair value measurement to changes in the unobservable inputs.

(y) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by Gold Coast Health. Gold Coast Health's assessment of the impact of these new or amended Accounting Standards and Interpretations, are set out below.

AASB 124 Related Party Disclosures

From reporting periods beginning on or after 1 July 2016, Gold Coast Health will need to comply with the requirements of AASB 124 Related Party Disclosures. That accounting standard requires a range of disclosures about the remuneration of key

management personnel, transactions with related parties/entities, and relationships between parent and controlled entities.

Gold Coast Health already discloses information about the remuneration expenses for key management personnel (refer to Note 3) in compliance with requirements from Queensland Treasury. Therefore, the most significant implications of AASB 124 for Gold Coast Health's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from Contracts with Customers will become effective from reporting periods beginning on or after 1 January 2018. This standard contains much more detailed requirements for the accounting for certain types of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of Gold Coast Health's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that the service has received cash but has not met its associated obligations (such amounts would be reported as a liability (unearned revenue) in the meantime).

Gold Coast Health is yet to complete its analysis of current arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

AASB 9 Financial Instruments

AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) will become effective from reporting periods beginning on or after 1 January 2018. The main impacts of these standards on Gold Coast Health are that they will change the requirements for the classification, measurement, impairment and disclosures associated with financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

The most likely ongoing disclosure impacts are expected to relate to the credit risk of financial assets subject to impairment. Gold Coast Health's receivables don't include a significant financing component and therefore impairment losses will be determined according to the amount of lifetime

expected credit losses. As Gold Coast Health's receivables are short-term in nature, it is not expected that there will be a significant impact.

AASB 16 Leases

AASB 16 Leases will be effective for annual periods beginning on or after 1 January 2019. It supersedes

- (a) AASB 117 Leases;
- (b) Interpretation 4 Determining whether an Arrangement contains a Lease;
- (c) SIC-15 Operating Leases—Incentives; and
- (d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

This standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases (both operating and finance) with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. Lessors continue to classify leases as operating or finance. Presently the HHS has minimal non-cancellable operating leases with a term exceeding 12 months and as such it is not anticipated that the impact of changes to the accounting standards for leases will have a material impact.

The main impact of this standard on Gold Coast Health as a lessee is that the standard requires lessees to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

Note 2. Budget vs Actual Comparison

This note provides an explanation for major variances between the original budget and actual performance for 2015–2016. An explanation has also been provided for health service funding revenue due to its significance.

The original budget is the budget part of the Queensland Health Service Delivery Statement which was published prior to the completion of service agreement negotiations.

Major variances are considered to be those that are greater than:

- 5% for employee expenses, supplies and services and for payments of property, plant and equipment
- 10% for all other material line items

Statement of Comprehensive Income

	Variance Notes	Original Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Revenue					
Health service funding	I	1,101,826	1,166,779	64,953	6%
User charges and fees	II	67,077	85,703	18,626	28%
Grants and other contributions	III	15,307	19,276	3,969	26%
Other revenue		8,905	5,946	(2,959)	(33%)
Net revaluation increment	VI	-	10,294	10,294	100%
Total revenue		1,193,115	1,287,998	94,883	8%
Expenses					
Employee expenses	IV	(783,274)	(831,413)	(48,139)	6%
Supplies and services	V	(319,901)	(358,204)	(38,303)	12%
Grants and subsidies		(1,401)	(953)	448	(32%)
Depreciation and amortisation		(81,248)	(77,553)	3,695	5%
Impairment loss		(5,090)	(1,667)	3,423	67%
Other expenses		(2,201)	(7,661)	(5,460)	248%
Total expenses		(1,193,115)	(1,277,451)	(84,336)	7%
Surplus for the year		-	10,547	10,547	100%
Other comprehensive income for the year					
<i>Items that will not be reclassified subsequently to operating result:</i>					
- Increase in asset revaluation surplus	VI	93,493	23,474	(70,019)	(75%)
Total other comprehensive income		93,493	23,474	(70,019)	(75%)
Total other comprehensive income for the year		93,493	34,021	(59,472)	(64%)

Statement of Financial Position

	Variance Notes	Original Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Assets					
Current assets					
Cash and cash equivalents	VII	54,825	62,494	7,669	14%
Receivables	VIII	11,476	20,987	9,511	83%
Inventories		7,283	8,117	834	11%
Prepayments		1,060	1,449	389	37%
Total current assets		74,644	93,047	18,403	25%
Non-current assets					
Property, plant and equipment	IX	1,859,907	1,761,609	(98,298)	(5%)
Intangibles		890	2,298	1,408	158%
Total non-current assets		1,860,797	1,763,907	(96,890)	(5%)
Total assets		1,935,441	1,856,954	(78,487)	4%
Liabilities					
Current Liabilities					
Payables	X	56,164	37,475	(18,689)	(33%)
Accrued employee benefits	X	10	30,818	30,808	308080%
Unearned revenue		53	1,132	1,079	2036%
Total current liabilities		56,227	69,425	13,198	23%
Net assets		1,879,214	1,787,529	(91,685)	(5%)
Equity					
Contributed equity	XI	1,784,527	1,745,761	(38,766)	(2%)
Accumulated surplus/(deficit)		(7,487)	9,613	17,100	(228%)
Asset revaluation surplus	VI	102,174	32,155	(70,019)	(69%)
Total equity		1,879,214	1,787,529	(91,685)	(5%)

Note 2. Budget vs Actual Comparison (continued)

Statement of cash flows

	Variance Notes	Original Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Cash flows from operating activities					
Health service funding	I	1,020,578	1,114,149	93,571	9%
User charges and fees	II	61,997	77,945	15,948	26%
Grants and contributions	III	15,307	19,067	3,760	25%
GST collected from customers	XIV	-	1,336	1,336	100%
GST input tax credits from Australian Taxation Office	XIV	8,050	16,582	8,532	106%
Other operating cash inflows		8,905	5,904	(3,001)	(34%)
Employee expenses	IV	(783,320)	(836,929)	(53,609)	7%
Supplies and services	V	(342,822)	(354,818)	(11,996)	3%
Grants and subsidies		(1,401)	(953)	(448)	31%
GST paid to suppliers	XIV	(8,055)	(16,315)	(8,260)	103%
GST remitted to Australian Taxation Office	XIV	-	(1,572)	(1,572)	100%
Other operating cash outflows		(2,201)	(7,286)	(5,085)	231%
Net cash (used in)/from operating activities		(22,962)	17,110	(40,072)	175%
Cash flows from investing activities					
Payments for property, plant and equipment	XIII	(9,843)	(17,451)	(7,608)	(77%)
Payments for intangibles		-	(1,756)	(1,756)	(100%)
Proceeds from sale of property, plant and equipment		(261)	65	326	(125%)
Net cash used in investing activities		(10,104)	(19,142)	(9,038)	89%
Cash flows from financing activities					
Equity injection	XII	9,843	20,580	10,737	109%
Net cash from financing activities		9,843	20,580	10,737	109%
Net increase in cash and cash equivalents		(23,223)	18,548	41,771	(180%)
Cash and cash equivalents at the beginning of the financial year		78,048	43,946	(34,102)	(44%)
Cash and cash equivalents at the end of the financial year	VII	54,825	62,494	7,669	14%

Explanations of major variances

- I. Health service funding revenue has increased by \$65.0 million due to additional patient activity (estimated actual weighted activity units are 195,176 compared with budgeted activity of 190,885) and additional funding for new enterprise bargaining agreements which took effect during 2015–2016 (\$16.5 million). This partly caused the corresponding increase in statement of cash flows of \$93.6 million, along with the receipt of 2014–2015 funding receivable of \$35.1 million.
- II. User charges revenue is higher than budget by \$18.6 million due predominantly to additional patient activity which generated additional revenue from chargeable services (\$7.4 million) and pharmaceutical benefits scheme reimbursements (\$6.5 million). This also caused the corresponding increase in statement of cash flows of \$15.9 million.
- III. Grants revenue of \$19.3 million aligns to the funding agreements negotiated by Gold Coast Health with various State and Commonwealth government bodies for 2015–2016. The difference to budget relates to funding arrangements that were not confirmed before the finalisation of the budget. This also caused the corresponding increase in statement of cash flows of \$3.8 million.
- IV. Employee expenses is \$48.1 million higher than budget due to the additional staff required to service the growth in demand for healthcare services, along with new enterprise bargaining agreements which took effect during 2015–2016 (\$16.5 million). The number of full time equivalent staff for 2015–2016 is 6,835 compared to budget of 6,447. This also caused the corresponding increase in statement of cash flows of \$53.6 million.
- V. Supplies and services is \$38.3 million higher than budget due to the costs of external contractors (mainly nursing staff) not included in the supplies and services budget (\$19.2 million), additional costs related to the growth in demand for healthcare services (\$11.4 million) and costs associated with outsourcing services to ensure patients are treated within clinically recommended timeframes (\$7.4 million). This also caused the corresponding increase in statement of cash flows of \$12.0 million; however, the impact was lessened due to the difference in budgeted payables balance (refer note X).
- VI. The net revaluation increment totalling \$33.8 million (\$10.3 million in revenue and \$23.5m in other comprehensive income) is a result of land and building revaluation programs. The impact of revaluations is different to the budgeted impact of \$93.5 million by \$59.7 million due to the unforeseen nature of market forces affecting revaluation calculations. The budget assumed the full impact would increase the asset revaluation reserve, resulting in a variance of \$70.0 million in other comprehensive income and asset revaluation reserve.
- VII. The cash balance fluctuates due to the timing of receivables and payables. Refer to cashflow notes for more information.
- VIII. Increase of \$9.5 million in receivables is mainly caused by a receivable from the Department of \$6.0 million. This represents the final amendments to increase funding per the 2015–2016 Service Agreement which was unforeseen in the budget due to the nature and timing of negotiations.
- IX. The actual property, plant and equipment balance is lower than budget by \$98.3 million. The majority of this variance is caused by budget differences also recognised in equity for depreciation, asset transfers and injections (refer note XI) and lower than budget revaluation increment by \$59.7 million (refer note VI).
- X. The end of year accrual for salaries and wages has not been separately identified in the budget. This accrual is included in the Payables balance. The increase compared to budget of Payables and Accrued Employee Benefits is \$12.1 million (22%) and is due to the unknown impact of payroll pay dates on this accrual at the time of the budget.
- XI. Budgeted contributed equity was based on past patterns of equity movements however actual equity transfers from the Department of Health were significantly lower than past years due to the winding up of the Gold Coast University Hospital project (\$53.2 million lower than budget). Actual depreciation funding reflected as equity withdrawals was also lower than budget by \$3.7 million, whilst equity injections were higher than budget by \$10.7 million (refer note XII). This explains the net movement in equity compared to budget of \$38.8 million.
- XII. The equity injection of \$20.6 million reflects the Department of Health capital funding connected with the establishment of the Gold Coast University Hospital and replacement of critical medical equipment. This increased by \$10.7 million compared to budget due to the increased capital requirements arising from provision of new and/or expanded health care services.
- XIII. Payments for property, plant and equipment (\$17.5 million) predominantly reflects the expenditure of the equity injection funding of \$20.6 million (refer note XII).
- XIV. Per Queensland Treasury Financial Reporting Requirements, GST inflows and outflows are reported separately in the financial statements. The net impact of the GST in the cash flow for 2015–2016 is only \$0.03 million.

Note 3. Key Management Personnel

The following details for key management personnel include those positions that had the authority and responsibility for planning, directing and controlling the major activities of the Gold Coast Health.

Board

The Board members of Gold Coast Health as at 30 June 2016 and their positions are outlined below.

Name and position of current incumbents	Appointment authority	Appointment date
Board Chair – Mr Ian Langdon	Section 25(1)(a), HHB Act	01/07/2012 (Reappointed 18/05/2016)
Deputy Board Chair – Ms Teresa Dyson	Section 23, HHB Act	18/05/2016
Board Members		
Professor Allan Cripps	Section 23, HHB Act	01/07/2012 (Reappointed 17/05/2014)
Ms Colette McCool	Section 23, HHB Act	01/07/2012 (Reappointed 17/05/2014)
Dr Andrew Weissenberger	Section 23, HHB Act	07/09/2012 (Reappointed 17/05/2014)
Dr Cherrell Hirst	Section 23, HHB Act	17/05/2014 (Reappointed 26/06/2015)
Mr Robert Buker	Section 23, HHB Act	18/05/2016
Professor Helen Chenery	Section 23, HHB Act	18/05/2016
Professor Judy Searle	Section 23, HHB Act	18/05/2016

The Board members perform the duties of the board as prescribed in the HHB Act. Membership of sub-committees as at 30 June 2016 is as follows:

Name and position of current incumbents	Executive Committee	Finance and Performance Committee	Audit and Risk Committee	Safety, Quality and Clinical Engagement Committee	Research Committee
Board Chair – Mr Ian Langdon	X (Chair)				
Deputy Board Chair – Ms Teresa Dyson	X	X (Chair)			
Board Members					
Professor Allan Cripps		X			X (Chair)
Ms Colette McCool	X		X	X (Chair)	
Dr Andrew Weissenberger	X			X	X
Dr Cherrell Hirst	X		X	X	
Mr Robert Buker		X	X (Chair)		
Professor Helen Chenery		X	X		X
Professor Judy Searle				X	X

Executive Management Team

The Gold Coast Health Executive Management team includes the Chief Executive and a team who are each responsible for a service or portfolio within Gold Coast Health. The members as at 30 June 2016 are as below.

Name and position of current incumbents	Appointment authority	Appointment date
Chief Executive – Mr Ron Calvert	SESL Contract - Section 33, HHB Act.	01/10/2012
Executive Director, Operations – Ms Jane Hancock	HES3 Contract - Section 67, HHB Act.	27/06/2013
Executive Director, Finance and Business Services – Mr Ian Moody	HES3 Contract - Section 67, HHB Act.	04/12/2013
Executive Director, Clinical Governance, Education and Research – Professor Marianne Vonau	Medical Officer (Queensland Health) Certified Agreement (No. 4) 2015	01/09/2014
Executive Director, People Systems and Performance – Mr Damian Green	HES3 Contract - Section 67, HHB Act.	07/01/2013
Executive Director, Strategy and Planning – Ms Toni Peggrem	HES3 Contract - Section 67, HHB Act.	29/09/2014
Executive Director, Governance, Risk and Commercial Services – Ms Rebecca Freath	HES2 Contract - Section 67, HHB Act.	01/08/2014
General Manager, Specialty and Procedural Services – Mr Colin Dawson	HES2 Contract - Section 67, HHB Act.	22/02/2016
Clinical Director, Specialty and Procedural Services – Dr Deborah Bailey	Medical Officer (Queensland Health) Certified Agreement (No. 4) 2015	07/07/2014
General Manager, Diagnostic, Emergency and Medical Services – Ms Kimberley Pierce	HES2 Contract - Section 67, HHB Act.	20/01/2014
Clinical Director, Diagnostic, Emergency and Medical Services – Dr Mark Forbes	Medical Officer (Queensland Health) Certified Agreement (No. 4) 2015	23/12/2013
General Manager, Mental Health and Specialist Services – Ms Karlyn Chettleburgh	HES2 Contract - Section 67, HHB Act.	27/06/2013
Clinical Director, Mental Health and Specialist Services – Dr Kathryn Turner	Medical Officer (Queensland Health) Certified Agreement (No. 4) 2015	10/12/2013
General Manager, Cancer, Access and Support Services – Ms Alison Ewens	HES2 Contract - Section 67, HHB Act.	01/10/2013
Clinical Director, Cancer, Access and Support Services – Dr Jeremy Wellwood	Medical Officer (Queensland Health) Certified Agreement (No. 4) 2015	03/03/2014
Senior Director, Clinical Governance and Community Partnerships – Ms Erin Finn	HES2 Contract - Section 67, HHB Act.	07/09/2015
Professor Nursing and Midwifery – Professor Anita Bamford-Wade	HES2 Contract - Section 67, HHB Act.	24/02/2014
Professor Allied Health – Professor Sharon Mickan	HES2 Contract - Section 67, HHB Act.	27/01/2015
Director of Nursing, Diagnostic, Emergency and Medical Services – Ms Paula Duffy	Nurses and Midwives (Queensland Health) Certified Agreement (EB8) 2012	30/03/2015
Director of Nursing, Cancer, Access and Support Services – Mr Matthew Lunn	Nurses and Midwives (Queensland Health) Certified Agreement (EB8) 2012	30/03/2015
Director of Nursing, Mental Health and Specialist Services – Ms Diana Grice	Nurses and Midwives (Queensland Health) Certified Agreement (EB8) 2012	30/03/2015
Director of Nursing, Specialty and Procedural Services – Mr Paul Nieuwenhoven	Nurses and Midwives (Queensland Health) Certified Agreement (EB8) 2012	30/03/2015

Note 3. Key Management Personnel (continued)

a) Remuneration

Remuneration policy for key management personnel is set by the Director-General of the Department as provided for under the HHB Act. The remuneration and other terms of employment for the key management personnel are specified in individual employment contracts.

Remuneration packages for key management personnel comprise the following components:

- Short term employee benefits which include: base salary, allowances and annual leave entitlements expensed for the entire year or for that part of the year during which the employee occupied the specified position. Non-monetary benefits consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include amounts expensed in respect of long service leave.
- Post-employment benefits include amounts expensed in respect of employer superannuation obligations.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- Performance bonuses are not paid under the contracts in place.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

2016

	Short-term employee expenses		Post-employment expenses \$'000	Long-term employee expenses \$'000	Termination benefits \$'000	Total Expenses \$'000
	Monetary \$'000	Non-monetary \$'000				
Board						
Board Chair – Mr Ian Langdon	96	-	8	-	-	104
Deputy Board Chair – Mr Kenneth Brown (To 17/05/2016)	49	-	5	-	-	54
Deputy Board Chair – Ms Teresa Dyson (From 18/05/2016)	6	-	-	-	-	6
Board Members						
Professor Allan Cripps	51	-	5	-	-	56
Ms Colette McCool	52	-	6	-	-	58
Ms Pauline Ross (To 17/05/2016)	43	-	5	-	-	48
Dr Andrew Weissenberger	48	-	4	-	-	52
Dr Cherrell Hirst	53	-	5	-	-	58
Mr Robert Buker (From 18/05/2016)	5	-	1	-	-	6
Professor Helen Chenery (From 18/05/2016)	4	-	-	-	-	4
Professor Judy Searle (From 18/05/2016)	3	-	-	-	-	3

	Short-term employee expenses		Post-employment expenses \$'000	Long-term employee expenses \$'000	Termination benefits \$'000	Total Expenses \$'000
	Monetary \$'000	Non-monetary \$'000				

Executive Management Team

Chief Executive – Mr Ron Calvert	362	10	30	7	-	409
Executive Director, Operations – Ms Jane Hancock	208	-	21	4	-	233
Executive Director, Finance and Business Services – Mr Ian Moody	229	-	23	4	-	256
Executive Director, Clinical Governance, Education and Research - Professor Marianne Vonau	434	-	31	8	-	473
Executive Director, People Systems and Performance – Mr Damian Green	223	-	22	4	-	249
Executive Director, Strategy & Planning – Ms Toni Peggrem	204	-	15	4	-	223
Executive Director, Governance Risk and Commercial Services – Ms Rebecca Freath	191	-	19	4	-	214
General Manager, Specialty and Procedural Services – Mr Brendan Docherty (To 21/02/2016)	118	-	11	2	-	131
A/General Manager, Specialty and Procedural Services – Mr Colin Dawson (From 22/02/2016)	50	-	6	1	-	57
Clinical Director, Specialty and Procedural Services - Dr Deborah Bailey	439	-	30	9	-	478
General Manager, Diagnostic, Emergency and Medical Services - Ms Kimberley Pierce	196	-	19	4	-	219
Clinical Director, Diagnostic, Emergency and Medical Services - Dr Mark Forbes	449	1	30	9	-	489
General Manager, Mental Health and Specialist Services – Ms Karlyn Chettleburgh	210	1	21	4	-	236

Note 3. Key Management Personnel (continued)

	Short-term employee expenses		Post-employment expenses \$'000	Long-term employee expenses \$'000	Termination benefits \$'000	Total Expenses \$'000
	Monetary \$'000	Non-monetary \$'000				
Clinical Director, Mental Health and Specialist Services - Dr Kathryn Turner	397	2	25	8	-	432
General Manager, Cancer, Access and Support Services - Ms Alison Ewens	200	-	20	4	-	224
Clinical Director, Cancer, Access and Support Services - Dr Jeremy Wellwood	443	-	31	9	-	483
Senior Director, Clinical Governance and Community Partnerships – Ms Morven Gemmill (To 28/08/2015)	35	-	2	-	83	120
Senior Director, Clinical Governance and Community Partnerships – Ms Erin Finn (From 11/01/2016)	136	-	15	3	-	154
Professor Nursing and Midwifery – Professor Anita Bamford-Wade	186	-	18	4	-	208
Professor Allied Health – Professor Sharon Mickan	179	-	18	3	-	200
Director of Nursing, Diagnostic, Emergency and Medical Services – Ms Paula Duffy	159	-	18	3	-	180
Director of Nursing, Cancer, Access and Support Services – Mr Matthew Lunn	154	-	17	3	-	174
Director of Nursing, Mental Health and Specialist Services – Ms Diana Grice	162	-	18	3	-	183
Director of Nursing, Specialty and Procedural Services – Mr Paul Nieuwenhoven	118	-	13	2	-	133

2015

	Short-term employee expenses		Post-employment expenses \$'000	Long-term employee expenses \$'000	Termination benefits \$'000	Total Expenses \$'000
	Monetary \$'000	Non-monetary \$'000				
Board						
Board Chair – Mr Ian Langdon	102	-	9	-	-	111
Deputy Board Chair – Mr Kenneth Brown	57	-	6	-	-	63
Board Members						
Professor Allan Cripps	53	-	5	-	-	58
Ms Colette McCool	54	-	5	-	-	59
Ms Pauline Ross	50	-	5	-	-	55
Dr Andrew Weissenberger	50	-	5	-	-	55
Dr Cherrell Hirst	51	-	5	-	-	56
Executive Management Team						
Chief Executive – Mr Ron Calvert	346	10	34	6	-	396
Executive Director, Operations – Ms Jane Hancock	186	-	18	4	-	208
Executive Director, Finance and Business Development – Mr Ian Moody	229	-	23	4	-	256
Executive Director, Clinical Governance, Education and Research - Professor Marianne Vonau (From 01/09/2014)	376	-	27	7	-	410
Executive Director, People Systems and Performance – Mr Damian Green	216	-	22	4	-	242
A/Executive Director, Strategic Development – Ms Toni Peggrem (From 29/09/2014)	119	-	9	2	-	130
Executive Director, Strategic Development – Mr Michael Allsopp (To 18/10/2014)	53	-	5	1	45	104
Executive Director, Governance, Risk and Commercial Services – Ms Rebecca Freath (From 01/08/2014)	173	-	17	3	-	193
General Manager, Specialty and Procedural Services – Mr Brendan Docherty (From 14/07/2014)	171	-	17	3	-	191

	Short-term employee expenses		Post-employment expenses \$'000	Long-term employee expenses \$'000	Termination benefits \$'000	Total Expenses \$'000
	Monetary \$'000	Non-monetary \$'000				
Clinical Director, Specialty and Procedural Services - Dr Deborah Bailey (From 01/09/2014)	332	-	25	7	-	364
General Manager, Diagnostic, Emergency and Medical Services – Ms Kimberley Pierce	183	-	18	4	-	205
Clinical Director, Diagnostic, Emergency and Medical Services - Dr Mark Forbes	402	1	28	8	-	439
General Manager, Mental Health and Specialist Services - Ms Karlyn Chettleburgh	198	1	20	4	-	223
Clinical Director, Mental Health and Specialist Services - Dr Kathryn Turner	386	2	29	8	-	425
General Manager, Cancer, Access and Support Services - Ms Alison Ewens	192	-	19	4	-	215
Clinical Director, Cancer, Access and Support Services - Dr Jeremy Wellwood	433	-	29	8	-	470
Senior Director, Clinical Governance and Community Partnerships – Ms Morven Gemmill	179	-	19	3	-	201
Professor Nursing and Midwifery – Professor Anita Bamford-Wade	182	-	17	4	-	203
Professor Allied Health – Professor Sharon Mickan (From 27/01/2015)	78	-	8	2	-	88
Director of Nursing, Diagnostic, Emergency and Medical Services – Ms Paula Duffy (From 30/03/2015)	44	-	5	1	-	50
Director of Nursing, Cancer, Access and Support Services – Mr Matthew Lunn (From 30/03/2015)	44	-	5	1	-	50
Director of Nursing, Mental Health and Specialist Services – Ms Diana Grice (From 30/03/2015)	38	-	4	1	-	43

Note 4. Health service funding

	2016 \$'000	2015 \$'000
Activity based funding	924,654	833,422
Non-activity based funding	164,572	147,617
Depreciation funding	77,553	78,111
Total health service funding	1,166,779	1,059,150

Note 5. User charges and fees

	2016 \$'000	2015 \$'000
Hospital fees and related services/goods	29,234	22,695
Private practice revenue	13,561	11,610
Pharmaceutical benefits scheme	35,744	29,149
Other goods and services	7,164	5,187
Total user charges and fees	85,703	68,641

Note 6. Grants and other contributions

	2016 \$'000	2015 \$'000
Commonwealth grants and contributions	13,723	13,460
Other grants and contributions	4,206	3,558
Donations other	1,137	1,486
Donations non-current physical assets	210	70
Total grants and contributions	19,276	18,574

Note 7. Other revenue

	2016 \$'000	2015 \$'000
Interest	224	224
Minor capital recoveries	2,000	2,991
Rental income	2,073	1,743
Gain on sale of property plant and equipment	42	68
Other	1,607	705
Total other revenue	5,946	5,731

Note 8. Employee expenses

	2016 \$'000	2015 \$'000
Employee expenses		
<i>Employee benefits</i>		
Wages and salaries	657,294	571,356
Annual Leave	77,113	68,728
Superannuation	69,040	59,943
Long Service Leave	14,008	12,261
Termination payments	380	319
<i>Employee related expenses</i>		
Other employee related expenses	7,401	6,407
Workers compensation premium	6,174	8,561
Payroll tax	3	10
Total employee expenses	831,413	727,585

The average number of employees of Gold Coast Health measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information) is 6,835 (2015: 6,198).

Note 9. Supplies and services

	2016 \$'000	2015 \$'000
Building services	482	1,157
Catering and domestic supplies	12,992	13,303
Clinical supplies and services	98,665	91,658
Communications	12,650	11,576
Computer services	7,399	6,082
Consultants	1,690	1,696
Contractors and external labour	21,765	23,171
Drugs	51,423	44,112
Expenses relating to capital works	4,149	1,886
Insurance premiums (Queensland Government Insurance Fund) *	11,469	11,059
Interstate patient expenses	49,014	52,371
Motor vehicles	1,177	1,267
Operating lease rentals	3,887	5,636
Outsourced service delivery	27,273	20,485
Repairs and maintenance	32,051	26,910
Travel - patients	4,799	4,667
Travel - staff	1,252	1,246
Utilities	10,583	10,333
Other	5,484	4,642
Total supplies and services	358,204	333,257

* Gold Coast Health is covered by the Department's insurance policy with the Queensland Government Insurance Fund (QGIF). Gold Coast Health pays a fee to the Department as part of a fee-for-service arrangement.

Note 10. Impairment loss

	2016 \$'000	2015 \$'000
Impairment on receivables	(1,400)	(4,015)
Impairment on intangibles	(267)	-
Total impairment loss	(1,667)	(4,015)

Note 11. Other expenses

	2016 \$'000	2015 \$'000
Advertising	560	140
Ex-gratia payments*	19	316
External audit fees**	229	252
Insurance - other	200	173
Internal audit fees	251	252
Interpreter fees	952	789
Inventory written off	170	112
Legal Fees	798	318
Losses from the disposal of non-current assets	373	590
Other expenses	4,109	1,916
Total other expenses	7,661	4,858

*Ex-gratia payments are special payments that Gold Coast Health is not contractually or legally obligated to make to other parties and include payments to patients and staff for damaged or lost property. In compliance with the Financial and Performance Management Standard 2009, Gold Coast Health maintains a register setting out details of all special payments greater than \$5,000.

**Total audit fees paid or accrued to the Queensland Audit Office for the financial statement audit were \$240,000 (2015:\$242,000). There are no non-audit services included in this amount.

Note 12. Current assets - Cash and cash equivalents

	2016 \$'000	2015 \$'000
Cash on hand	33	13
Cash at bank	55,316	37,655
QTC Cash Fund	7,145	6,278
Total cash	62,494	43,946

Note 12. Current assets - Cash and cash equivalents (continued)

a) Restricted Cash

Gold Coast Health receives cash contributions from private practice arrangements (refer to Note 25) for education, study and research in clinical areas, and from external parties in the form of gifts, donations and bequests for stipulated purposes. This money is retained separately and payments are only made from the General Trust Fund for the specific purposes upon which contributions were received.

b) Effective Interest Rate

Cash deposited with the Queensland Treasury Corporation earns interest at a rate of 2.78% per annum (2015: 3.18%). No interest is earned on other bank accounts.

c) Reconciliation of surplus to net cash from operating activities

	2016 \$'000	2015 \$'000
Surplus for the year	10,547	6,554
Adjustments for:		
Depreciation and amortisation	77,553	78,111
Net loss on disposal of property, plant and equipment	373	590
Net revaluation (increment)/decrement	(10,294)	(3,660)
Impairment loss on intangibles	267	-
Depreciation and amortisation funding	(77,553)	(78,111)
Other	(249)	(138)
Change in operating assets and liabilities:		
Decrease/(Increase) in receivables	22,912	(33,134)
(Increase) in inventories	(189)	(822)
(Increase) in prepayments	(447)	(476)
Increase/(Decrease) in payables	3,622	(37,121)
(Decrease)/Increase in other employee benefits	(5,516)	31,542
(Decrease)/increase in other provisions	-	(2,500)
(Decrease)/Increase in unearned revenue	(3,916)	4,995
Net cash (used in)/from operating activities	17,110	(34,170)

Note 13. Current assets - Receivables

	2016 \$'000	2015 \$'000
Trade receivables	11,732	8,323
Less: Provision for impairment of receivables	(4,228)	(3,928)
	7,504	4,395
GST input tax credits receivable	1,769	2,036
GST payable	(86)	(323)
	1,683	1,713
Health service funding accrued	6,020	35,124
Other accrued revenue	5,780	2,667
Total receivables	20,987	43,899

a) Impaired trade receivables

Impairment is based on a specific review of individual trade debtors at risk for either actual loss events or past experiences in relation to these loss events. These loss events mainly relate to unrecoverable debts from individuals ineligible for Medicare. Total impairment loss recognised in the operating result was:

	2016 \$'000	2015 \$'000
Impairment losses on receivables	1,183	2,772
Bad debts written off	217	1,243
Total Impairment loss	1,400	4,015

Movements in the provision for impairment of receivables are as follows:

	2016 \$'000	2015 \$'000
Opening balance	3,928	2,191
Additional provisions recognised	1,183	2,772
Receivables written off during the year as uncollectable	(883)	(1,035)
Closing balance	4,228	3,928

The ageing of the impaired receivables provided for above is as follows:

	2016 \$'000	2015 \$'000
0-30 days	112	828
31-60 days	139	353
61-90 days	387	423
More than 90 days	3,590	2,324
Total impaired receivables	4,228	3,928

Note 13. Current assets - Receivables (continued)

b) Past due but not impaired

The ageing of the past due but not impaired receivables is as follows:

	2016 \$'000	2015 \$'000
0-30 days	-	-
31-60 days	2,337	788
61-90 days	750	98
More than 90 days	135	72
Total past due but not impaired	3,222	958

Based on credit history and other information, it is expected that these amounts will be received.

Note 14. Current assets - Inventories

	2016 \$'000	2015 \$'000
Medical supplies	8,000	7,835
Less: Provision for impairment	(109)	(132)
Catering and domestic supplies	188	202
Other Supplies	38	23
Total inventories	8,117	7,928

Note 15. Non-current assets - Property, plant and equipment

	2016 \$'000	2015 \$'000
Land - at independent valuation	81,200	70,906
Buildings - at independent valuation	1,793,136	1,762,380
Less: Accumulated depreciation	(214,306)	(152,401)
	1,578,830	1,609,979
Plant and equipment - at cost	175,027	164,490
Less: Accumulated depreciation	(74,464)	(59,671)
	100,563	104,819
Capital works in progress - at cost	1,016	527
Total property, plant and equipment	1,761,609	1,786,231

a) Movement reconciliation

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land \$'000	Buildings \$'000	Plant and Equipment \$'000	Work-in- Progress \$'000	Total \$'000
Balance at 30 June 2014	72,962	1,655,030	111,158	-	1,839,150
Additions	-	571	13,588	527	14,686
Disposals	-	-	(619)	-	(619)
Revaluation increments	229	12,112	-	-	12,341
Donations received	-	-	70	-	70
Net transfers from the Department	(2,285)	(445)	325	-	(2,405)
Transfers in/(out)	-	2	(2)	-	-
Depreciation expense	-	(57,291)	(19,701)	-	(76,992)
Balance at 30 June 2015	70,906	1,609,979	104,819	527	1,786,231
Additions	-	461	9,052	7,938	17,451
Disposals	-	-	(373)	-	(373)
Revaluation increments	10,294	23,474	-	-	33,768
Donations received/made	-	-	184	-	184
Net transfers from the Department	-	1,289	-	-	1,289
Transfers in/(out)	-	2,312	5,137	(7,449)	-
Depreciation expense	-	(58,685)	(18,256)	-	(76,941)
Balance at 30 June 2016	81,200	1,578,830	100,563	1,016	1,761,609

b) Valuations of land and buildings

Land is measured at fair value using independent revaluations, desktop market revaluations or indexation. Independent revaluations are performed with sufficient regularity to ensure assets are carried at fair value.

Buildings are measured at fair value by applying either a revised estimate of individual asset's depreciated replacement cost or an interim index which approximates movement in price and design standards at the reporting date. The methodology takes into account the specialised nature of health service buildings and the fair value is determined by using the depreciated replacement cost methodology.

Depreciated replacement cost is determined as the replacement cost less the cost to bring to current standards. In order to calculate the cost to bring the building to current standards a condition rating is applied based on:

- Visual inspection of the asset
- Asset condition data and other information provided by Gold Coast Health
- Previous reports and inspection photographs (to show the change in condition over time)

The following table outlines the condition assessment rating applied to each building which assists in determining the current depreciated replacement cost.

Note 15. Non-current assets - Property, plant and equipment (continued)

Category Condition	Criteria	Comments
1	Very good condition	Only normal maintenance required
2	Minor defects only	Minor maintenance required (up to 5% of capital replacement cost)
3	Maintenance required to return to acceptable level of services	Significant maintenance required (up to 50 per cent of capital replacement cost)
4	Requires renewal	Complete renewal of the internal fit out and engineering services required (up to 70 per cent of capital replacement cost)
5	Asset unserviceable	Complete asset replacement required

The State Valuation Service performed an independent valuation of all land during 2013-14 representing 100 per cent of the portfolio. The valuations were based on the fair value approach in accordance with the requirements of AASB 13 Fair Value Measurement. In 2015-2016 (and 2014-2015) an indexation rate determined by State Valuations Service was applied to the portfolio.

In 2013-14 an independent valuation of 84 per cent of the gross value of the building portfolio was performed by an independent valuer. This included valuations of Gold Coast University Hospital and the Southport Health Precinct. In 2015-2016 (and 2014-2015 except for one property which was comprehensively revalued) an indexation rate determined by Davis Langdon was applied to the building portfolio.

The revaluation increment/decrement is shown below:

	2016 \$'000	2015 \$'000
Recognised in operating result:		
Land revaluation increment	10,294	229
Net building revaluation increment	-	3,431
Net revaluation increment	10,294	3,660
Recognised in other comprehensive income:		
Land revaluation increment	-	-
Net building revaluation increment	23,474	8,681
Net revaluation increment	23,474	8,681

The asset revaluation surplus in the statement of financial position as at 30 June 2016 (\$32.2 million) relates solely to the building revaluation increments from 2015-2016 (\$23.5 million) and 2014-2015 (\$8.7 million) as shown above.

c) Fair value hierarchy classification

The fair value hierarchy classification is based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

Land valued with reference to an active market is classified as Level 2. Buildings valued with reference to an active market are classified as Level 2. Purpose-built hospital buildings valued without reference to an active market are valued using the depreciated replacement cost methodology and classified as Level 3.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2016				
<i>Assets</i>				
Land	-	81,200	-	81,200
Buildings	-	1,615	1,577,215	1,578,830
Total assets	-	82,815	1,577,215	1,660,030
2015				
<i>Assets</i>				
Land	-	70,906	-	70,906
Buildings	-	1,667	1,608,312	1,609,979
Total assets	-	72,573	1,608,312	1,680,885

The only movements associated with Level 3 assets were depreciation and the application of the indexation.

Note 16. Non-current assets – Intangibles

	2016 \$'000	2015 \$'000
Software purchased – at cost	3,794	3,701
Less: Accumulated amortisation	(3,373)	(2,868)
	421	833
Software developed	428	428
Less: Accumulated amortisation	(214)	(107)
	214	321
Software work in progress – at cost	1,663	267
Total intangibles	2,298	1,421

Note 16. Non-current assets – Intangibles (continued)

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Work-in-Progress \$'000	Purchased \$'000	Developed \$'000	Total \$'000
Balance at 30 June 2014	432	1,521	-	1,953
Additions	263	324	-	587
Transfers In/(out)	(428)	-	428	-
Amortisation expense	-	(1,012)	(107)	(1,119)
Balance at 30 June 2015	267	833	321	1,421
Additions	1,663	93	-	1,756
Transfers In/(out)	-	-	-	-
Amortisation expense	-	(505)	(107)	(612)
Impairment	(267)	-	-	(267)
Balance at 30 June 2016	1,663	421	214	2,298

Note 17. Current liabilities – Payables

	2016 \$'000	2015 \$'000
Trade and other payables	12,835	13,647
Accrued expenses	24,640	20,206
Total payable	37,475	33,853

Note 18. Current liabilities – Accrued employee benefits

	2016 \$'000	2015 \$'000
Wages and salaries payables	27,977	34,562
Superannuation payable	2,841	1,772
Total accrued employee benefits	30,818	36,334

Note 19. Current liabilities – Unearned revenue

	2016 \$'000	2015 \$'000
Health service funding unearned revenue	1,073	4,854
Other unearned revenue	59	194
Total unearned revenue	1,132	5,048

Note 20. Financial instruments

Gold Coast Health's activities expose it to a variety of financial risks – interest risk, credit risk and liquidity risk. Financial risk management is implemented pursuant to Gold Coast Health's Financial Management Practice Manual. Overall financial risk is managed in accordance with written principles of the Service for overall risk management, as well as policies covering specific areas.

The carrying amounts of cash, trade and other receivables and trade and other payables are assumed to approximate their fair values as disclosed on the Statement of Financial Position due to their short-term nature.

Interest Risk

Gold Coast Health is exposed to interest rate risk through its cash deposited in interest bearing accounts. Changes in interest rates have had a minimal impact on the operating result.

Credit risk

Credit risk exposure refers to the situation where Gold Coast Health may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date is equal to the gross carrying amount of the financial asset, inclusive of any provisions for impairment. As such, the gross carrying amount of cash and cash equivalents as well as receivables represent the maximum exposure to credit risk.

See note 13 for further information on impairment of receivables.

Liquidity risk

Liquidity risk refers to the situation where Gold Coast Health may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Gold Coast Health is exposed to liquidity risk in respect of its payables. Exposure to liquidity risk is reduced by ensuring that sufficient funds are available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected incidence and duration of the various employee and supplier liabilities.

Gold Coast Health has an approved overdraft facility of \$7.5 million under whole-of-Government banking arrangements to manage any unexpected short term cash shortfalls. This facility has not been drawn down as at 30 June 2016.

Gold Coast Health's trade and other payables are expected to be settled within one year.

Note 21. Contingent liabilities

The following cases were filed in the courts naming the State of Queensland acting through the Gold Coast Health as defendant:

	2016 cases	2015 cases
Supreme Court	3	0
District Court	6	1
Magistrates Court	1	0
Tribunals, commissions and boards	0	1
Total cases	10	2

It is not possible to make a reliable estimate of the final amount payable, if any, in respect of litigations before the courts at this time. Any amount payable would be covered by the Queensland Government Insurance Fund (QGIF). Gold Coast Health's maximum exposure under the QGIF policy is \$20,000 excess for each insurable event. Tribunals, commissions and boards include matters that may never be litigated or result in payments to claims.

Note 22. Commitments

Non-cancellable operating leases

Commitments at the reporting date under non-cancellable operating leases are inclusive of GST and payable as follows:

	2016 \$'000	2015 \$'000
Within one year	2,712	2,412
Two to five years	4,319	3,845
	7,031	6,257

Operating leases are entered into as a means of acquiring access to office accommodation and fleet vehicles and contain no restrictions on cancellation. Lease payments are generally fixed, but with standard inflation escalation clauses.

Consistent with prior year, there are no capital expenditure (property, plant and equipment and intangible), other expenditure or grants and subsidies commitments.

Lessor Commitments

Minimum lease commitments receivable but not recognised in the financial statements:

	2016 \$'000	2015 \$'000
Within one year	1,477	1,477
Two to five years	2,083	3,560
	3,560	5,037

Gold Coast Health is the beneficiary of rental income arising from the sub-lease of clinical, retail and office accommodation to third parties. Lease receipts are generally fixed, but with inflation escalation clauses.

Note 23. Service Concession Arrangements

SurePark Pty Ltd was appointed in July 2010 to build, own, operate and transfer the Gold Coast University Hospital western car park (land owned by Gold Coast Health). The arrangement is for a period of 31 years. There was no revenue received from SurePark Pty Ltd and no upfront payments were made. Gold Coast Health does not control the facility and therefore it is not recognised as an asset of Gold Coast Health.

Healthscope Ltd was appointed in February 2012 to build, own, operate and transfer a private hospital facility in the southeast corner of the Gold Coast University Hospital campus (land owned by Gold Coast Health). The arrangement is from 12 March 2016 for a period of 50 years with possible extensions. No upfront payments were made. Gold Coast Health has a right to rental payments in accordance with the lease. Gold Coast Health does not control the facility and therefore it is not recognised as an asset of Gold Coast Health.

Note 24. Trust transactions and balances

Patient trust receipts and payments	2016 \$'000	2015 \$'000
<i>Receipts</i>		
Amounts receipted on behalf of patients	240	206
<i>Payments</i>		
Amounts paid to or on behalf of patients	235	205
<i>Assets</i>		
Cash held and bank deposits on behalf of patients	18	13

Note 25. Private Practice arrangements

Gold Coast Health performs a custodial role in respect of private practice transactions and balances, and as such these are not recognised in the financial statements but are disclosed in these notes for information purposes.

Trust receipts and payments	2016 \$'000	2015 \$'000
<i>Receipts</i>		
Private practice revenue	19,487	17,549
Private practice interest revenue	32	39
Total receipts	19,519	17,588
<i>Payments</i>		
Payments to private practice doctors under retention arrangements	4,524	4,183
Payments to Gold Coast Health for service fees	6,908	5,527
Payments to Gold Coast Health for assignment arrangements	7,354	5,909
Payments to Gold Coast Health Private Practice Trust Fund*	940	1,380
Total payments	19,726	16,999
<i>Assets</i>		
Cash held and bank deposits for private practice	1,812	2,019

The cash balance above represents timing differences between cash receipts and payments in relation to the private practice arrangements.

* Private Practice Trust funds are generated by doctors reaching the ceiling allowable under the retention option arrangements. These funds are included in the General Trust Fund and the allocation of these funds is managed by an advisory committee.

Note 26. Events after the reporting period

No events have occurred after the reporting period that have an impact on the financial statements.

Management certificate

30 June 2016

Certificate of Gold Coast Hospital and Health Service

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Gold Coast Hospital and Health Service for the financial year ended 30 June 2016 and of the financial position of the Gold Coast Hospital and Health Service at the end of that year; and
- (c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Ian Langdon
Board Chair

22 August 2016



Ron Calvert
Chief Executive

22 August 2016

INDEPENDENT AUDITOR'S REPORT

To the Board of Gold Coast Hospital and Health Service

Report on the Financial Report

I have audited the accompanying financial report of Gold Coast Hospital and Health Service, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and certificates given by the Chair and Chief Executive.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is 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 procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Gold Coast Hospital and Health Service for the financial year 1 July 2015 to 30 June 2016 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D J OLIVE FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Index of charts and tables

Appendix 1

Charts

Chart 1: Total occasions of service and specialist outpatient long waits	6
Chart 2: Expenses by four directorates and corporate services	14
Chart 3: Revenue by funding source.....	14
Chart 4: WAUs by purchasing category.....	15
Chart 5: WAU delivery performance by month.....	15
Chart 6: Expenditure by major category.....	16
Chart 7: 2015/16 ED presentations by facility.....	19
Chart 8: 2015/16 outpatient activity.....	21

Tables

Table 1: MOHRI Occupied Headcount by sex.....	28
Table 2: Professional stream MOHRI occupied FTE.....	28
Table 3: Sex and age profile as at June 2016	29
Table 4: Women in professional streams as at June 2016	29
Table 5: Advertised vacancies 2015–16	30
Table 6: Board member attendance	38
Table 7: Board member attendance for those appointed 18 May 2016	38
Table 8: Board member appointment dates	38

Glossary of terms

Appendix 2

Accessible	Accessible healthcare is characterised by the ability of people to obtain appropriate healthcare at the right place and right time, irrespective of income, cultural background or geography.
Activity-based funding	A management tool with the potential to enhance public accountability and drive technical efficiency in the delivery of health services by: <ul style="list-style-type: none">• capturing consistent and detailed information on hospital sector activity and accurately measuring the costs of delivery• creating an explicit relationship between funds allocated and services provided• strengthening management’s focus on outputs, outcomes and quality• encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level• in the context of improving efficiency and effectiveness• providing mechanisms to reward good practice and support quality initiatives.
Acute	Having a short and relatively severe course.
Acute care	Care in which the clinical intent or treatment goal is to: <ul style="list-style-type: none">• manage labour (obstetric)• cure illness or provide definitive treatment of injury• perform surgery• relieve symptoms of illness or injury (excluding palliative care)• reduce severity of an illness or injury• protect against exacerbation and/or complication of an illness and/or injury that could threaten life or normal function• perform diagnostic or therapeutic procedures.
Acute hospital	Generally a recognised hospital that provides acute care and excludes dental and psychiatric hospitals.
Admission	The process whereby a hospital accepts responsibility for a patient’s care and/or treatment. It follows a clinical decision, based on specified criteria, that a patient requires same-day or overnight care or treatment, which can occur in hospital and/or in the patient’s home (for hospital-in-the-home patients).
Admitted patient	A patient who undergoes a hospital’s formal admission process as an overnight-stay patient or a same-day patient.
Allied health staff	Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology; clinical measurement sciences; dietetics and nutrition; exercise physiology; leisure therapy; medical imaging; music therapy; nuclear medicine technology; occupational therapy; orthoptics; pharmacy; physiotherapy; podiatry; prosthetics and orthotics; psychology; radiation therapy; sonography; speech pathology and social work.

Best practice	Cooperative way in which organisations and their employees undertake business activities in all key processes, and use benchmarking that can be expected to lead sustainable world-class positive outcomes.
Clinical governance	A framework by which health organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.
Clinical practice	Professional activity undertaken by health professionals to investigate patient symptoms and prevent and/or manage illness, together with associated professional activities for patient care.
Clinical workforce	Staff who are or who support health professionals working in clinical practice, have healthcare specific knowledge/ experience, and provide clinical services to health consumers, either directly and/or indirectly, through services that have a direct impact on clinical outcomes.
Emergency department waiting time	Time elapsed for each patient from presentation to the emergency department to start of services by the treating clinician. It is calculated by deducting the date and time the patient presents from the date and time of the service event.
Full-time equivalent (FTE)	Refers to full-time equivalent staff currently working in a position.
Health reform	Response to the National Health and Hospitals Reform Commission Report (2009) that outlined recommendations for transforming the Australian health system, the National Health and Hospitals Network Agreement (NHHNA) signed by the Commonwealth and states and territories, other than Western Australia, in April 2010 and the National Health Reform Heads of Agreement (HoA) signed in February 2010 by the Commonwealth and all states and territories amending the NHHNA.
Hospital	Healthcare facility established under Commonwealth, state or territory legislation as a hospital or a free-standing day-procedure unit and authorised to provide treatment and/or care to patients.
Hospital and Health Boards	The Hospital and Health Boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex health care organisation.
Hospital and Health Service	Hospital and Health Service (HHS) is a separate legal entity established by Queensland Government to deliver public hospital services.
Immunisation	Process of inducing immunity to an infectious agency by administering a vaccine.

Incidence	Number of new cases of a condition occurring within a given population, over a certain period of time.
Indigenous health worker	An Aboriginal and/or Torres Strait Islander person who holds the specified qualification and works within a primary healthcare framework to improve health outcomes for Indigenous Australians.
Long wait	A 'long wait' elective surgery patient is one who has waited longer than the clinically recommended time for their surgery, according to the clinical urgency category assigned. That is, more than 30 days for a category 1 patient, more than 90 days for a category 2 patient and more than 365 days for a category 3 patient.
Medical practitioner	A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners.
Nurse Navigator	Highly experienced nurses who have an in-depth understanding of the health system and who will assist patients with complex healthcare needs to navigate to and from their referring general practitioner and/or other primary care providers, through hospital, the community and back home again.
Non-admitted patient	A patient who does not undergo a hospital's formal admission process.
Non-admitted patient services	An examination, consultation, treatment or other service provided to a non-admitted patient in a functional unit of a health service facility.
Nurse practitioner	A registered nurse educated and authorised to function autonomously and collaboratively in an advanced and extended clinical role. The nurse practitioner role includes assessing and managing clients using nursing knowledge and skills and may include, but is not limited to, direct referral of clients to other healthcare professionals, prescribing medications, and ordering diagnostic investigations.
Occasions of service	An examination, consultation, treatment or other service provided to a non-admitted patient in a functional unit of a health service facility.
Outpatient	Non-admitted health service provided or accessed by an individual at a hospital or health service facility.
Outpatient service	Examination, consultation, treatment or other service provided to non-admitted non-emergency patients in a speciality unit or under an organisational arrangement administered by a hospital.
Overnight-stay patient	A patient who is admitted to, and separated from, the hospital on different dates (not same-day patients).
Patient flow	Optimal patient flow means the patient's journey through the hospital system, be it planned or unplanned, happens in the safest, most streamlined and timely way to deliver good patient care.
Performance indicator	A measure that provides an 'indication' of progress towards achieving the organisation's objectives usually has targets that define the level of performance expected against the performance indicator.

Private hospital	A private hospital or free-standing day hospital, and either a hospital owned by a for-profit company or a non-profit organisation and privately funded through payment for medical services by patients or insurers patients admitted to private hospitals are treated by a doctor of their choice.
Public patient	A public patient is one who elects to be treated as a public patient, so cannot choose the doctor who treats them, or is receiving treatment in a private hospital under a contract arrangement with a public hospital or health authority.
Public hospital	Public hospitals offer free diagnostic services, treatment, care and accommodation to eligible patients.
Registered nurse	An individual registered under national law to practice in the nursing profession as a nurse, other than as a student.
Statutory bodies	A non-departmental government body, established under an Act of Parliament. Statutory bodies can include corporations, regulatory authorities and advisory committees/councils.
Sustainable	A health system that provides infrastructure, such as workforce, facilities and equipment, and is innovative and responsive to emerging needs, for example, research and monitoring within available resources.
Way-finding	Signs, maps and other graphic or audible methods used to convey locations and directions.
Weighted Activity Unit	A standard unit used to measure all patient care activity consistently. The more resource intensive an activity is, the higher the weighted activity unit. This is multiplied by the standard unit cost to create the 'price' for the episode of care.

Glossary of acronyms

Appendix 3

ABF	Activity-based funding	ISAR	Identification of Seniors at Risk
ACHS	The Australian Council on Healthcare Standards	JEMS	Job Evaluation Management System
ART	Aged Response Teams	KPI	Key Performance Indicators
ATOD	Alcohol, Tobacco and Other Drugs	MAC	Matters Assessment Committee
BEMS	Building, Engineering and Maintenance Services	MGP	Midwifery Group Practice
CAG	Consumer Advisory Group	MHSO	Mental Health Service Organisation
CALD	Culturally and linguistically diverse	MHSS	Mental Health and Specialist Services
CCC	Crime and Corruption Commission	MoU	Memorandum of Understanding
CCCU	Children's Critical Care Unit	MOHRI	Minimum Obligatory Human Resource Information
CDU	Clinical Decision Unit	MM	Met with Merit
COAG	Council of Australian Governments	NATA	National Association of Testing Authorities
DABIT	Drug and Alcohol Brief Intervention Team	NEAT	National Emergency Access Target
DNA	Did not attend	NEST	National Elective Surgery Target
DNW	Did not wait	NICU	Neonatal Intensive Care Unit
EBP	Evidence Based Practice	NSQHS	National Safety and Quality Health Service
ECGO	Executive Control Group: Operations	QAO	Queensland Audit Office
ENT	Ear, nose, throat	QAS	Queensland Ambulance Service
EMR	Electronic Medical Record	QGIF	Queensland Government Insurance Fund
EMT	Executive Management Team	QWAU	Queensland Weighted Activity Units
EquIP	Evaluation and Quality Improvement Program	PARTY	Prevent Alcohol Risk-related Trauma in Youth
FAA	Financial Accountability Act	PID	Public Interest Disclosure
FBT	Fringe Benefit Tax	RACS	Royal Australasian College of Surgeons
FPMS	Finance and Performance Management Standard 2009	RDA	Regional Development Authority
FRR	Financial Reporting Requirements	SCC	Statutory Compliance and Conduct
GC2018	2018 Commonwealth Games	SDS	Service Delivery Statement
GCH-LOL	Gold Coast Health-Learning On-line	STAR	Stimulating Action in Research
GCUH	Gold Coast University Hospital	WAU	Weighted Activity Units
GP	General Practitioner	WEHO	Workplace Equity and Harassment Officer
GOLDOC	Gold Coast 2018 Commonwealth Games Corporation		
GST	Goods and Services Tax		
HR	Human Resources		
ICT	Information Communication Technology		
ICU	Intensive Care Unit		
IMT	Information Management and Technology		

Compliance checklist

Appendix 4

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 8 3
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 10.1 4 86
	<ul style="list-style-type: none"> Public availability 	ARRs – section 10.2 2
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 10.3 2
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 10.4 2
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 10.5 2
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 11.1 7
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 11.2 7, 18–25
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 11.3 18–25
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 12.1 8
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 12.2 8–9
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 12.3 9
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 12.4 17
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 13.1 14–16
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 14.1 40–41
	<ul style="list-style-type: none"> Executive management 	ARRs – section 14.2 36–39
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 14.3 –
	<ul style="list-style-type: none"> <i>Public Sector Ethics Act 1994</i> 	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.4 26
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 14.5 8

Compliance checklist (continued)

Summary of requirement	Basis for requirement	Annual report reference	
Governance – risk management and accountability	<ul style="list-style-type: none"> • Risk management 	ARRs – section 15.1	42–44
	<ul style="list-style-type: none"> • Audit committee 	ARRs – section 15.2	37
	<ul style="list-style-type: none"> • Internal audit 	ARRs – section 15.3	43
	<ul style="list-style-type: none"> • External scrutiny 	ARRs – section 15.4	42
	<ul style="list-style-type: none"> • Information systems and recordkeeping 	ARRs – section 15.5	44
Governance – human resources	<ul style="list-style-type: none"> • Workforce planning and performance 	ARRs – section 16.1	30–31
	<ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment 	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	31
Open Data	<ul style="list-style-type: none"> • Consultancies 	ARRs – section 17 ARRs – section 34.1	44
	<ul style="list-style-type: none"> • Overseas travel 	ARRs – section 17 ARRs – section 34.2	44
	<ul style="list-style-type: none"> • Queensland Language Services Policy 	ARRs – section 17 ARRs – section 34.3	44
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	82
	<ul style="list-style-type: none"> • Independent Auditor’s Report 	FAA – section 62 FPMS – section 50 ARRs – section 18.2	83

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

[This page has intentionally been left blank]

