

QUEEN ELIZABETH II MEDICAL CENTRE TRUST  
ANNUAL REPORT  
2014-15

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Alternative formats are available upon request.

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# Statement of Compliance

For the year ended 30 June 2015

HON Dr K D HAMES MINISTER FOR HEALTH

In accordance with section 63 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of the Queen Elizabeth II Medical Centre Trust for the financial year 30 June 2015.

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

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



S Cole  
**Chairman**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015



G McMath  
**Deputy Chair**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015

c/o Sir Charles Gairdner Hospital  
Hospital Avenue Nedlands WA 6009  
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## Chairman's Report

The transformational work on the Site has continued to ensure that the year under review was a rewarding and challenging one for the QEII Medical Centre Trust.

The new shape and structure of the Site as one of excellence for health care, research and education, continues to emerge rewarding us with the operational commencement of the Site's dominant built form structures in the Harry Perkins Institute (formerly WAIMR), the Western Power Substation and the Multi-Deck Car Park as well as challenging us to see to completion the advanced work on the New Children's Hospital (incorporating TICHR).

Additional planning and development work this year included the practical completion of the Mental Health Unit building and the rapid construction of Ronald McDonald House. Construction on the Neurosciences Research Facility also commenced and once completed, will provide an exciting addition to the suite of world class facilities on the Site.

This year the QEII Medical Centre Trust's Strategic Planning focus remains on site planning and working towards the long term sustainability of the Site and the Trust's financial security and sound governance. Budgetary constraints across WA public sector agencies, including the Trust's executive arm, the Delegate, require a measured and thoughtful approach to these strategic goals.

Progress continues in reviewing and consolidating lease arrangements for the Site's QEII Medical Centre's tenants with ground leases for Neurosciences Research Facility, a number of the Sir Charles Gairdner Hospital related buildings and the New Children's Hospital having been agreed.

With the formalisation of many of the lease and tenancy arrangements on the Site, has come the commitment to a Site service agreement with tenants which allows for the equitable and transparent allocation of utility charges (fixed and variable) and overall Site maintenance and management expenses across all tenants. This initiative will help ensure the QEII Medical Centre Trust's ongoing sustainability, and capability to service the needs of the Site's tenants, consistent with its legislative requirements and principles of good governance. Although this has been a protracted process, excellent progress is now being made.

I commend the QEII Medical Centre Trust's team of dedicated staff and volunteers for the excellent services being provided and world class facilities now being developed at the Site.

The orderly development, management and control of the QEII Medical Centre Site remain the primary focus for the Trust. Consistent with the Site Master Plan, Urban Design Guidelines are being developed to provide an integrated holistic approach to deliver and support the aspiration of the diverse community of health care, research and teaching on the Site.

I would like to acknowledge the work of the Trust's "Delegate", North Metropolitan Health Service, and its professional team headed over the year under review by Dr Shane Kelly, and ably managed by Craig Leatt-Hayter (with Bill Anderson now succeeding Craig).

I gratefully acknowledge the tireless efforts of the retiring Board members, Professor Ian Puddey and Mr Ian Anderson, who have performed influential roles on the Trust over a number of years. Their contributions have been highly valued by the Board. I welcome Professor John Newnham as a new member of the Board. Professor John Newnham is the Deputy Dean for the Faculty of Medicine, Dentistry and Health Sciences for The University of Western Australia. He is also the Executive Director for the Women and Infants Research Foundation of Western Australia at King Edwards Memorial Hospital.

I also recognise my fellow continuing Board members Gaye McMath and Wayne Salvage for their commitment and support during the year as the Trust has continued to strategically plan for its future.

The dedication and professionalism of all the members of the Board has been invaluable as matters considered by the Board often have an underlying complexity and long term visionary implications that require mature reflection, consideration and sound judgement.

I look forward to the Trust continuing to serve the people of Western Australia into the future consistent with its legislative mandate.



S Cole  
**Chairman**

Queen Elizabeth II Medical Centre Trust  
Date: 7 September 2015







# Part 1

## Overview

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# Overview

## Executive Summary

This Annual Report combines the activities of the Queen Elizabeth II Medical Centre Trust and the Minister for Health incorporated as the board of Sir Charles Gairdner Hospital as its Delegate under section 13 of the Queen Elizabeth II Medical Centre Act 1966.

## The Year in Review

### QEIMC Redevelopment

Construction work continues on the Perth Children's Hospital and its form is becoming a dominant feature of the Site. The new Mental Health Unit on Verdun Street was completed early this year and work on Ronald McDonald House on Monash Avenue continues. Work has also commenced on the Sarich Neuroscience Research Institute on Verdun Street which is due for completion in late 2016.

These new buildings contribute to the Queen Elizabeth II Medical Centre's status as a world class facility for medical care, research and education.



## Perth Children's Hospital

The new Perth Children's Hospital has now entered its fourth year of construction. Work on the hospital is nearing completion with much of the façade in place displaying the exterior design features and weatherproofing the building. Work on the interior fit out is underway, as well as construction works on the tunnel, bridge and lift linking the Perth Children's Hospital with Sir Charles Gairdner Hospital.

The hospital is on track and scheduled to replace Princess Margaret Hospital in 2015/16. This state-of-the-art hospital will also be a leading paediatric and research facility housing the Telethon Institute for Child Health Research.

It also features an underground car park with 300 parking bays.



## Ronald McDonald House

Construction of Ronald McDonald House on Monash Avenue is due for completion and expected to open simultaneously with the Perth Children's Hospital.

This facility is a home away from home for Western Australia's regional families of seriously ill children. Providing a temporary home to 47 families of children receiving treatment at the Perth Children's Hospital, Ronald McDonald House will feature larger accommodation rooms than the existing 18 room house in Subiaco and communal spaces such as, quiet reflection lounges, recreation area including a gym, a learning centre and rooftop garden.



## Western Power Substation

Construction of the larger Western Power Substation on the Site was completed in 2013/14. This replaced the existing substation which was near the end of its operational life.

Western Power is expected to commence decommissioning works in early 2015/16, with the removal of the old substation equipment and remediation of the Site.



## Mental Health Unit

Construction of the new Mental Health Unit on Verdun Street was completed early 2015. The new facility will accommodate 30 beds and provide a modern and pleasant setting for patients and staff.

Careful consideration was given to the selection of materials and massing of the building to provide an architectural solution sensitive to the location and respectful of the close proximity to adjacent residential areas.



## Neuroscience Research Facility

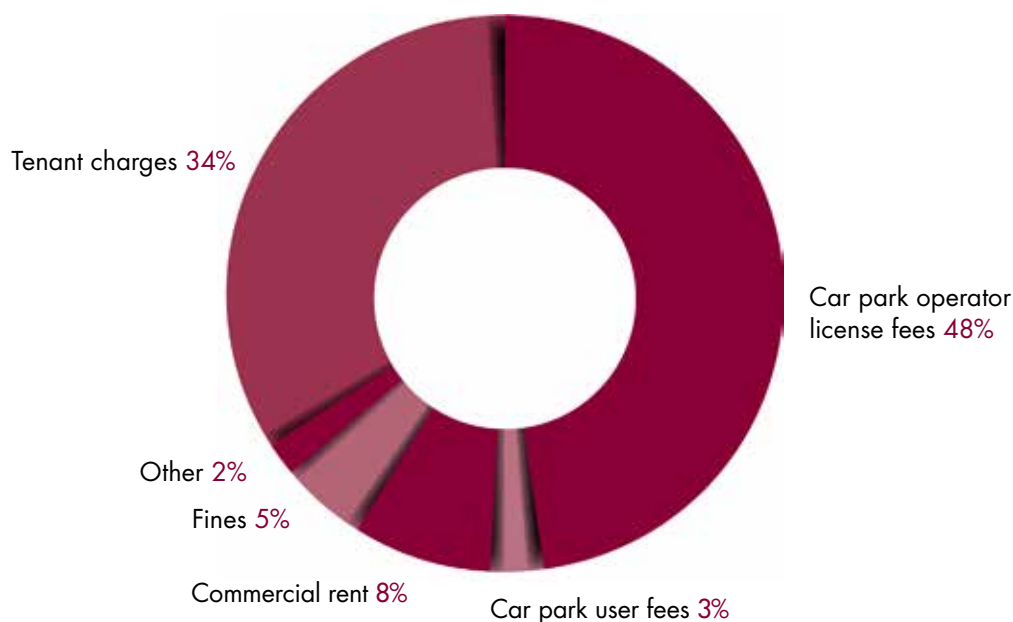
Construction of a five-storey research facility focussed on neuroscience, the Sarich Neuroscience Research Institute, on Verdun Street is underway and due to be completed towards the end of 2016. The new facility is located near the Lions Eye Institute and it is proposed it will house a number of research institutes such as the Australian Neuro Muscular Research Institute and the Alzheimer's Disease Research Centre.



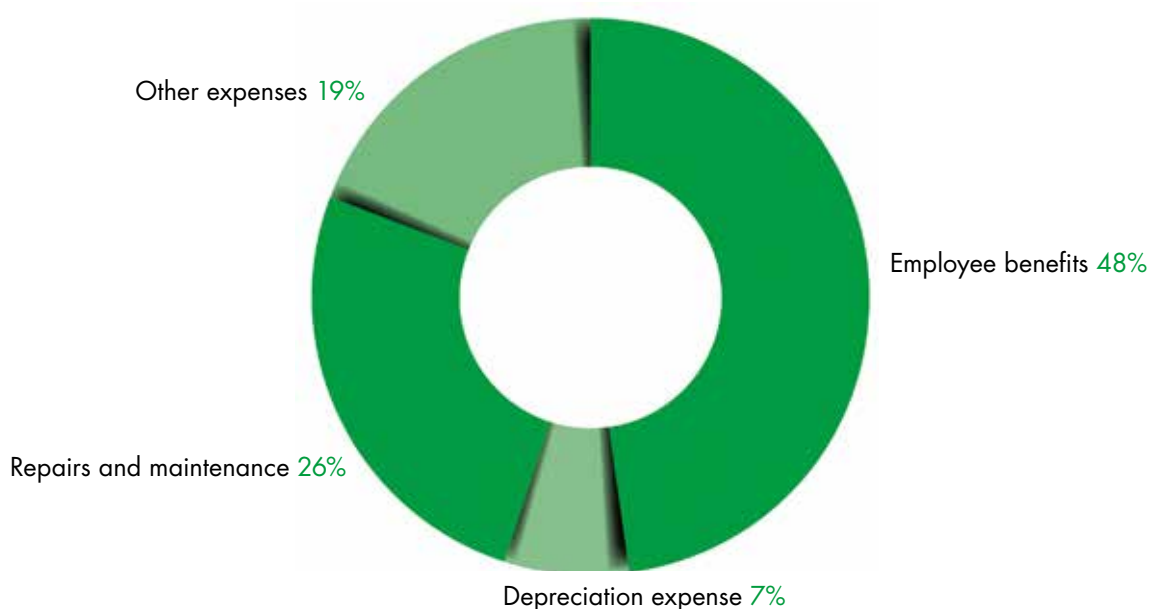
# Financial Performance

The QEII Medical Centre Trust, along with the Delegate, generates its own revenue to meet its operating expenditure

## Revenue 2014/15



## Expenditure 2014/15



The above charts depict the revenue and expenditure positions less the “daylight” receipts and matching outgoings through the Delegate’s account associated with the At-Grade car park agreement. These “daylight” receipts and matching outgoings naturally inflate both the revenue and expenditure components of the financial statements.

The financial statements incorporated in this report contain the full relevant details used to generate these charts.

# Site Management

In accordance with provisions in the *Queen Elizabeth II Medical Centre Act 1966*, the QEII Medical Centre Trust has delegated day-to-day management of the QEII Medical Centre to its "Delegate". The Delegate is the Minister for Health in his capacity as the board of Sir Charles Gairdner Hospital. The North Metropolitan Health Service undertakes this management on behalf of the Delegate.



Government of **Western Australia**  
Department of **Health**  
**North Metropolitan Health Service**





# Operational Structure

The QEII Medical Centre Trust is responsible for the development, management and control of the QEII Medical Centre Reserve.

**The objectives of the QEII Medical Centre Trust are to ensure the:**

- QEII Medical Centre Site, as established under Section 6 of the Act, is developed within the existing geographic, environmental and functional constraints in a planned and methodical way and in accordance with the purpose of the Act as a medical centre of national and international repute.
- Development of the QEII Medical Centre Site is achieved through a cooperative approach between the QEII Medical Centre Trust, Site tenants and the relevant academic and professional schools of learning providing teaching and research resources to the Medical Centre and the State.
- Provision of appropriate on site facilities for the clinical teaching of undergraduates and graduates in medicine, nursing and allied health professionals.

The QEII MC Trust's vision is to be globally recognised as a centre of excellence in health care, research and education.

## Enabling Legislation

The Queen Elizabeth II Medical Centre Trust is established under Section 7 of the *Queen Elizabeth Medical Centre Act 1966*, to undertake the development, management and control of the QEII MC Reserve.

*The Queen Elizabeth Medical Centre Act 1966*, appointed the board of Sir Charles Gairdner Hospital (SCGH) as the delegate of the QEII MC Trust to exercise a range of executive powers in relation to controlling and managing the QEII MC Site. A revised Delegation Instrument was published in the Government Gazette in August 2013.

The administration of the Delegate role is undertaken by the North Metropolitan Health Service.

The Delegate is responsible for the day to day management and control of the QEII MC Reserve, including the general administration, management and other statutory requirements in relation to the Reserve.



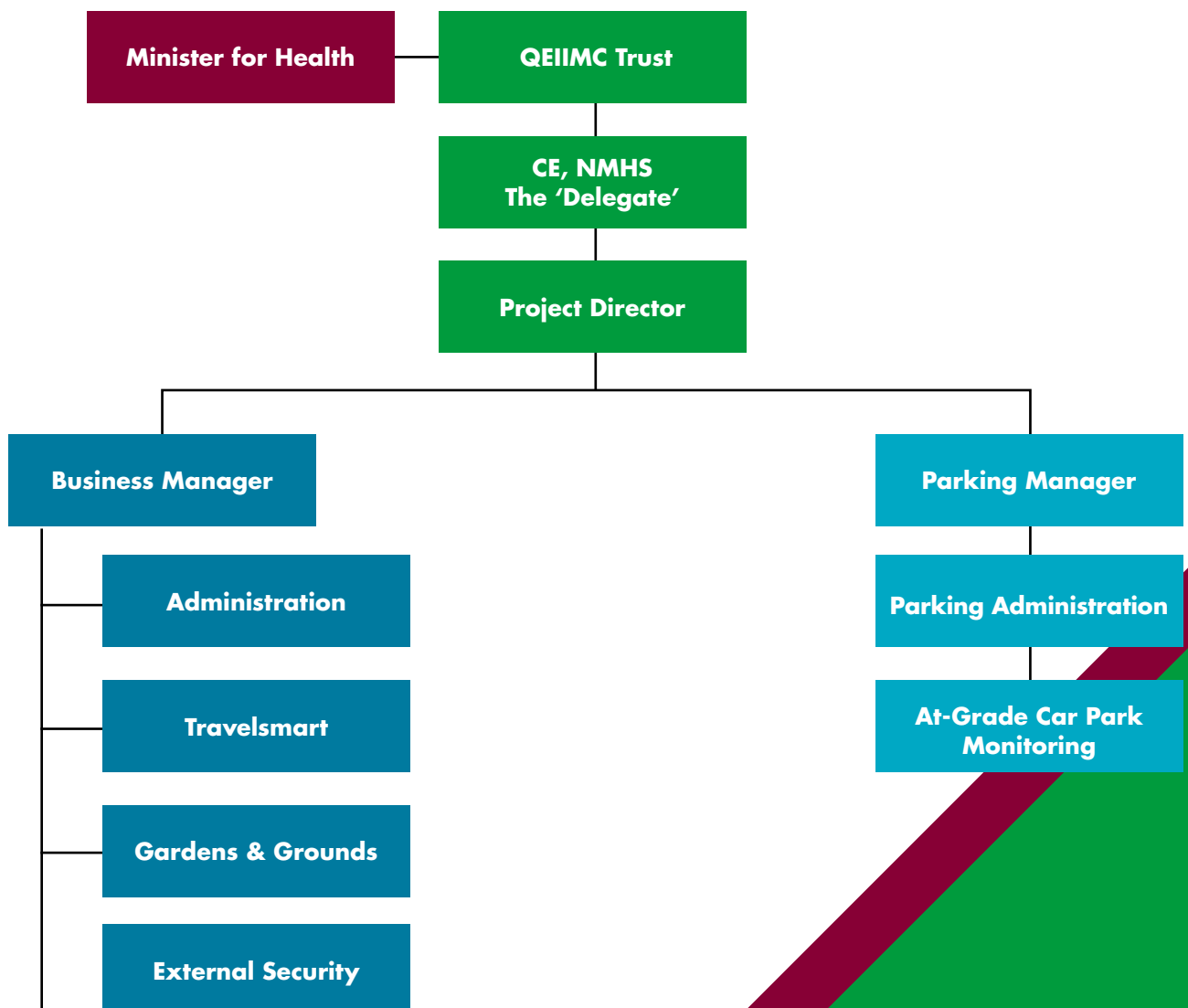
## Responsible Minister

The statutory responsibility for the QEII Medical Centre Trust is vested with the Minister for Health, The Hon. Dr Kim Hames, MB BS JP MLA.

## Organisational Structure

The functions of the QEII Medical Centre Trust are delivered by its Delegate through the following Branches: Parking and Access; Gardens and Grounds; External Security; Site Maintenance; Travelsmart and QEII Medical Centre Administration

The QEII Medical Centre Trust does not employ any staff. Staff engaged on the QEII MC Trust related activities are employed by the North Metropolitan Health Services to perform the delegated activities and to provide support services to the Trust.



## Board of Management

As set out in the Queen Elizabeth II Medical Centre Act 1966, the QEII Medical Centre Trust board consists of five members:

- A Chairman – appointed by the Governor on written nomination of the Minister and the University of Western Australia Senate, to hold office during the Governor's pleasure.
- Two members – appointed by the Governor on the written nomination of the Minister to hold office during the Governor's pleasure.
- Two members – appointed by The University of Western Australia Senate to hold office during its pleasure.

### Mr Steven Cole

Appointed as Chairman in November 2008.

Mr Cole has over 40 years of professional, corporate and business experience through senior legal consultancy, as well as a range of executive management and non executive appointments.

He is currently the Chairman of Brightwater Care Group Inc, Deputy Chairman of ASX listed Neometals Limited, board member of Matrix Composites and Engineering Ltd and board member of a number of other corporations and corporate trusts.

Mr Cole has attended all nine board meetings throughout the year.

Mr Cole is also a member of the QEII Medical Centre Trust Audit and Risk Management Sub Committee and has attended all seven sub-committee meetings throughout the year.



### Ms Gaye McMath

Appointed as a member in January 2005, Ms McMath also serves in the roles of Deputy Chair and Chair of the Audit and Risk Management Sub Committee.

Ms McMath holds the Executive Position of Chief Operating Officer at The University of Western Australia (UWA). Prior to joining UWA, she was Pro Vice-Chancellor (Resource Management) and CFO at Murdoch University after a 23 year career with BHP Billiton in a range of senior financial, commercial and strategy roles. She is currently a Director of Gold Corporation, Perth International Arts Festival, Committee for Perth and Perth Convention Bureau.

Ms McMath is a Fellow of CPA Australia and the Australian Institute of Company Directors. Ms McMath has attended eight of a possible nine board meetings and six of a possible seven sub-committee meetings throughout the year.



### Professor Ian Puddey

Appointed as a member in January 2005.

Professor Ian Puddey is the Dean of the Faculty of Medicine, Dentistry and Health Sciences at the University of Western Australia.

Professor Puddey is a Fellow of the Royal Australasian College of Physicians, and member of the High Blood Pressure Research Council of Australia, Australian Medical Association and International Society for Hypertension.

Professor Puddey has attended four of a possible five board meetings before his retirement.

Professor Puddey retired from the Trust in December 2014.



## Mr Ian Anderson

Mr Anderson was the Chief Executive Officer for St John of God, Midland Public and Private Hospitals.

Mr Anderson's previous positions include Director Capital Management and Executive Director, Finance and Corporate Services both for North Metropolitan Area Health Services, Chairman of Resonance Health Ltd, Director of Leadership WA, General Manager (Performance Consulting) with Gerard Daniels Australia and Chief Executive Officer of SKG Radiology.

Mr Anderson has an MBA from the UWA and is a Fellow of the Australian Institute of Company Directors.

Mr Anderson has attended four of a possible five board meetings before his retirement.

Mr Anderson retired from the Trust in January 2015.



## Mr Wayne Salvage

Appointed as a member in October 2009.

Mr Salvage is currently the Acting Chief Executive of the North Metropolitan Health Service.

Prior to this current role, Mr Salvage was Executive Director of Resource Strategy in the Department of Health and also held a number of other senior positions within the Department.

Mr Salvage has attended eight of a possible nine board meetings throughout the year.

Mr Salvage is also a member of the QEII Medical Centre Trust Audit and Risk Management Sub Committee and has attended six of a possible seven sub-committee meetings throughout the year.



## Professor John Newnham AM

Appointed as a member in January 2015.

Professor John Newnham AM is the Professor of Obstetrics at The University of Western Australia (UWA) and is a sub-specialist in Maternal Fetal Medicine. He is Head of the UWA School of Women's and Infants' Health based at King Edward Memorial Hospital.

Professor John Newnham AM is also the Deputy Dean of the UWA Faculty of Medicine, Dentistry and Health Sciences; and Executive Director of the Women and Infants Research Foundation. He is also an Adjunct Professor at Peking University, Beijing, and Honorary Director of Obstetrics and Gynaecology at the Drum Tower Hospital, Nanjing, China.

Professor Newnham AM has attended all three board meetings during the term of his appointment.



## Other Key Legislation impacting on the QEIMC Trust

### Western Australian State Acts

- Auditor General Act 2006
- Contaminated Sites Act 2003
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Evidence Act 1906
- Financial Management Act 2006
- Freedom of Information Act 1992
- Heritage of Western Australia Act 1990
- Hospitals and Health Services Act 1927
- Land Administration Act 1997
- Library Board of Western Australia Act 1951
- Local Government Act 1995
- Occupational Safety and Health Act 1984
- Public Interest Disclosure Act 2003
- Public Sector Management Act 2003
- Road Traffic Act 1974
- State Records Act 2000
- State Records (Consequential Provisions) Act 2000
- State Supply Commission Act 1991
- Town Planning and Development Act 1928
- Water Corporation Act 1995
- Western Australian Planning Commission Act 1985
- Electricity Corporations Act 2006
- Energy Operators (Powers) Act 1979

### Australian Commonwealth Acts

- A New Tax System (Goods and Services Tax) Regulations 1999
- Copyright Act 1968
- Fringe Benefits Tax Act 1986
- Trade Practices Act 1975

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

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





# Part 2

## Agency Performance

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# Agency Performance

## Reports on Operations

### Site Management and Planning

#### Leases

The lease with the Minister for Health for the Perth Children's Hospital was executed in the 2014/15 financial year.

The Queen Elizabeth II Medical Centre Trust lease for the Ronald McDonald House development on Monash Avenue is in place and the facility is expected to open simultaneously with the new Perth Children's Hospital.

Lease negotiations with the North Metropolitan Health Service regarding the premises occupied by Sir Charles Gairdner Hospital and other North Metropolitan Health Service operations are progressing with a number of leases already agreed so far. As with the Perth Children's Hospital, the leasing arrangement will be with the Minister for Health.

Preliminary discussions have also commenced with UWA with regards to formalising its leasehold entitlements. An agreement for lease has also been finalised with the Minister for Health for the Neurosciences Research Facility on the site.



## Wayfinding

The significant developments on the already large and complex QEII Medical Centre Site drive the need for an improved and clear way for patients, visitors and staff to navigate their way around the Site and reach their destination with a minimum of fuss.

The QEII Medical Centre Trust engaged professional consultants, Minale Tattersfield, to undertake a review of the Site, and develop a set of wayfinding guidelines that will provide a framework for effective solutions for people to find their way around the Site. The approved guidelines will include a staged implementation plan according to priority elements and resourcing. Stakeholders across the Site have been engaged and a forum has been provided for these stakeholders to discuss any wayfinding matters.

The lodgement of the relevant development application for the major perimeter and Hospital Avenue signage is imminent, with implementation expected to roll out within the 2015/16 financial year.

## Tenant Charging

The staged implementation of the QEII Medical Centre Trust's tenant charging model continued in the 2014/15 financial year with 75% of the charge applied to minimise the impact on tenants.

The 2015/16 financial year will see the charge rise to a full recovery basis. The tenants are actively contributing to the cost of providing common area facilities and services. A template Site Services Agreement has been developed and has been included in lease negotiations, and will become the contractual agreement for the Trust/tenant relationship.

The Site Service Agreement and tenant charging regime will enable the QEII Medical Centre Trust to provide appropriate common on site facilities and services on a sustainable basis.





## Parking and sustainable access

### Parking

Since the QEII Medical Centre redevelopment began in 2010, access to the Site and parking on site has changed significantly. The completion of the multi-deck car park in late 2013 saw the total number of parking bays on site for patients, visitors and staff exceed 4800.

The Office of Strategic Projects transferred contract management of the QEII Medical Centre Car Parking Project to North Metropolitan Health Service from 1 July 2014. The QEII Medical Centre Parking Branch has been working closely with North Metropolitan Health Service and Capella Parking Pty Limited in the last 12 months to ensure the smooth operation of parking continues.

In the interests of continuous improvement, the Parking Branch has implemented and streamlined various parking processes designed to enhance the experience of staff and visitor parking at QEII Medical Centre.

The Parking Branch has been focusing on the management of the 150 exempt parking bays at the QEII Medical Centre. These exempt bays include loading, pick up and drop off, 15 minutes bay and emergency bays. New technology installed late last financial year has allowed the Parking Branch to note an increase in the utilisation of these bays along with a decrease in the number of users infringing. The new system has also streamlined the process for paying and appealing infringement notices.

### QEII Medical Centre Volunteer Buggy Drivers

The QEII Medical Centre Trust provides an internal buggy transport service. Staffed by a group of over ten volunteers, the two electric powered buggies operate Monday to Friday providing a much needed service for patients and members of the general public needing help to get around the 28 hectare Site. The older of the two buggies will soon be replaced, as a new buggy has been purchased to increase service safety and reliability. The service is constantly reviewed to improve customer service.



## Travel Plan

With major redevelopment projects due for completion during this financial year, the number of staff and visitors travelling to the QEII Medical Centre will rise. The QEII Medical Centre Trust's goal of achieving a sustainable access environment will become more important than ever, and preparations are underway to meet this new demand.

The adoption of a new Travel Plan will lay out a range of actions to be carried out over the next five years, with the aims of educating staff and visitors about alternative modes of transport, encouraging their use, and improving infrastructure to make them more appealing.

The annual Bike to Work Breakfast event held in October was expanded to reward other forms of active alternative transport and was renamed the Active Commuter Breakfast. In addition to cyclists, attendees included walkers and runners.

## Public Transport

Utilisation of public transport to access the QEII Medical Centre has increased, particularly amongst staff members.

Route 950 is a frequent service, with peak hour services to and from the QEII Medical Centre leaving every four minutes, and with an earlier start and a later finish than the previous 79 service. This regularity allows public transport services to cope with the high demand from the many patients, visitors, staff members, students and construction workers that visit the QEII Medical Centre every day.

Representatives from the QEII Medical Centre Trust and the North Metropolitan Health Services are working with the Department of Transport on planning to further improve public transport to and from the QEII Medical Centre. In addition to this, staff members at Princess Margaret Hospital have been engaged to assist with transport queries in relation to the transition to the new Perth Children's Hospital.

## Smoke free Site

WA Health policy requires all its Sites to be smoke free. Achieving and maintaining a smoke free QEII Medical Centre is a significant challenge given its size and the lack of convenient access to off site areas for those who need to partake of smoking. The 28 hectare Site has a turnover of approximately 10,000 people in a 24 hour period.

The QEII Medical Centre Trust is committed to providing a healthy, supportive environment and continues to explore options for achieving smoke free Site status.



## Communications

### TravelSmart

The QEII Medical Centre Trust provides an extensive suite of maps and published material, in both printed and electronic format, to inform the community of organisations, facilities and services on the Site.

The QEII Medical Centre maps are available in print and on the QEII Medical Centre website. These resources are reviewed and updated regularly to include new developments on site and to address user "feedback". The website map is interactive enabling users to highlight specific items of interest.

A number of cycling and TravelSmart brochures have been developed primarily to increase staff and student awareness of initiatives, programs and services regarding alternative commuting options. Visitors have also found the information useful.



### On-line Communications

The QEII Medical Centre website provides a range of information about the Site to visitors, patients, students, staff and tenants. Since its initial launch in 2013/14, the website has gone through multiple reviews and updates – the most substantial of these were alterations made to bring it into line with the Web Content Accessibility Guidelines (WCAG) 2.0.

The Site has now reached the AA level of conformance required by the Website Governance Framework. Website content is kept up-to-date and relevant through regular assessment and through feedback from users via a comment box provided on the website.

Regular electronic news bulletins are sent to QEII Medical Centre's tenants, providing short, targeted and timely updates about services and disruptions on the QEII Medical Centre Site.

The QEII Medical Centre Trust's communications strategy is under review in anticipation of additional staff and visitors post commissioning of the new Perth Children's Hospital.



### Gardens and Grounds

The QEII Medical Centre Trust is committed to providing a high quality public realm that supports the aspirations of the QEII Medical Centre's diverse community of health care, research and educational organisations. A review of the QEII Medical Centre Trust's Landscape Master Plan has been undertaken and will incorporate the current landscape plans for the ongoing and new development on site to ensure consistency with Trust's vision of the Site's outlook.

Although not part of the QEII Medical Centre, the Trust utilises the adjacent Water Corporation compensating basin on Aberdare Road to provide a filtered source of water for its grounds reticulation system. The Trust also landscapes the area surrounding the "lake" for patient, visitor and staff recreational purposes. Stormwater drainage is supplemented by bore water extracted on the Site. In 2013/14 a major works exercise was undertaken to remove silt and vegetation build up in the compensation basin. This task needs to be performed on a periodic basis as necessary.





# Part 3

## Significant Issues impacting the QEII Medical Centre Trust

Current and emerging issues and trends





# Significant Issues Impacting the QEIMC Trust

## Current and emerging issues and trends

### Services, Facilities and Infrastructure

The QEII Medical Centre remains an extremely vibrant and busy medical centre with an estimated over 1.8 million vehicle traffic movements at the campus annually and over 8,000 employees working daily on the Site.

The number of people travelling to and using the QEII Medical Centre facilities continues to rise. Pressure on existing operations and infrastructure, require ongoing upgrades and review where regular maintenance programs are undertaken and assets are refurbished as funding allows.



## Funding and Revenue

One of the QEII Medical Centre Trust's main objectives is to work towards being financially sustainable and secure, and soundly governed.

The QEII Medical Centre Trust is strategically positioning and managing its funding and revenue within the following key parameters:

- License fees from the multi deck car park will meet underlying corporate overheads, service and outgoing expenses.
- Revenue from its site outgoings tenant charging arrangements will meet routine site management, maintenance and gardening expenses as well as minor capital work expenses for the site on an equitable allocation basis.

The QEII Medical Centre Trust continues its business development program focusing on implementing sustainable funding strategies for the short through to the long term enhancement of the QEII Medical Centre.

Sufficient staff resources in a constrained environment continue to impact the timely completion of some activities and projects. The Trust recently undertook a prioritisation of activities and projects to ensure available resources are focussed on high priority projects and essential activities.

## Servicing a Sustainable Environment

The availability of funds and resources places prudential limitations on the capacity of the QEII Medical Centre Trust to expeditiously meet some of its Site objectives.

The QEII Medical Centre Trust has liaised with the Department of Planning as part of the Government's "Direction 2031" project to ensure the QEII Medical Centre will be able to respond to traffic demands in a sustainable way in the medium and long term.

The QEII Medical Centre Trust continues to be involved as a critical stakeholder along with local councils, with the planning of light rail to assist in transporting people to and from the QEII Medical Centre Site.





THE SARICH  
NEUROSCIENCE  
RESEARCH  
INSTITUTE





# Part 4

## Disclosure & Legal Compliance

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## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

#### THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST

##### Report on the Financial Statements

I have audited the accounts and financial statements of The Queen Elizabeth II Medical Centre Trust.

The financial statements comprise the Statement of Financial Position as at 30 June 2015, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

##### *Trust's Responsibility for the Financial Statements*

The Trust is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Trust determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trust, as well as evaluating the overall presentation of the financial statements.

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

##### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of The Queen Elizabeth II Medical Centre Trust at 30 June 2015 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

## **Report on Controls**

I have audited the controls exercised by The Queen Elizabeth II Medical Centre Trust during the year ended 30 June 2015.

Controls exercised by The Queen Elizabeth II Medical Centre Trust are those policies and procedures established by the Trust to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

### *Trust's Responsibility for Controls*

The Trust is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by The Queen Elizabeth II Medical Centre Trust based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Trust complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

## **Opinion**

In my opinion, the controls exercised by The Queen Elizabeth II Medical Centre Trust are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2015.

## **Report on the Key Performance Indicators**

I have audited the key performance indicators of The Queen Elizabeth II Medical Centre Trust for the year ended 30 June 2015.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

### *Trust's Responsibility for the Key Performance Indicators*

The Trust is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Trust determines necessary to ensure that the key performance indicators fairly represent indicated performance.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Trust's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

### **Opinion**

In my opinion, the key performance indicators of The Queen Elizabeth II Medical Centre Trust are relevant and appropriate to assist users to assess the Trust's performance and fairly represent indicated performance for the year ended 30 June 2015.

### **Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

### **Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators**

This auditor's report relates to the financial statements and key performance indicators of The Queen Elizabeth II Medical Centre Trust for the year ended 30 June 2015 included on the Trust's website. The Trust's management is responsible for the integrity of the Trust's website. This audit does not provide assurance on the integrity of the Trust's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME  
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
11 September 2015

## Certification of Financial Statements

### For the year ended 30 June 2015

The accompanying financial statements of the Queen Elizabeth II Medical Centre have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2015 and the financial position as at 30 June 2015.

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



S Cole  
**Chairman**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015



G McMath  
**Deputy Chair**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015



A St. Flour  
**Chief Finance Officer**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015



The Queen Elizabeth II Medical Centre Trust

**Statement of Comprehensive Income**

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	1,567,454	1,773,447
Board member remuneration	26	55,231	46,883
Depreciation expense	7	237,040	266,980
Repairs, maintenance and consumable equipment	8	890,782	1,281,472
Other expenses	9	2,666,785	3,060,188
<b>Total cost of services</b>		<b>5,417,292</b>	<b>6,428,970</b>
<b>INCOME</b>			
<b>Revenue</b>			
Car park user fees and fines	10	2,470,707	2,214,313
Car park operator licence fees	11	2,656,788	2,577,472
Grants and contributions	12	-	5,316
Other revenue	13	2,406,913	1,708,778
<b>Total revenue</b>		<b>7,534,408</b>	<b>6,505,879</b>
<b>Total income other than income from State Government</b>		<b>7,534,408</b>	<b>6,505,879</b>
<b>NET INCOME/(COST) OF SERVICES</b>		<b>2,117,116</b>	<b>76,909</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
Service appropriations	14	258,075	285,000
<b>Total income from State Government</b>		<b>258,075</b>	<b>285,000</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>2,375,191</b>	<b>361,909</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation reserve	23	-	(650,028)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>2,375,191</b>	<b>(288,119)</b>

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

The Queen Elizabeth II Medical Centre Trust

**Statement of Financial Position**

As at 30 June 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	25	7,025,553	2,173,139
Receivables	15	351,788	2,870,949
<b>Total Current Assets</b>		<b>7,377,341</b>	<b>5,044,088</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	16	8,089,155	7,831,080
Property, plant and equipment	17	8,114,215	8,334,989
<b>Total Non-Current Assets</b>		<b>16,203,370</b>	<b>16,166,069</b>
<b>Total Assets</b>		<b>23,580,711</b>	<b>21,210,157</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	20	215,462	202,947
Provisions	21	171,913	256,915
Other current liabilities	22	49,464	5,644
<b>Total Current Liabilities</b>		<b>436,839</b>	<b>465,506</b>
<b>Non-Current Liabilities</b>			
Provisions	21	59,992	35,962
<b>Total Non-Current Liabilities</b>		<b>59,992</b>	<b>35,962</b>
<b>Total Liabilities</b>		<b>496,831</b>	<b>501,468</b>
<b>NET ASSETS</b>		<b>23,083,880</b>	<b>20,708,689</b>
<b>EQUITY</b>			
Reserves	23	29,564,904	29,564,904
Accumulated surplus/ (deficit)	24	(6,481,024)	(8,856,215)
<b>TOTAL EQUITY</b>		<b>23,083,880</b>	<b>20,708,689</b>

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

The Queen Elizabeth II Medical Centre Trust

**Statement of Changes in Equity**

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>RESERVES</b>	23		
<b>Asset Revaluation Reserve</b>			
Balance at start of period		29,564,904	30,214,932
Comprehensive income/(loss) for the period		-	(650,028)
Balance at end of period		<u>29,564,904</u>	<u>29,564,904</u>
<b>ACCUMULATED SURPLUS/(DEFICIT)</b>	24		
Balance at start of period		(8,856,215)	(9,218,124)
Surplus/(deficit) for the period		2,375,191	361,909
Balance at end of period		<u>(6,481,024)</u>	<u>(8,856,215)</u>
<b>TOTAL EQUITY</b>			
Balance at start of period		20,708,689	20,996,808
Total comprehensive income/(loss) for the period		2,375,191	(288,119)
<b>Balance at end of period</b>		<b><u>23,083,880</u></b>	<b><u>20,708,689</u></b>

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

The Queen Elizabeth II Medical Centre Trust

**Statement of Cash Flows**

For the year ended 30 June 2015

	Note	2015 \$ Inflows/ (Outflows)	2014 \$ Inflows/ (Outflows)
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriations		-	-
<b>Net cash provided by State Government</b>	25	-	-
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(1,616,315)	(1,742,222)
Board member remuneration		(55,231)	(46,883)
Supplies and services		(3,626,618)	(4,599,036)
<b>Receipts</b>			
Receipts from customers		2,712,110	2,062,941
Car park operator licence fees		4,086,902	1,147,358
Other grants and subsidies		-	5,316
Other receipts		3,367,832	678,302
<b>Net cash provided by / (used in) operating activities</b>	25	<b>4,868,680</b>	<b>(2,494,224)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Payments for purchase of non-current physical assets		(16,266)	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(16,266)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>4,852,414</b>	<b>(2,494,224)</b>
Cash and cash equivalents at the beginning of the period		2,173,139	4,667,363
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	25	<b>7,025,553</b>	<b>2,173,139</b>

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



# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 1 Australian Accounting Standards

#### General

The Queen Elizabeth II Medical Centre Trust's financial statements for the year ended 30 June 2015 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

#### Early adoption of standards

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction 1101 '*Application of Australian Accounting Standards and Other Pronouncements*'. Partial exemption permitting early adoption of AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities* has been granted. Aside from AASB 2015-7, there has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the Trust for the annual reporting period ended 30 June 2015.

### Note 2 Summary of significant accounting policies

#### (a) General Statement

The Trust is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

#### (b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and site works which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar (\$).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Trust's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### (c) Reporting Entity

The reporting entity comprises the Trust's accounts and Delegate's accounts maintained under section 13 of the Queen Elizabeth II Medical Centre Act. See note 35 'Reporting Entity's Accounts'.

The Board of Management of the Sir Charles Gairdner Hospital was appointed in 1986 as the 'Delegate' under section 13 of the Queen Elizabeth II Medical Centre Act, to perform the functions of the Trust. Subsequent changes in the Western Australian Health system saw the demise of hospital boards and consequently, under provisions in the Hospital and Health Services Act 1927, the Minister for Health is the de facto Board of Management of Sir Charles Gairdner Hospital. As it is impractical for the Minister to exercise this role, the responsibility for Delegate's activities has been placed with the Chief Executive of the North Metropolitan Health Service (the North Metropolitan Health Service has administrative responsibility for the Sir Charles Gairdner Hospital). The Delegate undertakes transactions and holds assets and liabilities on behalf of the Trust.

Following advice from the State Solicitor's Office, the Delegate has prepared the financial statements for the first time in the 2014-15 financial year and on the basis that it is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report furnished to the Trust under section 13 (2i) of the Queen Elizabeth II Medical Centre Act is therefore a special purpose financial report.

As 2014-15 is the first financial year for the Delegate's special purpose financial report, comparative figures are not presented.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 2 Summary of significant accounting policies (continued)

#### (d) Contributed Equity

AASB Interpretation 1038 '*Contributions by Owners Made to Wholly-Owned Public Sector Entities*' requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by Treasurer's Instruction 955 '*Contributions by Owners made to Wholly Owned Public Sector Entities*' and have been credited directly to Contributed Equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

#### (e) Income

##### Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised as follows:

##### *Sale of goods*

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership are transferred to the purchaser and can be measured reliably.

##### *Provision of services*

Revenue is recognised on delivery of the service to the customer.

##### *Service Appropriations*

Service Appropriations are recognised as revenues at fair value in the period in which the Trust gains control of the appropriated funds. The Trust gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

See also note 14 'Service appropriations' for further information.

##### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the Trust obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

##### *Gains*

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

#### (f) Property, Plant and Equipment

##### Capitalisation/expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

##### Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

##### Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and site works and historical cost for all other property, plant and equipment. Land and site works are carried at fair value less accumulated depreciation (site works) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

The fair value of land and site works is determined on the basis of existing use. This normally applies where site works are specialised or where land use is restricted. Fair value for site works is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Fair value for land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

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

Land and site works are independently valued by the Western Australian Land Information Authority (Valuation Services) and the revalued amounts are recognised to ensure that the carrying amounts do not differ materially from the fair values of the assets at the end of the reporting period.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 2 Summary of significant accounting policies (continued)

#### (f) Property, Plant and Equipment (continued)

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

See also note 17 'Property, plant and equipment' for further information on revaluation.

##### Derecognition

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

##### Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 17 'Property, plant and equipment'.

##### Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

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

- \* Land - not depreciated
- \* Site works - diminishing value
- \* Plant and equipment - straight line

The depreciation method for plant and equipment was changed to straight line on 1 July 2014. Up to 30 June 2014, plant and equipment were depreciated using the diminishing value with a straight line switch method under which the cost amounts of the assets are allocated on a diminishing value basis over the first half of their useful lives and a straight line basis for the second half of their useful lives.

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

Site works	50 years
Plant and equipment	10 years

#### (g) Impairment of Assets

Property, plant and equipment are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised as expense in the Statement of Comprehensive Income. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Trust is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

See also note 19 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(l) 'Receivables' and note 15 'Receivables' for impairment of receivables.

#### (h) Financial Instruments

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

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

Financial instruments have been disaggregated into the following classes:

##### Financial assets

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

##### Financial liabilities

- \* Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 2 Summary of significant accounting policies (continued)

#### (i) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

#### (j) Accrued Salaries

Accrued salaries (see note 20 'Payables') represent the amount due to employees but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Trust considers the carrying amount of accrued salaries to be equivalent to its fair value.

#### (k) Amounts Receivable for Services (holding account)

The Trust receives service appropriation funding from the State Government as an asset (holding account receivable). The holding account receivable balance is accessible on the emergence of the cash funding requirement to cover asset replacement.

See also note 14 'Service appropriations' and note 16 'Amounts receivable for services'.

#### (l) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Trust will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

##### Accounting procedure for Goods and Services Tax (GST)

Rights to collect amounts receivable from the Australian Taxation Office (ATO) and responsibilities to make payments for GST have been assigned to the Department of Health. This accounting procedure was a result of application of the grouping provisions of "A New Tax System (Goods and Services Tax) Act 1999" whereby the Department of Health became the Nominated Group Representative (NGR) for the GST Group as from 1 July 2012. The 'Minister for Health in his Capacity as the Deemed Board of the Metropolitan Public Hospitals' (Metropolitan Health Services) was the NGR in previous financial years. The entities in the GST group include the Department of Health, Mental Health Commission, Metropolitan Health Services, Peel Health Service, WA Country Health Service, WA Alcohol and Drug Authority, QE II Medical Centre Trust, and Health and Disability Services Complaints Office.

GST receivables on accrued expenses are recognised by the Trust. Upon the receipt of tax invoices, GST receivables for the GST group are recorded in the accounts of the Department of Health.

See also note 2(h) 'Financial Instruments' and note 15 'Receivables'.

#### (m) Payables

Payables are recognised when the Trust becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as they are generally settled within 30 days.

See also note 2(h) 'Financial instruments' and note 20 'Payables'.

#### (n) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

See also note 21 'Provisions'.

##### Provisions - employee benefits

All employees are provided to the Trust by the North Metropolitan Health Service in its capacity as the Delegate (see note 2(c) 'Reporting Entity'). All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

##### *Annual Leave*

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.



# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 2 Summary of significant accounting policies (continued)

#### (n) Provisions (continued)

##### *Long Service Leave*

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period. The long service leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Trust has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

##### *Sick Leave*

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

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

##### *Superannuation*

The Government Employees Superannuation Board (GESB) and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The Trust makes contributions to GESB or other fund providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Trust's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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

The Trust has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Trust to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS transfer benefits, and is recouped from the Treasurer for the employer's share.

See also note 2(o) 'Superannuation Expense'.

##### Employment on-costs

Employment on-costs (workers' compensation insurance) are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Trust's 'Employee benefits expense'. Any related liability is included in 'Employment on-costs provision'.

See also note 9 'Other expenses' and note 21 'Provisions'.

#### (o) Superannuation Expense

Superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, GESBS and other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 2 Summary of significant accounting policies (continued)

#### (p) Assets Transferred between Government Agencies

Discretionary transfers of net assets (assets and liabilities) between State Government agencies free of charge, are measured at the fair value of those net assets that the Trust would otherwise pay for, and are reported under Income from State Government. Transfers of assets and liabilities in relation to a restructure of administrative arrangements are recognised as distribution to owners by the transferor and contribution by owners by the transferee under AASB 1004 'Contributions' in respect of the net assets transferred.

#### (q) Comparative Figures

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

### Note 3 Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Trust evaluates these judgements regularly. The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

#### *Employee benefits provision*

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

### Note 4 Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

#### *Employee benefits provision*

In estimating the non-current long service leave liabilities, employees are assumed to leave the Trust each year on account of resignation or retirement at 7.2%. This assumption was based on an analysis of the turnover rates exhibited by employees over a five year period. Employees with leave benefits to which they are fully entitled are assumed to take all available leave uniformly over the following five years or to age 65 if earlier.

Other estimations and assumptions used in calculating the Trust's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

### Note 5 Disclosure of changes in accounting policy and estimates

#### Initial application of an Australian Accounting Standard

The Trust has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2014 that impacted on the Trust.

Title	
AASB 1031	<i>Materiality</i>  This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.
AASB 1055	<i>Budgetary Reporting</i>  This Standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. The Trust will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.
AASB 2013-3	<i>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</i>  This Standard introduces editorial and disclosure changes. There is no financial impact.
AASB 2013-9	<i>Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments.</i>  Part B of this omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014. It has no financial impact.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 5 Disclosure of changes in accounting policy and estimates (continued)

#### Initial application of an Australian Accounting Standard (continued)

##### AASB 2014-1 *Amendments to Australian Accounting Standards*

Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for the Trust.

Part B of this Standard has no financial impact as the Trust contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans.

Part C of this Standard has no financial impact as it removes references to AASB 1031 *Materiality* from a number of Accounting Standards.

##### AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities*

This Standard relieves not-for-profit public sector entities from the reporting burden associated with various disclosures required by AASB 13 for assets within the scope of AASB 116 that are held primarily for their current service potential rather than to generate future net cash inflows. It has no financial impact.

#### Future impact of Australian Accounting Standards not yet operative

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements* or by an exemption from TI 1101. By virtue of a limited exemption, the Trust has early adopted AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities*. Where applicable, the Trust plans to apply the following Australian Accounting Standards from their application date.

Title	Operative for reporting periods beginning on/after
<p>AASB 9 <i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and, AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 15 <i>Revenue from Contracts with Customers</i></p> <p>This Standard establishes the principles that the Trust shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2017
<p>AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2013-9 <i>Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments</i>.</p> <p>Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Trust has not yet determined the application or the potential impact of AASB 9.</p>	1 Jan 2015
<p>AASB 2014-1 <i>Amendments to Australian Accounting Standards</i></p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Trust to determine the application or potential impact of the Standard.</p>	1 Jan 2015

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 5 Disclosure of changes in accounting policy and estimates (continued)

#### Future impact of Australian Accounting Standards not yet operative (continued)

Title	Operative for reporting periods beginning on/after
<p>AASB 2014-4 <i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 &amp; 138]</i></p> <p>The adoption of this Standard has no financial impact for the Trust as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits</p>	1 Jan 2016
<p>AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2017
<p>AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i></p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2014-8 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 &amp; 2010)]</i></p> <p>This Standard makes amendments to AASB 9 <i>Financial Instruments</i> (December 2009) and AASB 9 <i>Financial Instruments</i> (December 2010), arising from the issuance of AASB 9 <i>Financial Instruments</i> in December 2014. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2015
<p>AASB 2015-1 <i>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle (AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 &amp; 140)</i></p> <p>These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. The Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2016
<p>AASB 2015-2 <i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 (AASB 7, 101, 134 &amp; 1049)</i></p> <p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.</p>	1 Jan 2016
<p>AASB 2015-3 <i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i></p> <p>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.</p>	1 Jul 2015
<p>AASB 2015-6 <i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities (AASB 10, 124 &amp; 1049)</i></p> <p>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.</p>	1 Jul 2016



# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 6 Employee benefits expense</b>		
Salaries and wages (a)	1,468,544	1,644,946
Superannuation - defined contribution plans (b)	98,910	128,501
	<u>1,567,454</u>	<u>1,773,447</u>

Salaries and wages are paid to employees provided to the Trust by the North Metropolitan Health Service in its capacity as the Delegate. See note 2(c) 'Reporting Entity' and 2(n) 'Provisions'

(a) Includes the value of the fringe benefits to employees and the value of superannuation contribution component for leave entitlements. The Trust did not pay any fringe benefits tax during the reporting period.

(b) Defined contribution plans include West State, Gold State and GESB Super and other eligible funds.

<b>Note 7 Depreciation expense</b>		
Site works	236,376	266,311
Plant and equipment	664	669
	<u>237,040</u>	<u>266,980</u>

<b>Note 8 Repairs, maintenance and consumable equipment</b>		
Repairs and maintenance	855,607	1,252,899
Consumable equipment	35,175	28,573
	<u>890,782</u>	<u>1,281,472</u>

<b>Note 9 Other expenses</b>		
Communications	7,520	2,466
Computer services	35,136	6,680
Consultancies	30,670	212,464
Direct invoice parking bays (a)	193,354	145,539
Chargeable parking bays for user groups (a)	118,052	190,533
Doubtful debts expense (note 15)	-	70,927
Reversal of impairment for receivables (note 15)	(65,240)	-
Employee related expenses (b)	3,456	1,564
Legal expenses	36,483	34,119
Management fees for at-grade car parks (c)	2,023,471	1,755,805
Motor vehicle expenses	5,627	11,232
Operating lease expenses	18,000	24,000
Printing and stationery	15,735	38,417
Purchase of outsourced services	75,593	201,434
Public transport expenses	77,093	269,756
Other	91,835	95,252
	<u>2,666,785</u>	<u>3,060,188</u>

(a) Capella charges for the use of the Direct Invoice Parking Bays by staff and the use of non-exempt bays by specific user groups.

(b) Includes staff development and transport costs. The Trust does not record any employment on-costs expenses and liability (workers' compensation insurance) as these costs are borne by North Metropolitan Health Service which provides employees to the Trust (see note 2(c) 'Reporting Entity'). Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(c) See note 10 'Car park user fees and fines' for further information.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 10 Car park user fees and fines</b>		
Parking fees received under the Capella Parking Agreement (a)	2,023,179	1,754,517
Other parking fees	153,505	179,514
Fines and penalties	294,023	280,282
	<u>2,470,707</u>	<u>2,214,313</u>

(a) In June 2011, the State entered into a project agreement with Capella Parking Pty Ltd (Capella) to build and operate a multi-deck car park on the Queen Elizabeth II Medical Centre. This agreement entitles Capella to retain all parking charges collected from users of the multi-deck car park and all other car parks (known as "At-Grade Car Parks") on the Medical Centre site.

Statutory responsibility for the At-Grade Car Parks remains with the Trust through the North Metropolitan Health Services as the Delegate (see note 2(c) 'Reporting Entity'). As part of the project arrangements, the Delegate entered into an 'At-Grade Car Parks Management Agreement' for a period of 26 years with Capella under which Capella is appointed to operate and manage these car parks (see also note 11 below). In this context, Capella collects the fees from the At-Grade Car Parks on behalf of the Delegate and deposits these moneys into the Delegate's bank account to comply with provisions in the Queen Elizabeth II Medical Centre Act 1966. The Delegate then subsequently pays Capella the equivalent of the parking fees collected in the form of a car park management fee (see note 9).

### Note 11 Car park operator licence fees (a)

2,656,788	2,577,472
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(a) In June 2011, the Trust's statutory delegate entered into an 'At-Grade Car Parks Management Agreement' for a period of 26 years with Capella Parking Pty Limited. From 10 October 2012, Capella is responsible for the operations and management of at-grade car parking on the site (see also note 10 above). In consideration for the grant of the licence to access, use and occupy the at-grade car parks, Capella (car park operator) is obliged to make licence fee payments to the Trust (as beneficiary to the agreement).

### Note 12 Grants and contributions

Healthier Workplace WA - TravelSmart grant	-	5,316
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### Note 13 Other revenue

Tenant charges (a)	1,901,770	1,051,523
Rent from commercial properties	427,127	420,670
Services to external organisations (b)	57,623	207,293
Other	20,393	29,292
	<u>2,406,913</u>	<u>1,708,778</u>

(a) Comprises of tiered cost recovery for services charged to tenants (2015: 75% cost recovery rate; 2014: 50% cost recovery rate).

(b) Includes collection of money for provision of Government fleet parking to WA Health agencies and services rendered for property maintenance.

### Note 14 Service appropriations

Appropriation revenue received via the Department of Health:	258,075	285,000
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Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year (2015: \$258,075; 2014: \$285,000).

See note 2(e) 'Income' and note 25 'Notes to the statement of cash flows'.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 15 Receivables</b>		
<b>Current</b>		
Licence fee receivable	-	1,430,114
Fines and penalties receivables	102,643	189,381
Other receivables	225,175	219,520
Allowance for impairment of receivables	(17,187)	(82,427)
Accrued revenue (a)	33,855	1,111,333
GST receivable	7,302	3,028
	<u>351,788</u>	<u>2,870,949</u>

### Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of year	82,427	11,500
Doubtful debts expense recognised in the Statement of Comprehensive Income	-	70,927
Impairment losses reversed during the period	(65,240)	-
<b>Balance at end of year</b>	<u>17,187</u>	<u>82,427</u>

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

See also note 2(l) 'Receivables' and note 37 'Financial instruments'.

(a) Includes accrued tenant charge revenue (2015: \$0, 2014: \$993,495), accrued rental revenue (2015: \$33,853, 2014: \$44,830) and accrued fleet parking charges (2015: \$0, 2014: \$73,008).

### Note 16 Amounts receivable for services (holding account)

#### Non-current

Amounts receivable for services	<u>8,089,155</u>	<u>7,831,080</u>
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Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liabilities. See note 2(k) 'Amounts receivable for services'.

### Note 17 Property, plant and equipment

#### Land

At fair value (a)	<u>452,000</u>	<u>452,000</u>
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#### Site works (c)

At fair value (b)	<u>7,642,824</u>	<u>7,879,200</u>
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#### Plant and equipment

At cost	22,260	5,994
Accumulated depreciation	<u>(2,869)</u>	<u>(2,205)</u>
	<u>19,391</u>	<u>3,789</u>

<b>Total property, plant and equipment</b>	<u>8,114,215</u>	<u>8,334,989</u>
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- (a) Land was revalued as at 1 July 2014 by the Western Australian Land Information Authority (Valuation Services). The valuation was performed during the year ended 30 June 2015 and recognised at 30 June 2015. There has not been a change in valuation amounts between 2013-14 and 2014-15. In undertaking the revaluation, fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land). See note 2(f) 'Property, plant and equipment'.
- (b) Site works were revalued as at 1 July 2013 by the Western Australian Land Information Authority (Valuation Services). The valuation was performed during the year ended 30 June 2014 and recognised at 30 June 2014. A revaluation of site works has not been undertaken in the 2014-15 financial year, as no external events have occurred since the last date of valuation, such as changes in market conditions, that would indicate that the fair value of site works recorded have materially changed. In undertaking the revaluation, fair value of site works was determined on the basis of depreciated replacement cost. See note 2(f) 'Property, plant and equipment'.
- (c) Site works include roads, footpaths, paved areas, at-grade car parks, boundary walls, boundary fencing, boundary gates, covered ways, landscaping and improvements.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 17 Property, plant and equipment (continued)

#### Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.

	2015 \$	2014 \$
<b>Land</b>		
Carrying amount at start of period	452,000	370,500
Revaluation increments	-	81,500
Carrying amount at end of period	452,000	452,000
<b>Site works</b>		
Carrying amount at start of period	7,879,200	8,877,039
Revaluation increments / (decrements)	-	(731,528)
Depreciation	(236,376)	(266,311)
Carrying amount at end of period	7,642,824	7,879,200
<b>Plant and equipment</b>		
Carrying amount at start of period	3,789	4,458
Additions	16,266	-
Depreciation	(664)	(669)
Carrying amount at end of period	19,391	3,789
<b>Total property, plant and equipment</b>		
Carrying amount at start of period	8,334,989	9,251,997
Additions	16,266	-
Revaluation increments / (decrements)	-	(650,028)
Depreciation	(237,040)	(266,980)
Carrying amount at end of period	8,114,215	8,334,989

### Note 18 Fair value measurements

#### (a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- 1) quoted prices (unadjusted) in active markets for identical assets (level 1).
- 2) input other than quoted prices included within level 1 that are observable for the asset either directly or indirectly (level 2); and
- 3) inputs for the asset that are not based on observable market data (unobservable input) (level 3).

Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets measured at fair value 2015</b>				
<u>Land</u>				
Specialised	17	-	-	452,000
				452,000
<u>Site works</u>				
Specialised	17	-	-	7,642,824
				7,642,824
				8,094,824
				8,094,824
Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets measured at fair value 2014</b>				
<u>Land</u>				
Specialised	17	-	-	452,000
				452,000
<u>Site works</u>				
Specialised	17	-	-	7,879,200
				7,879,200
				8,331,200
				8,331,200



**Notes to the Financial Statements**  
**For the year ended 30 June 2015**

**Note 18 Fair value measurements (continued)**

**(b) Valuation techniques used to derive level 2 and level 3 fair values**

The Trust obtains independent valuations of land and site works from the Western Australian Land Information Authority (Landgate Valuation Services). The valuation techniques applied to the measurement of fair values are the cost approach.

Cost approach

Properties of a specialised nature that are rarely sold in an active market or are held to deliver public services are referred to as non-market or current use type assets. These properties do not normally have a feasible alternative use due to restrictions or limitations on their use and disposal. The existing use is their highest and best use.

For current use land assets, fair value is measured firstly by establishing the opportunity cost of public purpose land, which is termed the hypothetical alternate land use value. This approach assumes unencumbered land use based upon potential highest and best alternative use as represented by surrounding land uses and market analysis.

Fair value of the land is then determined on the assumption that the site is rehabilitated to a vacant marketable condition. This requires costs associated with rehabilitation to be deducted from the hypothetical alternate land use value of the land. Costs may include building demolition, clearing, planning approvals and time allowances associated with realising that potential.

In some instances the legal, physical, economic and socio-political restrictions on a land results in a minimal or negative current use land value. In this situation the land value adopted is the higher of the calculated rehabilitation amount or the amount determined on the basis of comparison to market corroborated evidence of land with low level utility. Land of low level utility is considered to be grazing land on the urban fringe of the metropolitan area with no economic farming potential or foreseeable development or redevelopment potential at the measurement date.

The Trust's site works are valued under the cost approach. This approach uses the depreciated replacement cost method which estimates the current cost of reproduction or replacement of the site works, on its current site, less deduction for physical deterioration and relevant forms of obsolescence. Depreciated replacement cost is the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Although the buildings at the Queen Elizabeth II Medical Centre site are not the Trust's assets, the valuation of site works is undertaken together with the valuation of the buildings. The techniques involved in the determination of the current replacement costs include:

- a) Review and updating of the 'as-constructed' drawing documentation;
- b) Categorisation of the drawings using the Building Utilisation Categories (BUC's) which designate the functional areas typically provided by the clinical buildings at the site. Each BUC has different cost rates which are calculated from the historical construction costs of similar clinical buildings and are adjusted for the year-to-year change in building costs using building cost index. The building cost index is published by the Department of Finance's Building Management and Works.
- c) Measurement of the general floor areas;
- d) Application of the BUC cost rates per square meter of general floor areas to derive the current replacement costs of buildings on site; and
- e) Calculations of the current replacement costs of site works in accordance with the types of improvements and area measurement and in proportion to the current replacement costs of buildings on the site.

The maximum effective age used in the valuation of site works is 50 years. The effective age of the site works is initially calculated from the commissioning date, and is reviewed after the site works have undergone substantial renewal, upgrade or expansion.

The straight line method of depreciation is applied to derive the depreciated replacement cost, assuming a uniform pattern of consumption over the initial 37 years of asset life (up to 75% of current replacement costs). The site works are assumed to have a residual value of 25% of their current replacement costs.

The valuations are prepared on a going concern basis until the year in which the current use is discontinued.

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 18 Fair value measurements (continued)

#### (c) Fair value measurements using significant unobservable inputs (Level 3)

	Land \$	Site Works \$
<b>2015</b>		
Fair value at start of period	452,000	7,879,200
Revaluation increments/(decrements)	-	-
Depreciation	-	(236,376)
<b>Fair value at end of period</b>	<b>452,000</b>	<b>7,642,824</b>
	Land \$	Site Works \$
<b>2014</b>		
Fair value at start of period	370,500	8,877,039
Revaluation increments/(decrements)	81,500	(731,528)
Depreciation	-	(266,311)
<b>Fair value at end of period</b>	<b>452,000</b>	<b>7,879,200</b>

#### (e) Valuation processes

The Financial Services Branch at the Health Corporate Network (HCN) manages the valuation processes for the Trust. These include the provision of property information to quantity surveyor and Landgate Valuation Services and the review of the valuation reports. Discussions of valuation processes and results are held between the HCN and the Trust at least once every year.

Landgate Valuation Service determines the fair values of the Trust's land and site works. A quantity surveyor is engaged by the Department of Health to provide an update of the current replacement costs for site works. The Landgate Valuation Services endorses the current replacement costs calculated by the quantity surveyor and calculates the depreciated replacement costs.

### Note 19 Impairment of assets

There were no indications of impairment to property, plant and equipment at 30 June 2015.

The Trust held no goodwill during the reporting period.

	2015 \$	2014 \$
<b>Note 20 Payables</b>		
<b>Current</b>		
Trade creditors	70,265	43,123
Accrued expenses	92,537	96,660
Accrued salaries	52,660	63,164
	<b>215,462</b>	<b>202,947</b>

See also note 2(m) 'Payables' and note 37 'Financial instruments'.

### Note 21 Provisions

<b>Current</b>		
<u>Employee benefits provision</u>		
Annual leave (a)	149,643	141,413
Long service leave (b)	22,270	115,502
	<b>171,913</b>	<b>256,915</b>
<b>Non-current</b>		
<u>Employee benefits provision</u>		
Long service leave (b)	59,992	35,962
	<b>231,905</b>	<b>292,877</b>

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 21 Provisions (continued)</b>		
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
Within 12 months of the end of the reporting period	112,232	106,060
More than 12 months after the end of the reporting period	37,411	35,353
	<u>149,643</u>	<u>141,413</u>
(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
Within 12 months of the end of the reporting period	2,895	15,015
More than 12 months after the end of reporting period	79,367	136,449
	<u>82,262</u>	<u>151,464</u>
(c) North Metropolitan Health Service provide its employees to the Trust in its capacity as the Delegate (see note 2(c) 'Reporting Entity').		
<b>Note 22 Other liabilities</b>		
<b>Current</b>		
Income received in advance	49,084	5,324
Refundable deposits held for TravelSmart bicycle hire	380	320
	<u>49,464</u>	<u>5,644</u>
<b>Note 23 Reserves</b>		
<b>Asset revaluation reserve (a)</b>		
Balance at start of the period	29,564,904	30,214,932
Net revaluation increments/(decrements) (b):		
Land	-	81,500
Site works	-	(731,528)
<b>Balance at end of the period</b>	<u>29,564,904</u>	<u>29,564,904</u>
(a) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.		
(b) Any increment is credited directly to the asset revaluation reserve, except to the extent that any increment reverses a revaluation decrement previously recognised as an expense.		
<b>Note 24 Accumulated surplus/(deficit)</b>		
Balance at start of the period	(8,856,215)	(9,218,124)
Result for the period	2,375,191	361,909
Balance at end of the period	<u>(6,481,024)</u>	<u>(8,856,215)</u>

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 25 Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of cash</b>		
Cash assets at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	7,025,553	2,173,139
<b>Reconciliation of net cost of services to net cash flows used in operating activities</b>		
Net cash provided by/(used in) operating activities (Statement of Cash Flows)	4,868,680	(2,494,224)
<u>Increase/(decrease) in assets:</u>		
GST receivable	4,274	(1,335)
Receivables	(2,588,675)	2,682,377
<u>Decrease/(increase) in liabilities:</u>		
Payables	(12,515)	243,658
Current provisions	85,002	(15,707)
Non-current provisions	(24,030)	(145)
Income received in advance	(43,760)	512
Other liabilities	(60)	(320)
<u>Non-cash items:</u>		
Doubtful debts expense (note 9)	-	(70,927)
Reversal of impairment for receivables (note 9)	65,240	-
Depreciation expense (note 7)	(237,040)	(266,980)
Net income/(cost) of services (Statement of Comprehensive Income)	2,117,116	76,909
<b>Reconciliation of income from State Government to cash flows from State Government</b>		
Service appropriations as per Statement of Comprehensive Income	258,075	285,000
Less: <u>Non-cash items</u>		
Accrual appropriations	(258,075)	(285,000)
<b>Cash Flows from State Government as per Statement of Cash Flows</b>	-	-

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

### Note 26 Remuneration of members of the accountable authority

	2015	2014
The number of members of the accountable authority, whose total remuneration and allowances for the financial year fall within the following bands are:		
\$1 - \$10,000	1	1
\$40,001 - \$50,000	-	1
\$50,001 - \$60,000	1	-
Total	2	2
	\$	\$
The total remuneration of members of the accountable authority is:	55,231	46,883

The total remuneration includes the superannuation expense incurred by the Trust in respect of members of the accountable authority.



# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

	2015 \$	2014 \$
<b>Note 27 Remuneration of auditor</b>		
Remuneration payable to the Auditor General in respect to the audit for the current financial year is as follows:		
Auditing the accounts, financial statements and key performance indicators	20,000	21,300
<b>Note 28 Operating lease rental receivables</b>		
The future minimum lease payments receivable under non-cancellable operating leases are as follows:		
Within 1 year	2,654,400	2,618,400
Later than 1 year, and not later than 5 years	9,401,000	9,709,900
Later than 5 years	40,369,000	42,003,500
Total operating lease rental receivables (excluding GST)	52,424,400	54,331,800
All operating lease rental receivables relate to the licence fees receivable from Capella Parking Pty Limited under the 'At-Grade Car Parks Management Agreement'. See note 11 'Car park operator licence fees' for further information. The Agreement requires that the licence fee payments shall be increased by the most recently published Consumer Price Index (CPI) on the licence fee payment dates.		
<b>Note 29 Commitments</b>		
<b>Operating lease commitments:</b>		
Commitments in relation to non-cancellable leases contracted by the Delegate for at the end of the reporting period but not recognised as liabilities are payable as follows:		
Within 1 year	19,800	19,800
Later than 1 year, and not later than 5 years	13,200	33,000
Total operating lease commitments (including GST)	33,000	52,800
<b>Expenditure commitments:</b>		
Expenditure commitments contracted by the Delegate at the end of the reporting period but not recognised as liabilities, are payable as follows:		
Within 1 year	57,450	23,845
Total expenditure commitments (including GST)	57,450	23,845
<b>Note 30 Contingent liabilities and contingent assets</b>		
<b>Contingent liabilities</b>		
At the reporting date, the Trust is not aware of any contingent liabilities or contingent assets.		
<b>Contaminated Sites</b>		
Under the Contaminated Sites Act 2003, the Trust is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as <i>contaminated – remediation required</i> or <i>possibly contaminated – investigation required</i> , the Trust may have a liability in respect of investigation or remediation expenses.		
At the reporting date, the Trust does not have any suspected contaminated sites.		
<b>Note 31 Events occurring after the end of the reporting period</b>		
No subsequent events have occurred that would require recognition or disclosure in the financial statements.		

## The Queen Elizabeth II Medical Centre Trust

### Notes to the Financial Statements

For the year ended 30 June 2015

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**Note 32 Related bodies**

A related body is a body which receives more than half its funding and resources from the Trust and is subject to operational control by the Trust. The Trust had no related bodies during the financial year.

**Note 33 Affiliated bodies**

An affiliated body is a body which receives more than half its funding and resources from the Trust but is not subject to operational control by the Trust. The Trust had no affiliated bodies during the financial year.

**Note 34 Not for profit leases**

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

Based on indicative market rental rates from the Landgate Valuation Services as at June 2015, the total net rental values of the not-for-profit leases for the financial year is \$2,050,000 (2014: \$2,050,000).

Tenant	Area (sqm)	Net Rent per annum \$
Cancer Foundation – Crawford Lodge (land only)	6,300	275,000
Lions Eye Institute (land only)	2,600	475,000
The Niche – Cystic Fibrosis WA (land only)	6,200	800,000
WA Institute for Medical Research (land only)	2,486	500,000
		<u>2,050,000</u>

## The Queen Elizabeth II Medical Centre Trust

### Notes to the Financial Statements

For the year ended 30 June 2015

		2015	2015	2015
		\$	\$	\$
Note	35 Reporting Entity's Accounts	Trust	Delegate	Total
<b>Statement of Comprehensive Income</b>				
<b>COST OF SERVICES</b>				
<b>Expenses</b>				
	Employee benefit expense	-	1,567,454	1,567,454
	Board member remuneration	55,231	-	55,231
	Depreciation expense	237,040	-	237,040
	Repairs, maintenance and consumable equipment	-	890,782	890,782
	Other expenses	49,088	2,617,697	2,666,785
	<b>Total cost of services</b>	<b>341,359</b>	<b>5,075,933</b>	<b>5,417,292</b>
<b>Income</b>				
	Car park user fees and fines	-	2,470,707	2,470,707
	Car park operator licence fees	2,656,788	-	2,656,788
	Other revenue	-	2,406,913	2,406,913
	<b>Total income other than income from State Government</b>	<b>2,656,788</b>	<b>4,877,620</b>	<b>7,534,408</b>
	<b>NET INCOME / (COST) OF SERVICES</b>	<b>2,315,429</b>	<b>(198,313)</b>	<b>2,117,116</b>
<b>INCOME FROM STATE GOVERNMENT</b>				
	Service appropriations	258,075	-	258,075
	<b>Total income from State Government</b>	<b>258,075</b>	<b>-</b>	<b>258,075</b>
	<b>SUPPLUS / (DEFICIT) FOR THE PERIOD</b>	<b>2,573,504</b>	<b>(198,313)</b>	<b>2,375,191</b>
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>				
	Items not reclassified subsequently to profit or loss			
	Changes in asset revaluation reserve	-	-	-
	<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>	<b>2,573,504</b>	<b>(198,313)</b>	<b>2,375,191</b>

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2015

Note	35	Reporting Entity's Accounts (continued)	2015 \$ Trust	2015 \$ Delegate	2015 \$ Elimination (a)	2015 \$ Total
<b>Statement of Financial Position</b>						
<b>ASSETS</b>						
<b>Current Assets</b>						
		Cash and cash equivalents	5,283,209	1,742,344	-	7,025,553
		Receivables	36	351,752	-	351,788
		Amounts due from the Delegate	1,597,265	-	(1,597,265)	-
		<b>Total Current Assets</b>	<b>6,880,510</b>	<b>2,094,096</b>	<b>(1,597,265)</b>	<b>7,377,341</b>
<b>Non-Current Assets</b>						
		Amounts receivable for services	8,089,155	-	-	8,089,155
		Property, plant and equipment	8,114,215	-	-	8,114,215
		<b>Total Non-Current Assets</b>	<b>16,203,370</b>	<b>-</b>	<b>-</b>	<b>16,203,370</b>
		<b>Total Assets</b>	<b>23,083,880</b>	<b>2,094,096</b>	<b>(1,597,265)</b>	<b>23,580,711</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
		Payables	-	215,462	-	215,462
		Amounts due to the Trust	-	1,597,265	(1,597,265)	-
		Provisions	-	171,913	-	171,913
		Other current liabilities	-	49,464	-	49,464
		<b>Total Current Liabilities</b>	<b>-</b>	<b>2,034,104</b>	<b>(1,597,265)</b>	<b>436,839</b>
<b>Non-Current Liabilities</b>						
		Provisions	-	59,992	-	59,992
		<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>59,992</b>	<b>-</b>	<b>59,992</b>
		<b>Total Liabilities</b>	<b>-</b>	<b>2,094,096</b>	<b>(1,597,265)</b>	<b>496,831</b>
<b>NET ASSETS</b>						
			<b>23,083,880</b>	<b>-</b>	<b>-</b>	<b>23,083,880</b>
<b>EQUITY</b>						
		Reserves	29,564,904	-	-	29,564,904
		Accumulated surplus / (deficit)	(6,481,024)	-	-	(6,481,024)
		<b>TOTAL EQUITY</b>	<b>23,083,880</b>	<b>-</b>	<b>-</b>	<b>23,083,880</b>

(a) Elimination of balance between the Trust and the Delegate.



The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2015

Note	35	Reporting Entity's Accounts (continued)	2015 \$ Trust	2015 \$ Delegate	2015 \$ Total
<b>Statement of Cash Flows</b>					
<b>CASH FLOWS FROM THE TRUST</b>					
		Cash transferred from the Trust to the Delegate	(1,185,000)	1,185,000	-
		Cash transferred from the Delegate to the Trust	731,130	(731,130)	-
		<b>Net cash provided by the Trust</b>	<b>(453,870)</b>	<b>453,870</b>	<b>-</b>
Utilised as follows					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
		<b>Payments</b>			
		Employee benefits	-	(1,616,315)	(1,616,315)
		Supplies and services	-	(3,577,529)	(3,577,529)
<b>Receipts</b>					
		Receipts from customers	-	2,712,110	2,712,110
		Car park operator licence fees	3,956,891	-	3,956,891
		Other receipts	-	3,367,832	3,367,832
		<b>Net cash provided by / (used in ) operating activities</b>	<b>3,956,891</b>	<b>886,098</b>	<b>4,842,989</b>
<b>CASH FLOWS FROM ACTIVITIES OF THE TRUST</b>					
		<b>Payments</b>			
		Board member remuneration	-	(55,231)	(55,231)
		Supplies and services	-	(49,089)	(49,089)
		Payments for purchase of non-current physical assets	-	(16,266)	(16,266)
<b>Receipts</b>					
		GST refund on car park operator licence fees	-	130,011	130,011
		<b>Net cash provided by/(used in) investing activities</b>	<b>-</b>	<b>9,425</b>	<b>9,425</b>
		<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>3,503,021</b>	<b>1,349,393</b>	<b>4,852,414</b>
		Cash and cash equivalents at the beginning of the period	1,780,188	392,951	2,173,139
		<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>5,283,209</b>	<b>1,742,344</b>	<b>7,025,553</b>

# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### Note 36 Explanatory Statement

#### Significant variances between actual results for 2014 and 2015

Significant variations between actual results with the corresponding items of the preceding reporting period are detailed below. Significant variations are those greater than 10% or that are 4% or more of the current year's Total Cost of Services.

	Note	2015 Actual \$	2014 Actual \$	Variance \$
<b>Expenses</b>				
Employee benefits expense	(a)	1,567,454	1,773,447	(205,993)
Board member remuneration		55,231	46,883	8,348
Depreciation expense	(b)	237,040	266,980	(29,940)
Repairs, maintenance and consumable equipment	(c)	890,782	1,281,472	(390,690)
Other expenses	(d)	2,666,785	3,060,188	(393,403)
<b>Income</b>				
Car park user fees and fines	(e)	2,470,707	2,214,313	256,394
Car park operator licence fees	(f)	2,656,788	2,577,472	79,316
Grants and contributions	(g)	-	5,316	(5,316)
Other revenue	(h)	2,406,913	1,708,778	698,135
Service appropriations	(i)	258,075	285,000	(26,925)

(a) Employee benefits expense

Employee benefits expense lower than prior year due to slightly lower average FTE in 2015 versus 2014 (and turnover of senior personnel), and long service leave provisions reduced due to staff movements.

(b) Depreciation expense

The decrease in depreciation expense is mainly due to the diminishing value method applied to site works.

(c) Repairs, maintenance and consumable equipment

The decrease in repair and maintenance costs is primarily due to remediation works to the storm water basin belonging to the Water Corporation undertaken in the 2014 financial year. No significant works were undertaken this financial year with regards to the stormwater basin.

(d) Other expenses

The decrease in other expenses is largely due to reduced spend on consultancies (\$0.181 million) and public transport subsidies (\$0.193 million). The Trust no longer subsidises the 79 bus route which is now defunct.

(e) Car park user fees and fines

The increase is largely due to increased parking rates.

(f) Car park operator licence fees

Increased fees are in line with CPI by the relevant agreement.

(g) Grants and contributions

The Trust did not receive a grant in the 2015 financial year for Travelsmart (2014: Healthier Workplace WA).

(h) Other revenue

The increase in other revenue is largely attributable to the tiered increase in tenant charging fees for the 2015 financial year (2015: 75% recovery; 2014: 50% recovery). The tenant charges cover the costs of maintaining the common areas and facilities on the QEII Medical Centre site.

(i) Service appropriations

The trust did not receive any service appropriations in cash this financial year. Decrease in appropriations is largely due to decreased depreciation.

The Queen Elizabeth II Medical Centre Trust

**Notes to the Financial Statements**

For the year ended 30 June 2015

**Note 36 Explanatory Statement (continued)**

**Significant variances between estimates and actual results for 2015**

Significant variations are considered to be those greater than 10%.

		2015 Actual \$	2015 Estimates \$	Variance \$
<b>Operating expenses</b>				
Employee benefits expense	(a)	1,567,454	2,514,000	(946,546)
Other goods and services	(b)	3,849,838	4,295,000	(445,162)
<b>Total expenses</b>		5,417,292	6,809,000	(1,391,708)
Less: Revenues	(c)	(7,534,408)	(7,188,000)	(346,408)
<b>Net income/ (cost) of services</b>		<u>2,117,116</u>	<u>379,000</u>	<u>1,738,116</u>

(a) Employee benefits expense

The 2015 estimates include an expectation of 29 full time equivalent employees (FTE's) in the proposed new structure. However only 19 FTE's were employed as of June 2015. The lower than expected employment cost is predominantly due to unfilled vacancy positions and delays in finalising the new organisation structure.

(b) Other goods and services

Expenditure on other goods and services is lower than 2015 estimates due to the reduction in usage of consultants, lower subsidy of public transport and lower depreciation.

(c) Revenues

Increase in actual revenue against estimate is largely due to increased tenant charges and car park user fees.

## The Queen Elizabeth II Medical Centre Trust

### Notes to the Financial Statements

For the year ended 30 June 2015

#### Note 37 Financial instruments

##### a) Financial risk management objectives and policies

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

##### Credit risk

Credit risk arises when there is the possibility of the Trust's receivables defaulting on their contractual obligations resulting in financial loss to the Trust.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 37(c) 'Financial Instrument disclosures' and note 15 'Receivables'.

Credit risk associated with the Trust's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). Parking fines are the only receivables that may take more than 30 days to collect. For commercial property rentals, the Trust has policies in place to ensure that the tenants have an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is minimal. At the end of the reporting period, there were no significant concentrations of credit risk.

##### Liquidity risk

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

The Trust has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

##### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Trust's income or the value of its holdings of financial instruments. The Trust does not trade in foreign currency and is not materially exposed to other price risks.

##### b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2015	2014
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	7,025,553	2,173,139
Loans and receivables (a)	8,433,641	10,699,001
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	215,462	202,947

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

## The Queen Elizabeth II Medical Centre Trust

### Notes to the Financial Statements For the year ended 30 June 2015

#### c) Financial Instrument disclosures

##### Credit risk

The following table discloses the Trust's maximum exposure to credit risk and the ageing analysis of financial assets. The Trust's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Trust.

The Trust does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

#### Ageing analysis of financial assets

	Carrying amount	Not past due and not impaired	<u>Past due but not impaired</u>					Impaired Financial assets
			Up to 3 months	3-12 months	1-5 years	More than 5 years		
	\$	\$	\$	\$	\$	\$	\$	
<b>2015</b>								
Cash and cash equivalents	7,025,553	7,025,553	-	-	-	-	-	
Receivables (a)	344,486	150,437	139,084	54,965	-	-	-	
Amounts receivable for services	8,089,155	8,089,155	-	-	-	-	-	
	15,459,194	15,265,145	139,084	54,965	-	-	-	
<b>2014</b>								
Cash and cash equivalents	2,173,139	2,173,139	-	-	-	-	-	
Receivables (a)	2,867,921	1,204,538	1,495,357	98,348	67,355	2,323	-	
Amounts receivable for services	7,831,080	7,831,080	-	-	-	-	-	
	12,872,140	11,208,757	1,495,357	98,348	67,355	2,323	-	

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



# The Queen Elizabeth II Medical Centre Trust

## Notes to the Financial Statements

For the year ended 30 June 2015

### c) Financial Instrument disclosures (continued)

#### Liquidity risk and interest rate exposure

The following table details the Trust's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

#### Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate %	Carrying amount	Interest rate exposure	Nominal Amount	Maturity dates				
					Up to 3 months	3-12 months	1-5 years	More than 5 years	
		\$	\$	\$	\$	\$	\$	\$	\$
<b>2015</b>									
<b><u>Financial Assets</u></b>									
Cash and cash equivalents	-	7,025,553	7,025,553	7,025,553	7,025,553	-	-	-	-
Receivables (a)	-	344,486	344,486	344,486	344,486	-	-	-	-
Amounts receivable for services	-	8,089,155	8,089,155	8,089,155	-	-	-	8,089,155	-
		<u>15,459,194</u>	<u>15,459,194</u>	<u>15,459,194</u>	<u>7,370,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,089,155</u>
<b><u>Financial Liabilities</u></b>									
Payables	-	215,462	215,462	215,462	215,462	-	-	-	-
		<u>215,462</u>	<u>215,462</u>	<u>215,462</u>	<u>215,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

## The Queen Elizabeth II Medical Centre Trust

### Notes to the Financial Statements For the year ended 30 June 2015

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

##### Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate %	Carrying amount \$	<u>Interest rate exposure</u> Non- interest bearing \$	Nominal Amount \$	<u>Maturity dates</u>			
					Up to 3 months \$	3-12 months \$	1-5 years \$	More than 5 years \$
<b>2014</b>								
<u>Financial Assets</u>								
Cash and cash equivalents	-	2,173,139	2,173,139	2,173,139	2,173,139	-	-	-
Receivables (a)	-	2,867,921	2,867,921	2,867,921	2,867,921	-	-	-
Amounts receivable for services	-	7,831,080	7,831,080	7,831,080	-	-	-	7,831,080
		12,872,140	12,872,140	12,872,140	5,041,060	-	-	7,831,080
<u>Financial Liabilities</u>								
Payables	-	202,947	202,947	202,947	202,947	-	-	-
		202,947	202,947	202,947	202,947	-	-	-

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

##### Interest rate sensitivity analysis

A change in banking arrangement effective from 1 July 2011 in accordance with the State Government's direction has resulted in the loss of interest earning capacity for the Trust's bank account.

##### Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

#### **Note 38 Schedule of income and expenses by services**

The Trust has only one service which is the development, management and administration of the Queen Elizabeth II Medical Centre site.

## Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Queen Elizabeth II Medical Centre Trust's performance, and fairly represent the performance of the Queen Elizabeth II Medical Centre Trust for the financial year ended 30 June 2015.



S Cole  
**Chairman**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015



G McMath  
**Deputy Chair**

Queen Elizabeth II Medical Centre  
Date: 7 September 2015

## Key Performance Indicators

The Trust Key Performance Indicators have been revised and the new approved Key Performance Indicators measured for the first time in 2013/14.

### Government Goal

Results based service delivery: Greater focus on achieving results in key service areas for the benefit of all Western Australians.

### Agency Level Government Desired Outcomes

The agency level government desired outcomes for the Queen Elizabeth II Medical Centre Trust are:

1. The Queen Elizabeth II Medical Centre is developed as a well planned, world-class healthcare, research and education centre.
2. The Queen Elizabeth II Medical Centre is controlled and managed in a way that supports and facilitates a world-class healthcare, research and education centre.

**Outcome 1: The Queen Elizabeth II Medical Centre is developed as a well planned, world-class healthcare, research and education centre.**

### Key Effectiveness Indicators

The 2014/2015 survey examines satisfaction levels across staff, visitors and other stakeholders (including patients), and benchmarks these against the 2013/2014 survey results which was the first year the current Key Performance Indicators were measured.

The 2014/2015 period survey examines stakeholder satisfaction levels of the Trust's statutory responsibilities relating to planning and development of the reserve and management of the shared facilities and services.

The QEII Medical Centre Trust's annual survey was completed by 250 respondents from various groups including medical, allied health, research, and administrative and support staff; as well as visitors and other stakeholders (including patients).

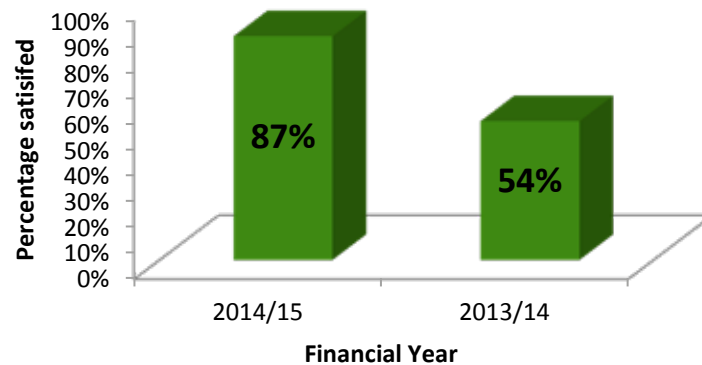
The survey requested feedback relating to the two outcomes including reference to site planning and development, the sustainability of the reserve, TravelSmart, parking, gardens and grounds, paths and roads.

Respondents from the stakeholder groups were invited to complete an online survey on the QEII Medical Centre Trusts website. The QEII Medical Centre Trust utilised a survey engine, Survey Monkey, to collect the responses and analyse the data from the completed surveys. The surveys were completed during the months of April, May and June 2015.

The scale used to measure the performance levels according to stakeholders was as follows: Outstanding, Very Good, Good, Fair, Poor, Unable to answer and No response. For the purposes of the survey results all responses of Outstanding, Very Good, Good and Fair are measured as Satisfied responses.

### Key Performance Indicator 1.1:

**Satisfaction levels of the QEII MC Trust planning for and development of the site.**



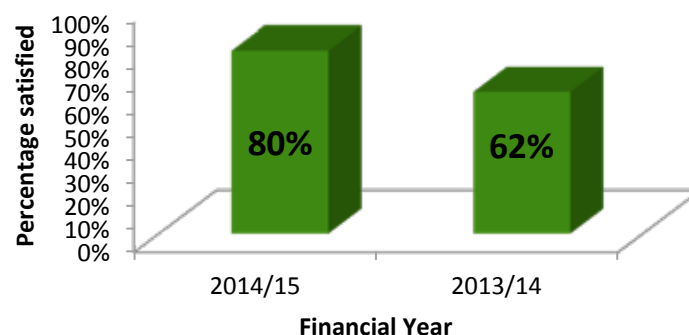
This key indicator measures the satisfaction levels of planning and development of the QEII Medical Centre site.

The target of greater than 50% of respondents being satisfied was met.

The large variance to the 2013/14 results can be largely attributed to the poor response rate in 2013/14 with 33% of respondents unable to answer or registering no responses. Only 13% of respondents in 2013/14 were actually dissatisfied.

### Key Performance Indicator 1.2:

**Satisfaction levels of the QEII MC Trust maintaining a sustainable access environment.**



This key indicator measures the satisfaction levels of the QEII Medical Centre in maintaining a sustainable access environment.

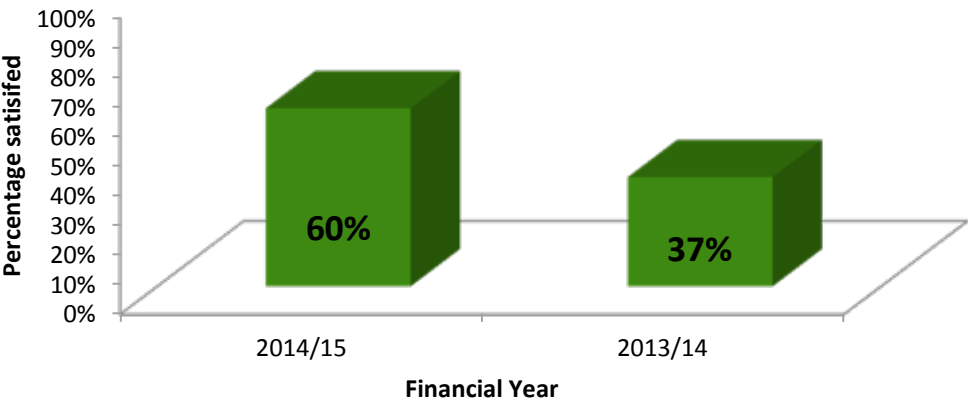
The target of greater than 50% of respondents being satisfied was met.

The large variance to the 2013/14 results can be largely attributed to the poor response rate in 2013/14 with 34% of respondents unable to answer or registering no responses. Only 4% of respondents in 2013/14 were actually dissatisfied.



**Key Performance Indicator 1.2(a):**

**Satisfaction levels of the QEII MC Trust TravelSmart initiatives.**



This key indicator measures the satisfaction levels of the QEII Medical Centre Travel Smart initiatives.

The target of greater than 50% of respondents being satisfied was met.

The large variance to the 2013/14 results and the shortfall in 2013/14 of 13% against the targeted satisfaction levels can be largely attributed to the poor response rate in 2013/14 with 59% of respondents unable to answer or registering no responses. Only 4% of respondents in 2013/14 were actually dissatisfied.

**Key Efficiency Indicator**

**Timeliness in the consideration of development submissions received by the QEII MC Trust.**

This indicator is measured in terms of the percentage of development submissions addressed within 90 days of receipt by the Trust. It is based on statistical evidence from trust records (date of receipt of proposal; date submitted to Trust meeting; date proposal approved).

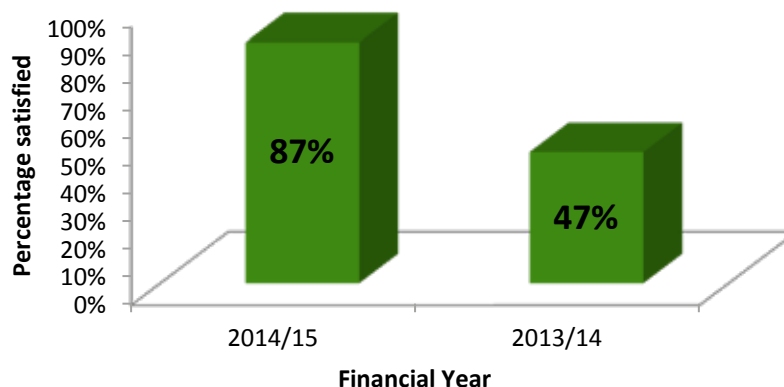
There were no development submissions considered by the Trust in the 2014/15 Financial Year.

**Outcome 2: The Queen Elizabeth II Medical Centre is controlled and managed in a way that supports and facilitates a world-class healthcare, research and education centre.**

## **Key Effectiveness Indicators**

### **Key Performance Indicator 2.1:**

**Satisfaction levels of the implementation and upkeep of landscaping and gardens and grounds at QEIMC.**



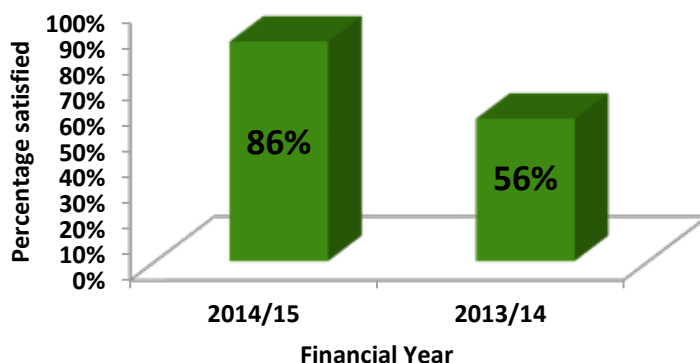
This key indicator measures satisfaction levels of the implementation and upkeep of landscaping and gardens and grounds at the QEII Medical Centre.

The target of greater than 50% of respondents being satisfied was met.

The large variance to the 2013/14 results and the shortfall in 2013/14 of 3% against the targeted satisfaction levels can be largely attributed to the poor response rate in 2013/14 with 39% of respondents unable to answer or registering no responses. Only 14% of respondents in 2013/14 were actually dissatisfied. It is probable that the construction works over the 2013/14 period were a contributing factor to not achieving the target in that year.

### Key Performance Indicator 2.2(a):

**Satisfaction levels of the repair and maintenance of paths and roads at QEIIIMC.**



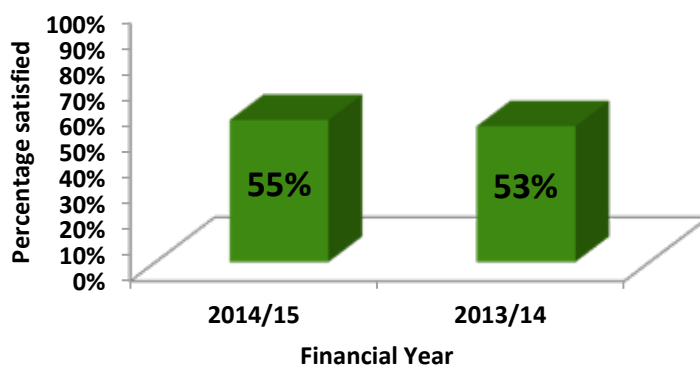
This key indicator measures satisfaction levels of the repairs and maintenance of paths and roads at the QEII Medical Centre.

The target of greater than 50% of respondents being satisfied was met.

The large variance to the 2013/14 results can be largely attributed to the poor response rate in 2013/14 with 33% of respondents unable to answer or registering no responses. Only 11% of respondents in 2013/14 were actually dissatisfied.

### Key Performance Indicator 2.2(b):

**Satisfaction levels of the repair and maintenance of At Grade parking areas at QEIIIMC.**



This key indicator measures satisfaction levels of the repairs and maintenance of At Grade parking areas at the QEII Medical Centre.

The target of greater than 50% of respondents being satisfied was met. No significant variances to prior year.

## Key Performance Indicator 2.3

### Provision of a safe and secure environment on the QEII MC

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

As at 30 June 2015, QEII Medical Centre had a total of 4,684 parking bays (3,093 staff and 1,591 visitors).

### Key Effectiveness Indicators

The total number of motor vehicles stolen from the QEII Medical Centre car parks in comparison to the total number of car bays. This key indicator measures ratio of cars stolen from the QEII Medical Centre car parks. This measure provides a measure of the effectiveness of the car parks, grounds and security over time.

Target : <0.05%

The target of less than 0.05% was met.

	2014/15	2013/14	2012/13
Percentage of vehicles stolen in comparison to the number of car parking bays	0.02%	0%	0.03%

## Key Efficiency Indicators

### 1 Administration costs as a % of total income

Note: The Parking fee revenue associated with the Capella and At-Grade car park agreement is excluded from the calculation of total income as it is offset by management fee paid under the Capella Parking Agreement.

Target: <50%

	2014/15	2013/14
Administration cost as a percentage of total revenue	33.00%	46.00%

Reduction in administration costs as a percentage of total revenue largely driven by lower spend on staff and consultancies in the 2014/15 year, along with increased revenue collections particularly from tenant charging.

### 2 Operating cost per hectare of common area

This indicator is to measure the cost of developing, controlling, managing the QEII Medical Centre site.

Note: The Management fee associated with the Capella and At-Grade car park agreement is excluded from the calculation of the operating cost as it is offset by the Parking Fee revenue under the Capella Parking agreement.

Target: < \$500,000 per hectare of common area

	2014/15	2013/14
Operating cost per hectare of common area	\$336,789	\$463,746

Reduction in operating costs per hectare of common area is largely driven by lower spend on repairs and maintenance in the 2014/15 year, along with reduced spend on staff and consultancies. Costs in 2013/14 were inflated owing to the remedial works on the compensation basin.



### 3 Maintenance cost per hectare of common area

This indicator is to measure the cost of maintenance and repairs of site facilities including roads, paths, car parks, lighting and gardens and grounds around the QEII Medical Centre

Target: < \$200,000 per hectare of common area

	2014/15	2013/14
Maintenance cost per hectare of common area	\$124,373	\$189,884

Reduction in maintenance costs per hectare of common area is largely driven by lower spend on repairs and maintenance in the 2014/15 year. Costs in 2013/14 were inflated owing to the remedial works on the compensation basin.

### 4 Operating cost per gross floor area of tenant premises

This indicator is another measure of the cost of developing, controlling, managing the QEII Medical Centre site.

Note: The Management fee associated with the Capella and At-Grade car park agreement is excluded from the calculation of the operating cost as it is offset by the Parking Fee revenue under the Capella Parking agreement.

Target: < \$12.00 per square metre.

	2014/15	2013/14
Operating cost per gross floor area (square metre) of tenant premises	\$7.25	\$9.99

Reduction in operating costs per gross floor area of tenant premises is largely driven by lower spend on repairs and maintenance in the 2014/15 year, along with reduced spend on staff and consultancies. Costs in 2013/14 were inflated owing to the remedial works on the compensation basin.

Note:

The common area is approximately ten hectares of the twenty eight hectares of land.



# Ministerial Directions

There were no Ministerial Directives in 2014/15.

## Capital Works

No material capital works funded by the QEII MC Trust were undertaken in 2014/15.

## Employment and Industrial Relations

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

## Staff Development

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

## Workers Compensation

As the QEII MC Trust does not employ any staff, workers compensation is not relevant.

# Governance Disclosures

## Contracts with Senior Officers

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interest, had any interests in existing or proposed contracts with the QEII MC Trust other than normal contracts of employment of service.

# Other Legal Requirements

## **Expenditure on advertising, market research and direct mail**

Nil

## **Disability access and inclusion plan outcomes**

In relation to disability access and inclusion planning, the QEII Medical Centre Trust relies upon the Delegate to achieve the disability access and inclusion plan outcomes.

However the QEII Medical Centre Trust recognises that people with disabilities are valued members of the community who make contributions to social, economic and cultural life.

Specific disability service planning issues pertaining to the QEII Medical Centre Trust's area of responsibility include:

- Provision of ample designated parking bays for ACROD permit holders in the multi-deck car park and at various other locations around the site for people experiencing difficulty walking long distances.
- Provision of a site buggy service for people experiencing difficulty walking long distances.
- Continuous improvements throughout the QEII Medical Centre for easier and safer access for all.
- The QEII Medical Centre website has been designed to assist those who are visually impaired with alternative formats.
- A QEII Medical Centre Guide has been designed to assist people with disability and is available in hard and electronic copy.
- ACROD parking maps are available in hard and electronic copies.
- Ongoing training as to how to assist people with disabilities has been provided to the QEII Medical Centre Parking Officers.
- Public consultation and decision-making opportunities including people with disabilities are provided through public consultation process for reviews of key management plans, such as QEII Master Plan, Landscape Master Plan and the Urban Design Guidelines.





## **Compliance with Public Sector Standards and ethical codes**

As the QEII Medical Centre Trust does not employ any staff, it relies upon the Delegate, through the North Metropolitan Health Service, to achieve the required outcomes in the area of Equal Employment Opportunity, public sector standards and ethical codes for staff.

The QEII Medical Centre Trust complies with the relevant Public Sector Standards and Ethical Codes.

## **Recordkeeping Plans**

In the past the QEII Medical Centre Trust has relied on the WA Health Recordkeeping Plan. The Trust approved its own Recordkeeping Plan in compliance with the provisions of the State Records Act 2000 and this will be implemented via the North Metropolitan Health Service as the Trust's Delegate. Appropriate record management systems and processes are now being developed.

The QEII Medical Centre Trust's archival records are held onsite and this area is accessible to authorised staff only. All records are stored in a secured environment.

# Government Policy Requirements

## **Occupational Safety, Health and Injury Management**

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







# ORGANISATIONS AT THE QEII MEDICAL CENTRE

**Australian Neuromuscular Research Institute**

4th Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

**Crawford Lodge**

Z Block  
55 Monash Avenue  
Nedlands WA 6009

**Harry Perkins Institute of Medical Research**

QQ Block  
6 Verdun Street  
Nedlands WA 6009

**Keogh Institute for Medical Research**

3rd Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

**Lions Eye Institute**

AA Block  
2 Verdun Street  
Nedlands WA 6009

**Lions Hearing Clinic**

3rd Floor, A Block  
Hospital Avenue  
Nedlands WA 6009

**Lions Optic**

Ground Floor, A Block  
Hospital Avenue  
Nedlands 6009

**The Institute for Respiratory Health**

Ground Floor, E Block  
Sir Charles Gairdner Hospital  
Nedlands WA 6009

**The Niche**

11 Aberdare Road  
Nedlands WA 6009

**Oral Health Centre of WA**

17 Monash Avenue  
Nedlands WA 6009

**Pathwest**

J Block  
Hospital Avenue  
Nedlands WA 6009

**Sir Charles Gairdner Hospital**

Hospital Avenue  
Nedlands WA 6009

**State Head Injuries Unit**

Ground Floor, E Block  
Sir Charles Gairdner Hospital  
Hospital Avenue  
Nedlands WA 6009

**UWA Faculty of Medicine & Dentistry**

N Block  
Caladenia Crescent  
Nedlands WA 6009

**WA Heart Research Institute**

R Block  
Verdun Street Nedlands WA 6009

**WA Sleep Disorders Research Institute**

5th Floor, G Block  
Sir Charles Gairdner Hospital  
Nedlands WA 6009