




ANNUAL REPORT

2019/2020



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This Report has been produced in electronic format and can be viewed on the Queen Elizabeth II Medical Centre Trust website.

Alternative formats are available upon request.

QUEEN ELIZABETH II MEDICAL CENTRE TRUST

C/O Sir Charles Gairdner Hospital
Hospital Avenue, NEDLANDS WA 6009

Email: qeimctrust@health.wa.gov.au

www.qeimc.health.wa.gov.au

Acknowledgement of Country

The Queen Elizabeth II Medical Centre Trust acknowledges the Traditional Owners of the land, the Whadjuk people of the Noongar nation and pay our respects to Elders past, present and emerging.

We recognise the unique and incomparable contribution the Whadjuk people have made and continue to make to our culture and in our community.

The QEIMC Trust recognises, respects and values Aboriginal cultures as we walk a new path together.



QEIMC Trust

ABN 36 035 866 252

www.qeimc.health.wa.gov.au

STATEMENT OF COMPLIANCE

For the year ended 30 June 2020

HON Mr R Cook
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 ending 30 June 2020.

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
Chair
Queen Elizabeth II Medical Centre Trust
Date: 28 August 2020

S Biggs
Deputy Chair
Queen Elizabeth II Medical Centre Trust
Date: 28 August 2020

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CHAIRMAN'S REPORT

The strategic objective of the Queen Elizabeth II Medical Centre Trust (Trust) is the development and management of the Queen Elizabeth II Medical Centre (QEIMC) as a nationally and internationally recognised campus of excellence in the integrated provision of health and medical care, research and education.

With the completion of significant developmental works to the campus over the last decade, the Trust completed and published its revitalised Master Plan around the start of the period under review.

This new Master Plan will assist and guide the Trust and its stakeholders in assuring that the campus's future lay-out, design and development over the coming decades will align with the Trust's ongoing strategic objective.

Over the year under review material activities addressed by the Trust and its Delegate have included:

- Campus Access – ongoing close management of car parking demand and balancing of car parking bay availability (within WAPC prescribed regulatory limits) including refinement of policy settings to optimise availability.
- Critical incident response management by campus stakeholders with active engagement resulting from the dislodgement of glass from the SCGH/PCH pedestrian overpass and in response to COVID-19 related matters.



- Kings Park Link Bridge (“Kids’ Bridge”) – conceptual refinement of this proposal to better meet prospective campus future needs, and conditional in principle support including DA lodgement for future development.
- Common Area Amenity – continuing upgrades of the campus gardens and grounds.
- Organisational Review – business case analysis and planning for revisions to the Trust’s management structure in the second half of 2020 to support ongoing operational and governance efficiency enhancements.
- Design Guidelines created to assist stakeholders with presentation of development proposals for building works within the QEIMC Reserve, to be endorsed by the State Design Review Panel.

The Trust also refined and adopted a revised 5 year strategic plan for 2020-2025 maintaining as its primary pillars of focus:

- Innovative and effective campus planning;
- Effective and efficient campus management;
- Facilitating the integration of clinical, research and academic health outcomes;
- Strong performance in the terms of its statutory mandate;
- Communication and brand positioning; and
- Sustainability of role including financial independence as well as environment, social and governance outcomes.

I would like to acknowledge the work of the Trust's "Delegate" and its professional team headed over the year under review by Dr Robyn Lawrence (Chief Executive) and Tony Dolan (Acting Chief Executive) North Metropolitan Health Service and ably managed by Mr Bill Anderson as the Trust's Executive Officer.

I also gratefully acknowledge the efforts and contributions of the Trust's Board members including Professor Wendy Erber and Robert Webster, and more recently Professors Jon Watson and Simon Biggs, as University of Western Australia nominees to the Board, as well as Angela Kelly and Alan Bansemer as Minister for Health nominees to the Board. Their professionalism and guidance have been invaluable to the Trust and its work.

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
28 August 2020



OVERVIEW

Executive Summary

This Annual Report combines the activities of the Queen Elizabeth II Medical Centre Trust (Trust) and North Metropolitan Health Service (NMHS) as its Delegate under section 13 of the *Queen Elizabeth II Medical Centre Act 1966*, as amended (the Act).

The Year in Review

QUEEN ELIZABETH II MEDICAL CENTRE REDEVELOPMENT

The QEII MC Trust has continued to look towards the future after launching its new Master Planning instrument (2019 Master Plan) following a presentation to the Western Australian Minister for Health in May 2019.

Significant engagement with stakeholders and the community informed the development of the 2019 Master Plan. This diverse feedback was instrumental in informing a fresh and holistic new Master Plan. With it, the QEII MC Trust will aim to continue developing the campus in an innovative and sustainable way. This includes fostering a world class centre of clinical healthcare, medical research and education that engages with and balances the needs of campus users, and the local community. The Trust will continue to seek to facilitate and encourage collaboration and partnership between QEII MC entities and neighbours to stimulate the long-term growth of business, investment and innovation.

Design Guidelines

The Trust has been working together with Hames Sharley to finalise the QEII MC 2020 Design Guidelines (Guidelines); a document that will be used by all current and prospective tenants to inform their building and public realm design choices. The Guidelines have been developed in alignment with the goals and vision of the 2019 Master Plan. They will provide an

approval framework that will encourage pragmatic yet innovative site responsive design and campus growth that recognises and embraces the context, history and future design goals of QEII MC. This is crucial for maintaining the unique character of the campus. The Guidelines will also ensure that QEII MC is developed in a sustainable way, and in a manner that facilitates movement and collaboration within the campus and with surrounding areas (such as the City of Perth) and important stakeholders.

Once reviewed by the State Design Review Panel and approved by the Trust Board, the Guidelines will replace the 2009 QEII MC Urban Design Guidelines. It is expected that the Guidelines will be fully operational in the second half of 2020.

Wayfinding

After the significant changes and improvements to wayfinding at QEII MC rolled out over the past few years, the designs for the remainder of the car park and pedestrian signage were finalised in June 2020. There will be twenty-eight new pedestrian signs and nine new car park signs to improve access to, and movement around campus. The signs have been carefully designed (and reviewed by stakeholders) to guide campus users progressively until they reach their destination. These signs include maps of the QEII MC to assist with orientation. The installation of this phase of wayfinding improvements is scheduled for the second half of 2020.



A footbridge will be built over Winthrop Avenue to connect QEIIIMC with Kings Park.

Proposed footbridge linking to Kings Park

In February 2020, the State Government announced that a footbridge will be built over Winthrop Avenue to connect QEIIIMC with Kings Park. The footbridge is expected to be decorated with bright colours and will allow for some hospital therapies to take place in Kings Park. It will also provide direct access for all patients, visitors and staff at the QEIIIMC to the benefits of nature at Kings Park and a future potential link for those actively using public, and other alternative forms of transport, whilst commuting to campus.

Main Roads are managing the design and construction of the footbridge project in collaboration with the City of Perth, Child and Adolescent Health Services / Perth Children's Hospital Foundation, with ongoing review by stakeholders including the QEIIIMC Trust and the Botanic Gardens and Park Authority.

Car Park 7 Reconfiguration

Work to alter the layout of Car Park 7 was completed in December 2019. These upgrades were undertaken to address issues with the previous staff and visitor bay layout and to generally improve and streamline access. A new entry and exit were installed for staff, accessible from Caladenia Crescent. Some minor adjustments to the visitor boom gates accessible from Hospital Avenue were also made to improve ease of access and safety. Bollards were installed to demarcate the staff and visitor parking sections.

COVID-19

During this time of unprecedented change and global uncertainty, a high priority of the Trust has been the ongoing management of the campus in order to best support the incredible and resilient essential staff and services at the QEIIIMC.

The Trust personnel have quickly committed to and implemented adaptation of services in response to the changing requirements of the environment and virus situation, including responding to the closure of public transport options for campus users.

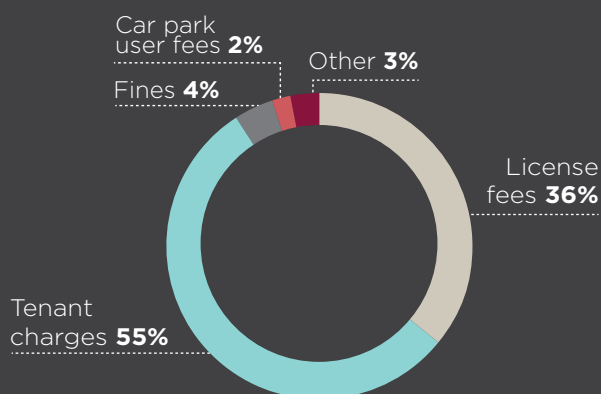
Actions included significant temporary changes to parking eligibility and access requirements to allow essential staff to access the campus as safely as possible; supplying traffic management and advice services to the COVID-19 Clinic operations; providing the volunteer buggy for use by the staff of the SCGH COVID-19 Clinic and providing ongoing updates to tenants as our broad variety of tenant stakeholders are impacted in different ways.

The Trust has been closely monitoring Department of Health communications in order to best implement all recommendations and requirements for staff dedicated to Trust operations.

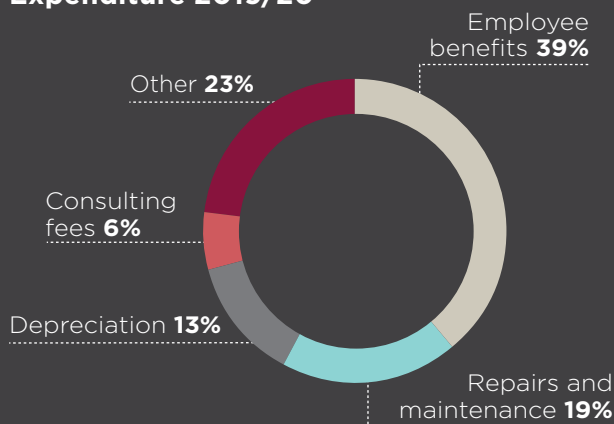
FINANCIAL PERFORMANCE

The Trust generates its own revenue to meet its operating expenditure.

Revenue 2019/20



Expenditure 2019/20



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 (or pass through receipts) and matching outgoings notionally 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.



OPERATIONAL STRUCTURE

Pursuant to the Act, the Trust is responsible for the development, management and control of the QEII MC Reserve as a “Medical Centre”. The day-to-day management and control operations are physically undertaken by the Trust’s Delegate on behalf of the Trust.

The objectives of the Trust under its legislative remit are to ensure the:

- QEII MC Reserve, as established under Section 6 of the Act, is developed within the existing geographic, environmental and functional constraints, on behalf of the people of Western Australia, in a planned and methodical way and in accordance with the purpose of the Act as a centre of national and international repute.
- Development, management and control of the QEII MC campus and Reserve is achieved through a cooperative approach between the Trust, campus tenants including the QEII MC hospitals, medical clinics, academic and professional schools of learning providing teaching and research resources to the Medical Centre, and the State.
- Provision of appropriate on-campus facilities for health care, research and education staff.
- Provision of appropriate ancillary facilities in support of its primary objectives.

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

Enabling Legislation

The Trust is established under Section 7 of the Act, to undertake the development, management and control of the QEII MC Reserve for the purposes of the Act (establishing and enabling the Medical Centre).

As a result of consequential administrative changes pursuant to the *Health Services Act 2016* (WA), the Board of Sir Charles Gairdner Hospital ceased to be the Trust’s Delegate on 30 June 2016. The North Metropolitan Health Service (NMHS) was appointed the Trust’s Delegate on 1 July 2016, to exercise a range of administrative powers in relation to managing and controlling the QEII MC campus on behalf of the Trust. A Delegation Instrument confirming this appointment was published in the Government Gazette on 28 June 2016.

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

Responsible Minister

The statutory responsibility for the Trust is vested with the Minister for Health, The Hon. Mr R H Cook MLA.

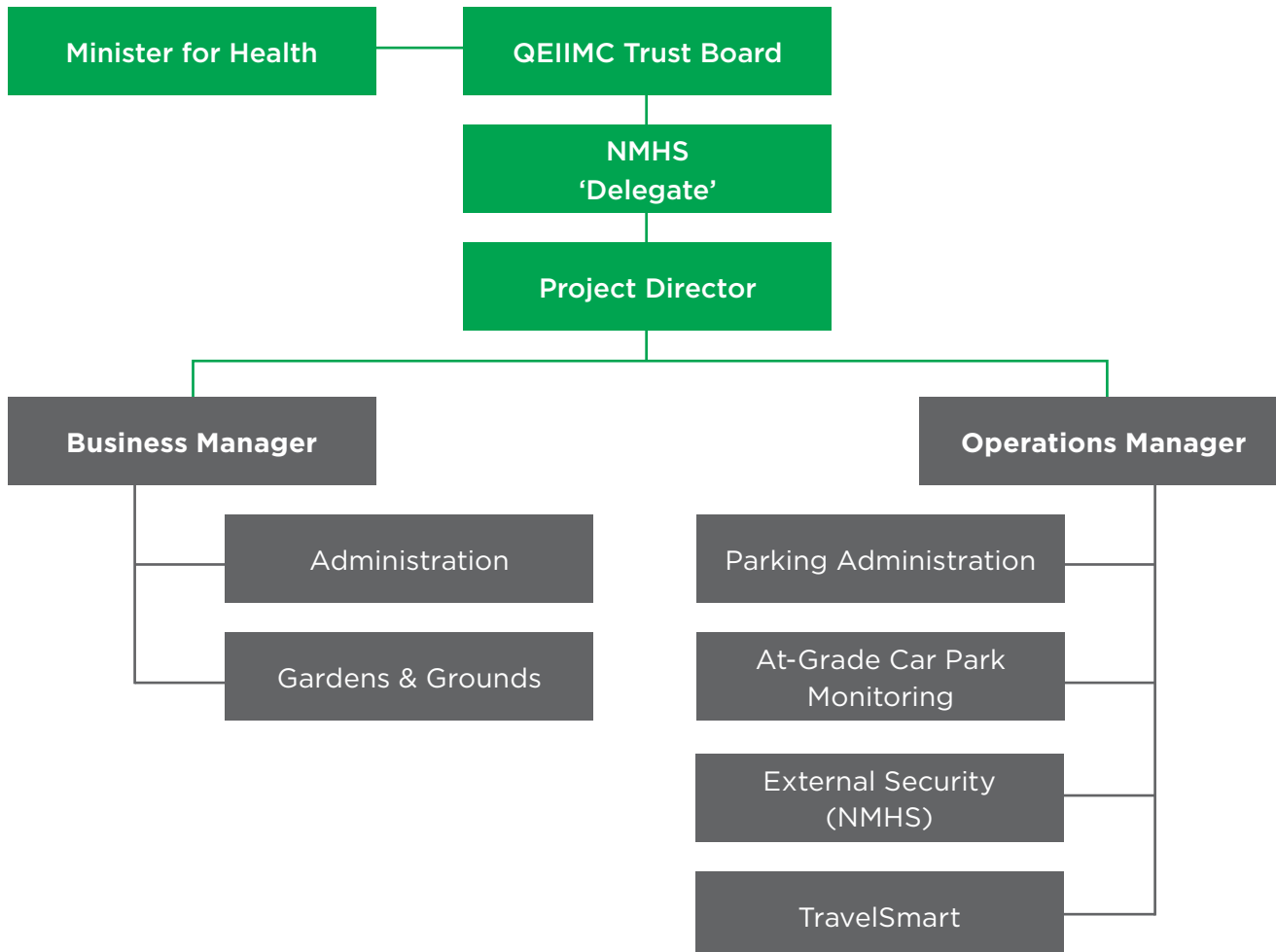
Organisational Structure

The management and control functions of the Trust are delivered by its Delegate, particularly (but not exclusively) through the following branches: Parking and Access; Gardens and Grounds; Grounds Security; Campus Maintenance; TravelSmart and Trust Administration.

The Trust does not currently employ staff. A team of NMHS (as Delegate) staff members is seconded full time to the Trust

to perform certain Trust administrative activities for and provide support services on behalf of, the Trust Board, and to have visibility of and guide the Delegate's general Trust/Reserve related operational activities undertaken by NMHS staff on the Reserve land. North Metropolitan Health Service employees undertake such activities as required to ensure efficient, effective and timely management and control of the QEIMC Reserve (land) for the Trust.

Queen Elizabeth II Medical Centre Trust Operational Structure as at 30 June 2020



Board of Management

As set out in the Act, the Trust Board consists of five members:

- A Chairman – appointed by the Governor on written nomination of the Minister for Health 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 for Health 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 Chair 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.

Among his corporate appointments, he is currently Chair of ASX listed Neometals Limited, Chair of Perth Markets Group Limited and is a Board Member of the ASX listed Matrix Composites and Engineering Limited.

Mr Cole attended six of a possible seven board meetings.

Mr Cole is also the Deputy Chair of the Audit and Risk Management Sub Committee and has attended three of a possible four sub-committee meetings throughout the year.

The Trust continues
to serve the people
of Western Australia
into the future.



MR ROBERT WEBSTER

Appointed as Deputy Chair in August 2019, Mr Webster was, until recently, the Chief Operating Officer, Corporate Services at the University of Western Australia (UWA).

Mr Webster has 30 years strategy development, implementation and organisational change experience across diverse industries including transport, telecommunications, manufacturing, financial services and government.

Previously he was at RMIT University in Melbourne for ten years.

He holds postgraduate qualifications in education, marketing and business modelling.

Mr Webster attended four of a possible five board meetings and two of a possible three Audit and Risk Management Sub Committee meetings throughout the year. Mr Webster was appointed Chair of the Audit and Risk Management Sub Committee in August 2019.

Mr Webster retired from the Board in April 2020.



MS ANGELA KELLY

Appointed as a member in August 2015.

Ms Angela Kelly has held the role of Department of Health Assistant Director General Purchasing and System Performance since its creation in April 2015.

Ms Kelly holds an economics qualification from the University of Western Australia and has more than 20 years of experience in the public health system. She has held several senior executive positions within the Department of Health, including Executive Director Resourcing and Performance and Director of Health Infrastructure, and in 2018 spent three months as the acting Chief Executive at North Metropolitan Health Service.

Ms Kelly attended three of a possible seven board meetings throughout the year.



PROFESSOR WENDY ERBER

Appointed as a member in March 2016.

Professor Erber graduated in Medicine from the University of Sydney and undertook her Haematology training at the Royal North Shore Hospital of Sydney and the University of Oxford (as a Rhodes Scholar). In Oxford her research led to a Doctorate of Philosophy. She has held Consultant Haematologist posts in Western Australia and in Cambridge, UK. She took up her UWA position as Professor of Pathology and Laboratory Medicine in 2011 before being appointed Dean of the Faculty of Health and Medical Sciences at The University of Western Australia (UWA) in December 2015.

Professor Erber attended four of a possible five board meetings throughout the year.

Professor Erber retired from the Board in March 2020 and returned to her UWA position as Professor of Pathology and Laboratory Medicine



MR ALAN BANSEMER

Appointed as a member in December 2016.

Mr Alan Bansemer has over 35 years' experience in the health sector, including six years as the West Australian Health Commissioner and eight years as the Deputy Secretary to the Commonwealth Department of Human Services and Health.

Mr Bansemer has chaired a number of committees including the Medicare Schedule Review Board and General Practice Consultative Committee. In addition, he has served as a member of numerous health advisory committees including the Australian Health Ministers' Advisory Council, Health Insurance Commission and Australian Institute of Health and Welfare.

Mr Bansemer attended four of a possible seven board meetings throughout the year. Mr Bansemer is also a member of the Audit and Risk Management Sub Committee and attended one of a possible four subcommittee meetings throughout the year.



PROFESSOR JON WATSON

Appointed as a member in March 2020.

Professor Jon Watson is Executive Dean of the Faculty of Health and Medical Sciences at The University of Western Australia. He previously served as Dean of Medicine at Deakin University, Victoria, Australia, from 2014-2019.

In 2014, he completed a Graduate Certificate in Medical Education with the University of Dundee Medical School, Scotland. He served from 2014-19 as a Board Director for Kardinia Health Geelong and the Postgraduate Medical Council of Victoria, and Board Chair of the National Centre for Farmer Health in Hamilton, Victoria.

Professor Watson attended two of a possible two board meetings throughout the year.



PROFESSOR SIMON BIGGS

Appointed as Deputy Chair in May 2020.

Professor Simon Biggs is Senior Deputy Vice-Chancellor at The University of Western Australia (UWA) where he commenced in March 2018. Simon is also acting Chief Operating Officer overseeing UWA's IT, campus management, service delivery and venues management operations.

In addition to senior academic experience at universities in Australia, the UK and France, Simon is internationally recognised for his research in chemistry and chemical engineering in high technology industries.

Simon is a director of the Cooperative Research Centre for Water Sensitive Cities Board and Harry Perkins Institute of Medical Research Board.

Professor Biggs attended two of a possible two board meetings throughout the year. Professor Biggs was also appointed as Chair of the Audit and Risk Management Sub Committee in May 2020 and attended one of a possible one subcommittee meetings throughout the year.

Other Key Legislation impacting on the Queen Elizabeth II Medical Centre Trust

Western Australian State Acts

- Auditor General Act 2006
- Contaminated Sites Act 2003
- Disability Services Act 1993
- Electricity Corporations Act 2005
- Energy Operators (Powers) Act 1979
- Equal Opportunity Act 1984
- Evidence Act 1906
- Financial Management Act 2006
- Freedom of Information Act 1992
- Health Services Act 2016
- Heritage Act 2018
- 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 1994
- Road Traffic Act 1974
- State Records Act 2000
- State Supply Commission Act 1991
- Water Corporations Act 1995

Australian Commonwealth Acts

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

The financial administration of the Trust and its Delegate are undertaken in conjunction with Health Support Services (HSS). The Delegate, the Trust and HSS have complied with the requirements of the *Financial Management Act 2006* and every other written law, and exercised controls which provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property and incurring of liability have been in accordance with legislative provisions.

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

AGENCY PERFORMANCE

Reports on Operations

CAMPUS MANAGEMENT AND PLANNING

Leases

Progress continued in reviewing and consolidating lease arrangements for the campus's tenants with Ground Leases for all current tenants completed.

The Trust continued with finalising incidental leasehold, easement and licensing arrangements with existing tenants with respect to infrastructure not otherwise captured in existing formal building Ground Leases, (for example; sub-surface tunnels, air bridges and licensing grounds locations for artwork and other items). This work will be finalised during the 2020 – 2021 financial year.

As at 30 June 2020, NMHS was to return the Reserve building(s) known as TT Block to the Trust for its use. However, NMHS (as of March/April 2020) required (and continues to require) the use of TT Block to accommodate essential outpatient clinic services displaced by the COVID-19 Clinic (in C Block). NMHS has taken a “holding over” position in TT Block for upcoming months in order to continue utilisation of C Block as a COVID-19 Clinic. The holding over will cease as soon as operational changes allow, or on 30 June 2021, whichever occurs first.

NMHS has taken a “holding over” position in TT Block in order to continue utilisation of C Block as a COVID-19 Clinic.

Wayfinding

The Trust engaged professional consultants, Minale Tattersfield, to undertake a wayfinding review of the Campus, and develop a set of guidelines that will provide a framework of effective solutions to assist people to find their way around the campus. These approved wayfinding guidelines include a staged implementation plan according to priority elements and resourcing. Stakeholders across the campus have been kept informed of wayfinding developments throughout each stage of the review, and upgrades and feedback on wayfinding matters has been encouraged.

Plans for the latest phase of wayfinding were finalised during the year in review after a consultation period with stakeholders. The installation of these signs is scheduled for the second half of 2020.

Tenant Charging



Plans for the latest phase of wayfinding were finalised during the year in review after a consultation period with stakeholders.

The application of the Trust's tenant "outgoings" charging model where tenants actively contribute to the cost of providing common area facilities and services continues.

The 2019/20 financial year is the fifth year in which the Trust has applied a full recovery methodology; prior to this there was a phased implementation to introduce tenants to the regime which commenced in July 2013. A standard Site Services Agreement (SSA) has been developed to formalise this process and has been included in lease negotiations. The SSA is the basis of the contractual agreement for the Trust/tenant relationship regarding tenant charging.

The SSA and tenant charging regime enables the Trust to provide appropriate common onsite facilities and services on a sustainable basis.

PARKING AND SUSTAINABLE ACCESS

Parking

The provision of sustainable parking and access to the campus remains a priority for all stakeholders. The QEII MC Parking Branch has continued to align its parking management strategy with the WA Health Access and Parking Strategy for Health Campuses in the Perth Metropolitan Area.

The maximum number of parking bays provided at the QEII MC is 5,350 (inclusive of 4,000 for staff, 150 "exempt" and 1,200 therefore for visitors), unless otherwise approved by the Western Australia Planning Commission (WAPC). The WAPC enforce this limit, in part, to ensure a sustainable limit of parking bays at QEII MC given the current level of local (commercial and residential) development, access road capabilities and associated "saturation" modelling. This takes into consideration the current available public transport options and looks toward an increase in public transport use in favour of single occupant vehicle use.

The 2019 QEII MC Trust Parking Strategy and the Parking Priority Policy continue to guide the sustainable access environment at the QEII MC while maximising the use of parking resources and promoting behaviour compliant with the QEII MC By-Laws. The Priority Policy is crucial to ensure the fair allocation of parking by using consistent methods to categorise applications and assigning permits using a transparent framework based on genuine needs. The Parking Strategy and Parking Priority Policy are allied with the Metropolitan Access Parking Department Parking Policy, under which the QEII MC is classed as a Category A Health Campus for accessibility purposes.

Improvements in both parking technology and the physical demarcation of visitor and staff parking areas have improved parking efficiency and increased the accuracy of parking bay utilisation data.

As a result, the Trust can report with confidence that at peak utilisation during week days, staff parking is 'full' and visitor parking is within a few percentage points of full. COVID-19 did however impact utilisation significantly in the final quarter of the year under review.

Alternative Transport

Use of public transport to access the QEIMC has continued to gradually increase, particularly by staff members, prior to the pandemic. As the number of parking bays available at the QEIMC is limited by WAPC sustainable planning requirements, the Trust has, within its statutory powers and authority, committed to facilitating alternative transport methods. This includes encouraging public transport and forms of active transport such as cycling and walking, and liaising with relevant State agencies seeking improved mass transport and access solutions for the QEIMC/UWA precinct and surrounding suburbs.


The QEIMC is well serviced by frequent bus services that connect with Perth's train lines. The QEIMC Trust continues to work closely with the Perth Transport Authority (PTA) to prioritise improved public transport to campus. After a period of PTA consultation, PTA commenced the new 96 bus route in July 2019. The 96 bus runs between UWA, QEIMC and Leederville Station, improving access to campus users in nearby suburbs and those travelling in on the Joondalup Train Line. In addition, a new 26 Bus service has commenced with regular buses from the City to Hollywood Private Hospital via QEIMC.

Existing services to QEIMC have also undergone regular review and improvements with increased frequencies and updated timetables seeing more buses arriving and departing at peak times and to better align with common shifts and train connections.

These updates now see QEIMC connected by six high frequency bus routes, with services operating every 15 minutes or less during peak periods, Monday to Friday. The ongoing demand for services will continue to inform routes and timetables and the Trust will continue to liaise with PTA regarding improving alternative access to campus.

The TravelSmart Junction office is open weekdays for all staff, visitors and patients, providing maps, information sheets, assistance with public transport route planning and timetables. Through the TravelSmart Junction, QEIMC staff and visitors are able to purchase SmartRider cards, and eligible staff have also been able to submit Corporate SmartRider applications for an additional discount subsidised by the Metropolitan Access and Parking Department.

TravelSmart also assists staff with access to the End of Trip (EOT) facilities on campus including managing the allocation and renewals of the PCH EOT facility lockers. The TravelSmart Hire Bike Fleet is available for prospective cyclists who would like to ride to work without committing to purchasing a bike or e-bike without first trialling their commute. The e-bikes are also on hand for QEIMC staff going off-campus for meetings, as an alternative to parking and driving.



The QEIMC is well serviced by frequent bus services that connect with Perth's train lines.

Access study

The Trust commenced an in-depth study of access and transport to and around the QEIMC to support discussion with government and other stakeholders regarding future needs and accessibility opportunities to assist campus development. The results of this study and associated access discussion paper will be delivered during the first half of the 2020 - 2021 Financial Year.

Queen Elizabeth II Medical Centre Volunteer Buggy Drivers

The Trust provides an internal buggy transport service. Staffed by a group of eleven volunteers, one of two electric powered buggies operates Monday to Friday providing a much needed service for patients and members of the general public needing help to get around the 28 hectare campus. While keeping an eye out for patients and visitors who may need help around campus, the volunteers also answer a mobile phone which can be called to request a pickup.

This service is under constant review, with patient, visitor, staff and volunteer feedback providing valuable insights into how the buggies can best serve them. Improvements have included the purchase of a new vehicle,

chosen for ease of navigating tight corners and for being quiet running, and buggy 'business cards' are supplied to help patients and visitors keep the contact number on hand.

The buggy service underwent a temporary closure from March 2020 in response to COVID-19 in order to ensure the safety of our volunteers and vulnerable patients who may use the buggy. The service is now under review for a gradual reopening under strict hygiene conditions when deemed safe.

The enthusiastic and dedicated volunteers contribute a combined total of over 1700 hours of service per year and individually, hold volunteering experience varying from one year, to more than twenty years at the QEIMC.

SMOKE FREE CAMPUS

WA Health policy requires all of its sites to be smoke free including the QEIMC. The sprawling 28 hectare QEIMC campus has an estimated turnover of well over 12,000 people in a 24 hour period. Achieving and maintaining a smoke free campus is a significant challenge given its size, numerous outdoor common areas and the lack of convenient access to appropriate off-campus areas for those who choose to smoke.



The smoke free campus message has been significantly expanded through the installation of bus shelter posters on Hospital Ave. These eye-catching posters, specifically designed for the QEIMC, are situated in areas of high pedestrian traffic and remind visitors and staff that there is no smoking anywhere on campus. In addition to these new bus shelter posters, no smoking symbols have been installed widely across campus on bins and benches to remind everyone that smoking is not permitted anywhere at the QEIMC, including car parks and all external perimeters of buildings.

The Trust has also been working with the Cancer Council and Curtin University by facilitating research into incidences of smoking on campus and attitudes towards smoking. This research has been postponed due to COVID-19 however is expected to resume in the future and will inform future smoke free projects and messaging. The Cancer Council has also provided training to Trust staff about how to advise people smoking on campus of our policy in a safe and non-confrontational way.

Since late 2017, a Smoke Free contractor has been engaged by the Trust on an ongoing contractual basis to educate visitors and remind, staff, visitors and patients on campus about the Government's No Smoking Policy and QEIMC By-Laws in order to provide a smoke free environment for the health and comfort of everyone at the QEIMC. This initiative aligns with existing government policy on smoking on WA Health campuses. This service has been suspended during the COVID-19 pandemic.

The Trust is committed to providing a healthy, supportive environment and continues to explore options and implement initiatives to achieve and maintain a smoke free campus status. The effectiveness of the current Smoke Free initiatives (including the physical presence and educational message provided by the Smoke Free Contractor) is reviewed by the Campus Smoke Free advisory committee made up of interested tenant representatives. The Trust and campus stakeholders regularly seek new ways to improve effectiveness of messaging on this important, but difficult topic.

Six monthly status reports are provided to government.



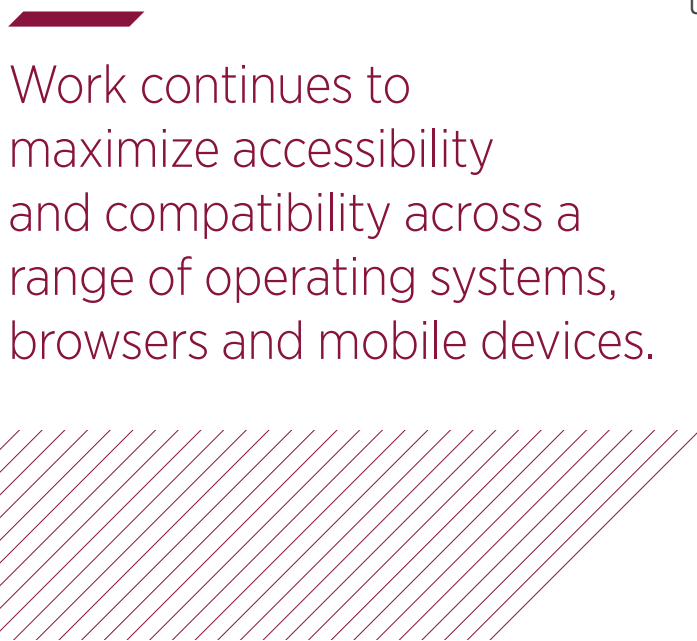
COMMUNICATIONS

Website

The new QEIMC Trust Website went live in May 2020. Work continues to maximize accessibility and compatibility across a wide range of operating systems, browsers and mobile devices. The new website was designed to better reflect the QEIMC with Trust logo colours and campus photos incorporated into a clean, contemporary layout. The headings and structure of the website have been redesigned, with clearer titles, fewer submenus and the use of icons/visual prompts to help guide visitors to the information and resources they need.

Feedback and records of website traffic were reviewed during development in order to streamline user experience and provide easy access to the most visited information. A noticeboard style news feed has also been included on the home page to keep stakeholders up to date with events and developments on campus.

The website will be under continuous review in order to keep content current and relevant to the needs of all stakeholders.



Work continues to maximize accessibility and compatibility across a range of operating systems, browsers and mobile devices.

Maps, brochures and publications

The Trust provides an extensive suite of maps and published material, in both printed and electronic formats, to inform the community of organisations, facilities and services on the campus. The QEIMC maps are available in print and on the QEIMC website. In late 2019 the QEIMC map underwent updates and redistribution across campus. Further updates have included the creation of maps for use with newly installed wayfinding.

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.

These resources are reviewed and updated regularly to include new developments on the campus and to address user feedback.

Online Communications

Regular electronic news bulletins are sent to QEIMC's tenants, providing short, targeted and timely information and updates regarding changes, improvements and disruptions to services around campus. Newsletters are also circulated electronically to tenants to provide updates on recent and upcoming Trust projects and events.



GARDENS AND GROUNDS

The Trust is committed to providing a high-quality public environment that supports the activities and aspirations of the QEIIHC's diverse community of health care, research and educational organisations. Maintenance of the existing grounds and gardens is an ongoing priority.

New reticulation and planting was undertaken along the perimeter of PCH to resolve issues from the PCH build period.

Although not part of the QEIIHC, 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 landscapes and manages the grounds of the compensating basin area surrounding this "lake" to support and sustain its aesthetic appeal for local residents, patients, visitors and staff. Stormwater drainage is supplemented by bore water extracted on the campus. The QEIIHC Trust also arranged and funded works to reinforce two pedestrian bridges adjacent to the compensating basin to make them more structurally sound for the next 15-20 years.

SIGNIFICANT ISSUES

IMPACTING THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST

Current and emerging issues and trends

SERVICES, FACILITIES AND INFRASTRUCTURE

The QEIMC is an extremely vibrant and busy medical centre with an estimated over 1.8 million vehicle traffic movements at the campus annually and well over 12,000 employees working daily on the Campus. Access and parking will be a topic of continuing discussion, with data driven processes leading to potential solutions. The Access Study and Discussion Paper referred to previously will assist with this engagement.

The number of people travelling to and using the QEIMC facilities continues to rise. Pressure on existing operations and infrastructure mean they require ongoing upgrades and review. Regular maintenance programs are undertaken and assets are refurbished as funding allows.

Proposed and planned development will continue to impact on Campus amenity and it is the responsibility of the Trust to manage and control this impact in a positive manner within its resources.

FUNDING AND REVENUE

One of the Trust's main objectives is to maintain and improve financial sustainability and sound governance.

The 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, services and outgoing expenses.
- Revenue from its campus "outgoings" tenant charging arrangements will meet routine campus management, maintenance and gardening expenses as well as minor capital work expenses for the campus on an equitable allocation basis.

The Trust continues its business development program focusing on implementing sustainable funding strategies for the short and long term enhancement of the QEIMC.

Limited staff resources in a constrained environment continue to impact the timely completion of some activities and projects. The COVID-19 pandemic has created delays on some planned and in-progress works such as some infrastructure improvements and tenant related repairs and maintenance. The Trust regularly reviews the prioritization 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 Trust to expeditiously meet some of its campus objectives.

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

The Trust continues to be involved as a critical stakeholder along with UWA and local councils, with the debate over the type and planning of a light rail/mass public transport system to assist in transporting people to, from and around the QEIMC campus, and surrounding precinct. The Trust is also a key stakeholder in the State and City of Perth Special Activity Centre planning for the UWA/QEIMC area.



DISCLOSURES AND LEGAL COMPLIANCE



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

THE QUEEN ELIZABETH II MEDICAL CENTRE TRUST

Report on the Financial Statements

Opinion

I have audited the financial statements of The Queen Elizabeth II Medical Centre Trust which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Summary of Consolidated Account Appropriations, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of The Queen Elizabeth II Medical Centre Trust for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Trust in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Board for the Financial Statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Trust.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by The Queen Elizabeth II Medical Centre Trust. The controls exercised by the Trust are those policies and procedures established by the Board 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 (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, 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 2020.

The Board's Responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of The Queen Elizabeth II Medical Centre Trust for the year ended 30 June 2020. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, 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 2020.

The Board's Responsibility for the Key Performance Indicators

The Board 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 internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory 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 2020 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
4 September 2020

Certification of Financial Statements

For the year ended 30 June 2020

The accompanying financial statements of the Queen Elizabeth II Medical Centre Trust have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2020 and the financial position as at 30 June 2020.


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



S Cole
Chair
Queen Elizabeth II Medical Centre Trust
Date: 28 August 2020



S Biggs
Deputy Chair
Queen Elizabeth II Medical Centre Trust
Date: 28 August 2020



M Hutchings
Chief Finance Officer
Queen Elizabeth II Medical Centre Trust
Date: 28/8/20

The Queen Elizabeth II Medical Centre Trust

Statement of Comprehensive Income

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1	2,247,535	2,195,227
Board member remuneration	9.4	56,270	56,041
Depreciation expense	5.1, 5.2	744,336	570,803
Repairs, maintenance and consumable equipment	3.2	1,119,759	1,211,625
Management fees	3.3	3,928,668	4,314,774
Finance costs	7.3	346	-
Other expenses	3.4	1,730,725	2,086,806
Total cost of services		9,827,639	10,435,276
INCOME			
Revenue			
Parking fees received	4.2	3,928,668	4,314,774
Car park operator licence fees	4.3	2,325,907	2,291,710
Other revenue	4.4	4,192,704	4,229,050
Total revenue		10,447,279	10,835,534
Total income other than income from State Government		10,447,279	10,835,534
NET INCOME/(COST) OF SERVICES		619,640	400,258
INCOME FROM STATE GOVERNMENT			
Service appropriation	4.1.1	679,000	744,000
Services received free of charge	4.1.2	87,660	33,235
Total income from State Government		766,660	777,235
SURPLUS/(DEFICIT) FOR THE PERIOD		1,386,300	1,177,493
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation reserve		-	285,348
Total other comprehensive income/(loss)		-	285,348
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		1,386,300	1,462,841

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 2020

	Note	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7.1	9,225,636	8,794,516
Receivables	6.1	742,035	122,453
Right of use assets	5.2	7,872	-
Other current assets	6.3	21,487	3,193
Total Current Assets		9,997,030	8,920,162
Non-Current Assets			
Restricted cash and cash equivalents	7.1	33,000	24,000
Amounts receivable for services	6.2	10,858,159	10,179,159
Infrastructure, property, plant and equipment	5.1	15,243,617	15,919,976
Total Non-Current Assets		26,134,776	26,123,135
Total Assets		36,131,806	35,043,297
LIABILITIES			
Current Liabilities			
Payables	6.4	557,944	1,107,906
Employee related provisions	3.1	268,922	221,056
Contract liabilities	6.5	557,486	434,520
Other current liabilities	6.6	200	427
Lease liabilities	7.2	7,954	-
Total Current Liabilities		1,392,506	1,763,909
Non-Current Liabilities			
Employee related provisions	3.1	175,954	125,342
Total Non-Current Liabilities		175,954	125,342
Total Liabilities		1,568,460	1,889,251
NET ASSETS		34,563,346	33,154,046
EQUITY			
Contributed equity	9.9	1,998,256	1,975,256
Reserves	9.9	33,311,856	33,311,856
Accumulated surplus/(deficit)	9.9	(746,766)	(2,133,066)
TOTAL EQUITY		34,563,346	33,154,046

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

Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	Contributed equity \$	Reserves \$	Accumulated surplus/ (deficit) \$	Total equity \$
Balance at 1 July 2018		-	33,026,508	(3,310,559)	29,715,949
Surplus/(deficit)		-	-	1,177,493	1,177,493
Other comprehensive income	9.9	-	285,348	-	285,348
Total comprehensive income for the period		-	285,348	1,177,493	1,462,841
Transactions with owners in their capacity as owners:	9.9				
Other contributions by owners		1,975,256	-	-	1,975,256
Total		1,975,256	-	-	1,975,256
Balance at 30 June 2019		1,975,256	33,311,856	(2,133,066)	33,154,046
Balance at 1 July 2019		1,975,256	33,311,856	(2,133,066)	33,154,046
Surplus/(deficit)		-	-	1,386,300	1,386,300
Other comprehensive income	9.9	-	-	-	-
Total comprehensive income for the period		-	-	1,386,300	1,386,300
Transactions with owners in their capacity as owners:					
Capital appropriations	9.9	23,000	-	-	23,000
Total		23,000	-	-	23,000
Balance at 30 June 2020		1,998,256	33,311,856	(746,766)	34,563,346

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 2020

	Notes	2020 \$	2019 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		-	-
Capital appropriations		23,000	-
Net cash provided by State Government	7.1.3	23,000	-
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(2,146,959)	(2,170,532)
Board member remuneration		(42,889)	(56,041)
Supplies and services		(6,570,742)	(7,641,013)
Interest expense - lease liabilities		(346)	-
Receipts			
Receipts from customers		4,299,879	4,675,721
Car park operator licence fees		1,739,897	2,291,710
Other receipts		3,922,631	4,287,117
Net cash provided by / (used in) operating activities	7.1.2	1,201,471	1,386,962
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(765,542)	(2,604,582)
Net cash provided by / (used in) investing activities		(765,542)	(2,604,582)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Repayment of lease liabilities		(18,810)	-
Net cash used in financing activities		(18,810)	-
Net increase/(decrease) in cash and cash equivalents		440,119	(1,217,620)
Cash and cash equivalents at the beginning of the period		8,818,517	10,036,137
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.1.1	9,258,636	8,818,517

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

The Queen Elizabeth II Medical Centre Trust

Summary of Consolidated Account Appropriations

For the year ended 30 June 2020

	2020 Budget Estimate	2020 Supplementary Funding	2020 Revised Budget	2020 Actual	2020 Variance
<u>Delivery of Services</u>					
Item 51 Net amount appropriated to deliver services	673,000	-	673,000	679,000	(6,000)
<u>Capital</u>					
Item 125 Capital appropriations	14,000	-	14,000	23,000	(9,000)
GRAND TOTAL	687,000	-	687,000	702,000	(15,000)

No supplementary income was received by the agency.

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

1 Basis of preparation

The Queen Elizabeth II Medical Centre Trust ("Trust") is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The entity is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Trust on 28 August 2020.

The reporting entity comprises the Trust's accounts and Delegate's accounts maintained under section 13 of the *Queen Elizabeth II Medical Centre Act 1966*.

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, as of 1 July 2016 the new *Health Services Act 2016* (WA) created Health Service statutory bodies to take over certain Health Services roles. The Health Service statutory body "North Metropolitan Health Service" has been designated with the responsibility for Delegate's activities. The Delegate undertakes transactions and holds assets and liabilities on behalf of the Trust.

Following advice from the State Solicitor's Office, the Delegate prepared the financial statements for the first time in the 2014-15 financial year 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.

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording. The Act and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement 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.

Where such modification has a material or significant financial effect upon the results reported in the financial statements, the statement of accounting policies or other notes to the financial statements shall include:

- (i) the fact that the Australian Accounting Standard or Australian Accounting Interpretation has been modified by a Treasurer's instruction, the nature of the modification and identification of the relevant Treasurer's instruction; and
- (ii) the financial effects of the modification where practicable.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar (\$).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

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 TI 955 '*Contributions by Owners made to Wholly Owned Public Sector Entities*' and have been credited directly to Contributed equity.

The transfers 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.

Notes to the Financial Statements
For the year ended 30 June 2020

2 The Trust outputs

	Notes
The Trust's objectives	2.1

How the Trust operates

This section includes information regarding the nature of funding the Trust receives and how this funding is utilised to achieve the Trust's objectives. This note also provides the distinction between controlled funding and administered funding:

2.1 The Trust's objectives

Objective

The objectives of the Trust is to ensure the Queen Elizabeth II Medical Centre (QEIMC) Reserve is developed within the existing geographic, environmental and functional constraints in a planned and methodical way and in accordance with the purpose of the *Queen Elizabeth II Medical Centre Act 1966*.

The Trust is also responsible for ensuring the development of the QEIMC site is achieved through a cooperative approach between the QEIMC Trust, site tenants, and the relevant academic and professional schools of learning providing teaching and research resources to the Medical Centre and the State as well as the provision of appropriate onsite facilities to support the clinical teaching of undergraduates and graduates in medicine, nursing and allied health profession.

To gain an understanding as to how the Trust obtains its funding please see note 4 Our funding sources

The Trust has only one service which is the development, management and administration of the QEIMC site.

Notes to the Financial Statements
For the year ended 30 June 2020

3 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Trust's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Trust in achieving its objectives and the relevant notes are:

	Notes	2020 \$	2019 \$
Employee benefits expense	3.1 (a)	2,247,535	2,195,227
Employee related provisions	3.1 (b)	444,876	346,398
Repairs, maintenance and consumable equipment	3.2	1,119,759	1,211,625
Management fees	3.3	3,928,668	4,314,774
Other expenses	3.4	1,730,725	2,086,806

	2020 \$	2019 \$
3.1(a) Employee benefits expense		
Employee Benefits	2,082,608	2,043,587
Superannuation - defined contribution plans	164,927	151,640
Total employee benefits expense	2,247,535	2,195,227

Employee Benefits: Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees. The Trust did not provide any non-monetary benefits to employees and did not pay any fringe benefits tax during the reporting period.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

AASB 16 Non-monetary benefits: Employee benefits in the form of non-monetary benefits, such as the provision of motor vehicles or housing, are measured at the cost. The Trust did not provide any non-monetary benefits during the year.

Notes to the Financial Statements
For the year ended 30 June 2020

	2020 \$	2019 \$
3.1 (b) Employee related provisions		
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.		
Current		
Annual leave ^(a)	198,204	153,203
Long service leave ^(b)	70,718	67,853
	<u>268,922</u>	<u>221,056</u>
Non-current		
Long service leave ^(b)	175,954	125,342
Total employee related provisions	<u>444,876</u>	<u>346,398</u>

(a) Annual leave liabilities: 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	109,012	84,261
More than 12 months after the end of the reporting period	89,192	68,942
	<u>198,204</u>	<u>153,203</u>

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) Long service leave liabilities: 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.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	15,558	14,928
More than 12 months after the end of the reporting period	231,114	178,267
	<u>246,672</u>	<u>193,195</u>

The provision for long service leave liabilities are calculated at present value as the Trust does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and 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.

Key sources of estimation uncertainty - long service leave

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.

Several estimates and assumptions are used in calculating the Trust's long service leave provision. These 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.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

Notes to the Financial Statements
For the year ended 30 June 2020

	2020 \$	2019 \$
3.2 Repairs, maintenance and consumable equipment		
Repairs and maintenance	1,112,858	1,203,170
Consumable equipment	6,901	8,455
	1,119,759	1,211,625
3.3 Management fees		
Management fees for At-Grade Car Parks ^(a)	3,928,668	4,314,774
(a) Management fees for At-Grade Car Parks are lower than 2018/19 due to the impact of COVID-19 on at-grade parking utilisation.		
3.4 Other expenses		
Communications	6,589	14,171
Computer services	30,093	23,610
Consultancies	347,661	755,403
Direct invoice parking bays ^(a)	255,245	305,774
Chargeable parking bays for user groups ^(a)	70,210	90,793
Reversal of impairment for receivables (note 6.1.1)	2,380	(460)
Employee related expenses ^(b)	20,577	34,852
Legal expenses	171,337	60,543
Motor vehicle expenses	3,299	7,499
Operating lease expenses	-	26,943
Printing and stationery	28,064	18,322
Purchase of external services	459,822	457,945
Public transport expenses	87,118	92,187
Services provided by Health Support Services ^(c)	87,660	33,235
Other	160,670	165,987
	1,730,725	2,086,806

(a) International Parking Group (IPG) 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, workers' compensation insurance and transport costs. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(c) Services received free of charge from Health Support Services. Refer to Note 4.1.2.

Notes to the Financial Statements

For the year ended 30 June 2020

4 Our funding sources

How we obtain our funding

This section provides additional information about how the Trust obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Trust and the relevant notes are:

	Notes	2020 \$	2019 \$
Income from State Government	4.1		
Service appropriation	4.1.1	679,000	744,000
Services received free of charge	4.1.2	87,660	33,235
Parking fees received	4.2	3,928,668	4,314,774
Car park operator licence fees	4.3	2,325,907	2,291,710
Other revenue	4.4	4,192,704	4,229,050

	2020 \$	2019 \$
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4.1 Income from State Government

4.1.1 Service appropriation

Service appropriation (funding via the Department of Health)	679,000	744,000
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Service Appropriations: are recognised as income at the fair value of consideration received 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.

Service appropriations fund the net cost of services delivered. Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

4.1.2 Services received free of charge

Services received from Health Support Services (HSS)	87,660	33,235
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Services received free of charge: Services received free of charge or for nominal cost, are recognised as income equivalent to the fair value of those services that can be reliably determined and which would have been purchased if they were not donated.

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

Notes to the Financial Statements
For the year ended 30 June 2020

	2020 \$	2019 \$
4.2 Parking fees received		
Parking fees received under the Parking Agreement ^{(a) (b)}	3,928,668	4,314,774

(a) In June 2011, the State entered into a project agreement with Project Co (Capella up until December 2019) to build and operate a multi-deck car park on the Queen Elizabeth II Medical Centre site. This agreement entitled Project Co 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. In December 2019 Capella Parking Pty Ltd sold its interest in the car parks to International Parking Group (IPG).

Statutory responsibility for the At-Grade Car Parks remains with the Trust through the North Metropolitan Health Service as the Delegate (see note 1 Basis of Preparation'). As part of the project arrangements, the Delegate entered into an 'At-Grade Car Parks Management Agreement' for a period of 26 years with Project Co under which Project Co is appointed to operate and manage these car parks (see also note 4.3 below). In this context, IPG 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 IPG the equivalent of the parking fees collected in the form of a car park management fee (see note 3.3).

(b) Parking fees are lower than 2018/19 due to the impact of COVID-19 on at-grade parking utilisation.

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable.

From 1 July 2019, revenue is recognised at the transaction price at the time when the performance obligations for the car park user fees and fines are satisfied.

The 'At-Grade Car Parks Management Agreement' specifies the performance obligations and collection and payment of parking fees revenue by Project Co to the Trust through the Delegate.

4.3 Car park operator licence fees	2,325,907	2,291,710
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In June 2011, the Trust's statutory delegate entered into an 'At-Grade Car Parks Management Agreement' for a period of 26 years with Project Co. From 10 October 2012, Project Co is responsible for the operations and management of at-grade car parking on the site (see also note 4.2 above). In consideration for the grant of the licence to access, use and occupy the at-grade car parks, IPG (car park operator) is obliged to make licence fee payments to the Trust (as beneficiary to the agreement).

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable.

From 1 July 2019, revenue is recognised over time at the transaction price in accordance with the 'At-Grade Car Parks Management Agreement' which specifies the performance obligations and amount of licence fee payable.

4.4 Other revenue

Tenant charges ^(a)	3,554,513	3,545,480
Services to external organisations ^(b)	229,303	218,272
Other parking fees	100,535	137,971
Fines and penalties	256,218	256,609
Other	52,135	70,718
	4,192,704	4,229,050

(a) Comprises of cost recovery for services charged to tenants.

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

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable.

From 1 July 2019, revenue is recognised over time at the transaction price. In particular, tenant charges are recognised in accordance with the tenant's 'Site Services Agreement'.

Other parking fees, fines and penalties are recognised at the time when the services have been provided and payments are received.

Notes to the Financial Statements

For the year ended 30 June 2020

5 Key assets

Assets the Trust utilises for economic benefit or service potential

This section includes information regarding the key assets the Trust utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020 \$	2019 \$
Infrastructure, property, plant and equipment	5.1	15,243,617	15,919,976
Depreciation and amortisation expense	5.1.1	725,444	570,803
Right-of-use assets	5.2	7,872	-

Notes to the Financial Statements

For the year ended 30 June 2020

5.1 Infrastructure, property, plant and equipment

	Land (a) & (b)	Site Infrastructure (c)	Other Plant & Equipment	Work In Progress	Total
Year ended 30 June 2019	\$	\$	\$	\$	\$
1 July 2018					
Gross carrying amount	420,000	11,052,143	28,664	1,038,304	12,539,111
Accumulated depreciation	-	(1,098,346)	(7,909)	-	(1,106,255)
Carrying amount at start of period	420,000	9,953,797	20,755	1,038,304	11,432,856
Additions	-	-	-	2,797,319	2,797,319
Transfers ^(d)	-	1,975,256	-	-	1,975,256
Revaluation increments/(decrements)	-	285,348	-	-	285,348
Depreciation	-	(568,007)	(2,796)	-	(570,803)
Carrying amount at 30 June 2019	420,000	11,646,394	17,959	3,835,623	15,919,976

- (a) Land and buildings were revalued as at 1 July 2018 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2019 and recognised at 30 June 2019. 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).
- (b) Information on fair value measurements is provided in note 8.3 'Fair value measurements'.
- (c) Site infrastructure was revalued as at 1 July 2018 by Rider Levett Bucknall WA Pty Ltd (Quantity Surveyor). The valuation was performed during the year ended 30 June 2019 and recognised at 30 June 2019. Fair value of site infrastructure was determined on the basis of depreciated replacement cost. Site infrastructure include roads, footpaths, paved areas, at-grade car parks, boundary walls, boundary fencing, boundary gates, covered ways, landscaping and improvements.
- (d) Residual site infrastructure assets acquired and constructed for the Perth Children's Hospital was transferred from the Health Ministerial Body

The infrastructure, property, plant and equipment should be read in conjunction with the accompanying notes.

	Land (a) & (b)	Site Infrastructure (c)	Other Plant & Equipment	Work In Progress	Total
Year ended 30 June 2020	\$	\$	\$	\$	\$
1 July 2019					
Gross carrying amount	420,000	11,661,412	28,664	3,835,623	15,945,699
Accumulated depreciation	-	(15,018)	(10,705)	-	(25,723)
Carrying amount at start of period	420,000	11,646,394	17,959	3,835,623	15,919,976
Additions (include clearing)	-	-	12,727	36,358	49,085
Transfers from work in progress	-	3,871,981	-	(3,871,981)	-
Revaluation increments/(decrements)	-	-	-	-	-
Depreciation	-	(722,330)	(3,114)	-	(725,444)
Carrying amount at 30 June 2020	420,000	14,796,045	27,572	-	15,243,617
Gross carrying amount	420,000	15,533,393	41,391	-	15,994,784
Accumulated depreciation	-	(737,348)	(13,819)	-	(751,167)

- (a) Land was revalued as at 1 July 2019 by the Western Australian Land Information Authority (Valuation Services). The valuation were performed during the year ended 30 June 2020 and recognised at 30 June 2020. 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).
- (b) Information on fair value measurements is provided in note 8.3 'Fair value measurements'.
- (c) Site infrastructure was revalued as at 1 July 2018 by Rider Levett Bucknall WA Pty Ltd (Quantity Surveyor). The valuation was performed during the year ended 30 June 2019 and recognised at 30 June 2019. Fair value of site infrastructure was determined on the basis of depreciated replacement cost. Site infrastructure include roads, footpaths, paved areas, at-grade car parks, boundary walls, boundary fencing, boundary gates, covered ways, landscaping and improvements.

Notes to the Financial Statements

For the year ended 30 June 2020

5.1 Property, plant and equipment (continued)

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure 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).

Assets transferred as part of a machinery of government change are transferred at their fair value.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land
- buildings; and
- infrastructure

Land is carried at fair value.

Buildings and infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2019 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2020 and recognised at 30 June 2020. In undertaking the revaluation, fair value was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land): \$420,000 (2019: \$420,000).

Infrastructure is independently valued every 3 to 5 years by quantity surveyors. Infrastructure assets were independently revalued by Rider Levett Bucknall WA Pty Ltd as at 30 June 2019. The valuations were recognised at 30 June 2019.

Fair value for infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Revaluation model:

(a) Fair Value where market-based evidence is available:

The fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

(b) Fair value in the absence of market-based evidence:

Buildings and infrastructure are specialised or where land is restricted: Fair value of land, buildings and infrastructure is determined on the basis of existing use.

Existing use buildings and infrastructure: Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Where the fair value of buildings and infrastructure is determined on the current replacement cost basis, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

Restricted use land: Fair value 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).

Significant assumptions and judgements: 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.

Notes to the Financial Statements

For the year ended 30 June 2020

5.1 Property, plant and equipment (continued)	2020	2019
	\$	\$
5.1.1 Depreciation and impairment		
Charge for the period		
<u>Depreciation</u>		
Site infrastructure	722,330	568,007
Plant and equipment	3,114	2,796
	725,444	570,803

As at 30 June 2020 there were no indications of impairment to property, plant and equipment or infrastructure

Finite useful lives

All infrastructure, property, plant and equipment 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. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

<u>Asset</u>	<u>Useful life</u>
Site infrastructure	50 years
Plant and equipment	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Significant assumptions and judgements: 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.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Trust is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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 the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

Notes to the Financial Statements
For the year ended 30 June 2020

5.2 Right-of-use assets

	Plant, equipment and vehicles \$	Total \$
Year ended 30 June 2020		
At 30 June 2019		
Opening net carrying amount	-	-
Recognition of right-of-use assets on initial application of AASB 16	26,764	26,764
Restated opening carrying amount	26,764	26,764
1 July 2019		
Gross carrying amount	26,764	26,764
Accumulated depreciation	-	-
Accumulated impairment loss	-	-
Carrying amount at start of period	26,764	26,764
Additions	-	-
Transfers	-	-
Disposals	-	-
Impairment losses	-	-
Impairment losses reversed	-	-
Depreciation	(18,892)	(18,892)
Carrying amount at 30 June 2020	7,872	7,872
Gross carrying amount	26,764	26,764
Accumulated depreciation	(18,892)	(18,892)
Accumulated impairment loss		

Notes to the Financial Statements

For the year ended 30 June 2020

5.2 Right-of-use assets (continued)

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

The Trust has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Trust at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1

The following amounts relating to leases have been recognised in the statement of comprehensive income

	2020	2019
	\$	\$
Depreciation expense of right-of-use assets	18,892	-
Lease interest expense	346	-
Total amount recognised in the statement of comprehensive income	19,238	-

The total cash outflow for leases in 2020 was \$19,156

The Trust's leasing activities and how these are accounted for:

The Trust has one lease for Plant and Equipment.

Up to 30 June 2019, the Trust classified leases as either finance leases or operating leases. From 1 July 2019, the Trust recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.2.

Notes to the Financial Statements
For the year ended 30 June 2020

6 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Trust's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2020 \$	2019 \$
Receivables	6.1	742,035	122,453
Amounts receivable for services	6.2	10,858,159	10,179,160
Other current assets	6.3	21,487	3,193
Payables	6.4	557,944	1,107,906
Contract liabilities	6.5	557,486	434,520
Other current liabilities	6.6	200	427

	2020 \$	2019 \$
6.1 Receivables		
Current		
Fines and penalties receivables	61,840	67,215
Other receivables	687,698	72,105
Allowance for impairment of receivables	(31,356)	(28,976)
GST Receivables	23,853	12,109
	742,035	122,453

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Accounting procedure for Goods and Services Tax

Rights to collect amounts receivable from the Australian Taxation Office 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 entities in the GST group include the Department of Health, Child and Adolescent Health Service, East Metropolitan Health Service, North Metropolitan Health Service, South Metropolitan Health Service, WA Country Health Service, Health Support Services, PathWest Laboratory Medicine WA, Queen Elizabeth II Medical Centre Trust, Quadriplegic Centre, Mental Health Commission, 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.

6.1.1 Movement of the allowance for impairment of receivables

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	28,976	29,436
Impairment losses reversed during the period	2,380	(460)
Balance at end of period	31,356	28,976

The maximum exposure to credit risk at the end of the reporting period for receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 8.1 (c) 'Financial instruments disclosures'.

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

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.

Notes to the Financial Statements

For the year ended 30 June 2020

	2020 \$	2019 \$
6.2 Amounts receivable for services (Holding Account)		
Non-current		
Amounts receivable for services	10,858,159	10,179,159

Amounts receivable for services represent the non-cash component of service appropriation. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are considered not impaired (i.e. there is no expected credit loss of the holding accounts).

6.3 Other assets

Current		
Prepayments	21,487	3,193

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

6.4 Payables

Current		
Trade creditors	109,989	806,743
Accrued expenses	402,589	269,045
Accrued salaries	45,366	32,118
	557,944	1,107,906

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 settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Trust considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (see Note 7.1.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from Trust appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.5 Contract Liabilities

Contract liabilities ^(a)	557,486	434,520
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(a) Includes tenant charges of \$557,486 received in advance.

Tenant charges received in advance has been reclassified from Other current liabilities to Contract liabilities due to the application of AASB 15 and AASB 1058 from 1 July 2019.

6.6 Other current liabilities

Refundable deposits	200	100
Other	-	327
	200	427

Notes to the Financial Statements

For the year ended 30 June 2020

7 Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Trust.

	Notes	2020 \$	2019 \$
Cash and cash equivalents	7.1		
Reconciliation of cash	7.1.1	9,258,636	8,818,516
Reconciliation of net cost of services to net cash flows used in operating activities	7.1.2	1,201,471	1,386,962
Reconciliation of income from State Government to cash flows from State Government	7.1.3	23,000	-
Lease liabilities	7.2	7,954	-
Finance costs	7.3	346	-
Commitments	7.4		
Licence Fee receivables	7.4.1	42,705,000	44,159,500
Capital expenditure commitments	7.4.2	-	48,613
Expenditure commitments	7.4.3	311,947	103,180

	2020 \$	2019 \$
7.1 Cash and cash equivalents		
7.1.1 Reconciliation of cash		
Cash and cash equivalents	9,225,636	8,794,516
Restricted cash and cash equivalents		
Accrued salaries suspense account ^(a)	33,000	24,000
	9,258,636	8,818,516

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted 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.

7.1.2 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services (Statement of Comprehensive Income)		619,640	400,258
	Notes		
Non-cash items:			
Reversal of impairment for receivables	6.1.1	2,380	(460)
Depreciation and impairment expense	5.1.1, 5.2	744,336	570,803
Services received free of charge	4.1.2	87,660	33,235
Increase/(decrease) in assets:			
GST receivable		(11,744)	4,300
Other current receivables		(610,218)	(15,047)
Prepayments and other current assets		(18,294)	195
Decrease/(increase) in liabilities:			
Payables		166,493	(62,220)
Current provisions		47,866	(14,473)
Non-current provisions		50,612	35,824
Income received in advance		122,966	434,520
Other liabilities		(227)	27
Net cash used in operating activities (Statement of Cash Flows)		1,201,471	1,386,962

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

	2020 \$	2019 \$
7.1.3 Reconciliation of income from State Government to cash flows from State Government		
Service appropriation as per Statement of Comprehensive Income	679,000	744,000
Capital appropriations	23,000	-
Less non-cash items:		
Accrual appropriations	(679,000)	(744,000)
Cash Flows from State Government as per Statement of Cash Flows	23,000	-

7.2 Lease liabilities

Lease liabilities

Current	7,954	-
Non-current	-	-
Total lease liabilities	7,954	-

The Trust measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Trust uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Trust as part of the present value calculation of lease liability include:

- *Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- *Variable lease payments that depend on an index or rate initially measured using the index or rate as at the commencement date;
- *Amounts expected to be payable by the lessee under residual value guarantees;
- *The exercise price of purchase options (where these are reasonably certain to be exercised);
- *Payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Trust if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Trust in profit or loss in the period in which the condition that triggers those payments occurs. This section should be read in conjunction with note 5.2.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

Notes to the Financial Statements
For the year ended 30 June 2020

7.3 Finance Costs

	2020 \$	2019 \$
Lease interest expense	346	-

Finance cost' includes the interest component of lease liability repayments.

7.4 Commitments

The commitments below are inclusive of GST where relevant.

7.4.1 Licence Fee receivables

The future minimum payments receivables are as follows:

Within 1 year	2,340,000	2,294,000
Later than 1 year, and not later than 5 years	9,360,000	9,176,000
Later than 5 years	31,005,000	32,689,500
Total receivables	42,705,000	44,159,500

Licence Fees receivable relate to receivables from International Parking Group (IPG) under the 'At-Grade Car Parks Management Agreement'. See note 4.3 '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.

7.4.2 Capital expenditure commitments:

Capital expenditure commitments being contracted capital expenditure additional to the amounts reported in the financial statements are payable as follows:

Within 1 year	-	48,613
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7.4.3 Expenditure commitments:

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	311,947	103,180
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Notes to the Financial Statements
For the year ended 30 June 2020

8 Risks and Contingencies

This note sets out the key risk management policies and measurement techniques of the Trust.

	Notes
Financial risk management	8.1
Contingent assets and liabilities	8.2
Contingent assets	8.2.1
Contingent liabilities	8.2.2
Fair value measurements	8.3

8.1 Financial risk management

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

(a) Summary of risks and risk management

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 asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Financial instruments disclosures' and Note 6.1 'Receivables'.

Credit risk associated with the Trust's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the Trust trades only with recognised, creditworthy third parties. The Trust has policies in place to ensure that sales of products and services are made to customers with 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 has appropriate procedures to manage cash flows including drawdown 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 [for example, equity securities or commodity prices changes]. The Trust's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

The Trust is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings other than the Treasurer's advance (non-interest bearing).

(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:

	2020 \$	2019 \$
<u>Financial Assets</u>		
Cash and cash equivalents	9,225,636	8,794,516
Restricted cash and cash equivalents	33,000	24,000
Loans and receivables ^(a)	11,576,341	10,289,503
Total Financial Assets	20,834,977	19,108,019
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	565,898	1,107,906
Total Financial Liabilities	565,898	1,107,906

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

The Queen Elizabeth II Medical Centre Trust
Notes to the Financial Statements
For the year ended 30 June 2020

8.1 Financial instruments (continued)

(c) Credit risk exposure

The following table details the credit risk exposure on the Trust's trade receivables using a provision matrix.

	Total \$	Current \$	Days past due			
			< 30 days \$	31 - 60 days \$	61 - 90 days \$	> 91 days \$
30 June 2020						
Expected credit loss rate		1.19%	14.28%	0.06%	25.82%	48.62%
Estimated total gross carrying amount at default	749,539	36,412	2,597	646,201	4,770	59,558
Expected credit losses	(31,356)	(432)	(371)	(365)	(1,231)	(28,957)
30 June 2019						
Expected credit loss rate		0.00%	0.00%	14.63%	50.00%	60.94%
Estimated total gross carrying amount at default	139,319	67,416	17,904	7,176	5,535	41,288
Expected credit losses	(28,979)	-	-	(1,050)	(2,768)	(25,161)

The Queen Elizabeth II Medical Centre Trust
Notes to the Financial Statements
For the year ended 30 June 2020

8.1 Financial instruments (continued)

(d) 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

2020										
Financial Assets										
-	Cash and cash equivalents	9,225,636	-	-	9,225,636	9,225,636	9,225,636	-	-	-
-	Restricted cash and cash equivalents	33,000	-	-	33,000	33,000	-	-	-	33,000
-	Receivables - non interest bearing ^(a)	718,182	-	-	718,182	718,182	718,182	-	-	-
-	Amounts receivable for services	10,858,159	-	-	10,858,159	10,858,159	-	-	-	10,858,159
		20,834,977	-	-	20,834,977	20,834,977	9,943,818	-	-	10,891,159
Financial Liabilities										
-	Payables	557,944	-	-	557,944	557,944	557,944	-	-	-
2.1%	Lease liabilities	7,954	7,954	-	-	7,982	4,789	3,193	-	-
		565,898	7,954	-	557,944	565,926	562,733	3,193	-	-

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

The Queen Elizabeth II Medical Centre Trust
Notes to the Financial Statements
For the year ended 30 June 2020

8.1 Financial instruments (continued)

(d) Liquidity risk and interest rate exposure (continued)

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

	Weighted average effective interest rate %	Interest rate exposure				Nominal Amount \$	Maturity dates			
		Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$		Up to 3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$
2019										
Financial Assets										
-		8,794,516	-	-	8,794,516	8,794,516	8,794,516	-	-	-
-		24,000	-	-	24,000	24,000	-	-	-	24,000
-		110,344	-	-	110,344	110,344	110,344	-	-	-
-		10,179,159	-	-	10,179,159	10,179,159	-	-	-	10,179,159
		19,108,019	-	-	19,108,019	19,108,019	8,904,860	-	-	10,203,159
Financial Liabilities										
-		1,107,906	-	-	1,107,906	1,107,906	1,107,906	-	-	-
		1,107,906	-	-	1,107,906	1,107,906	1,107,906	-	-	-

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

Notes to the Financial Statements

For the year ended 30 June 2020

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

8.2.1 Contingent assets

At the reporting date, the Trust is not aware of any contingent assets.

8.2.2 Contingent liabilities

At the reporting date, the Trust is not aware of any contingent liabilities.

The following contingent liabilities are excluded from the liabilities included in the financial statements

Contaminated sites

Under the *Contaminated Sites Act 2003* the Trust is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Trust may have a liability in respect of investigation or remediation expenses.

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

8.3 Fair value measurements

(a) Fair value hierarchy

The following table represents the Trust's assets measured and recognised at fair value at 30 June 2020.

	Notes	Level 1	Level 2	Level 3	Fair value at end of period
Assets measured at fair value:		\$	\$	\$	\$
2020					
Land	5.1				
Specialised		-	-	420,000	420,000
Site infrastructure	5.1				
Specialised		-	-	14,796,045	14,796,045
		-	-	15,216,045	15,216,045

Notes to the Financial Statements
For the year ended 30 June 2020

8.3 Fair value measurements (continued)

The following table represents the Trust's assets measured and recognised at fair value at 30 June 2019.

	Notes	Level 1	Level 2	Level 3	Fair value at end of period
Assets measured at fair value:					
2019		\$	\$	\$	\$
Land	5.1				
Specialised		-	-	420,000	420,000
Site infrastructure	5.1				
Specialised		-	-	11,646,394	11,646,394
		-	-	12,066,394	12,066,394

There were no transfers between Levels 1, 2 or 3 during the current and previous periods.

(b) Valuation techniques used to derive Level 3 fair values

Valuation processes

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuations and Property Analytics) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Infrastructure (Level 3 fair values)

Fair value for infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the quantity surveyor. The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings and infrastructure.

The effective age of the site infrastructure is initially calculated from the commissioning date, and is reviewed after the site infrastructure has undergone substantial renewal, upgrade or expansion.

The straight line method of depreciation is applied to derive the replacement cost, assuming a uniform pattern of consumption over the useful life with an assumed residual value.

Notes to the Financial Statements
For the year ended 30 June 2020

8.3 Fair value measurements (continued)

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

The following table represents the changes in level 3 items for the period ended 30 June 2020:

	Land	Site
	\$	infrastructure
		\$
2020		
Fair value at start of period	420,000	11,646,394
Additions and transfers from work in progress		3,871,981
Revaluation increments/(decrements)	-	-
Depreciation	-	(722,330)
Fair value at end of period	420,000	14,796,045

The following table represents the changes in level 3 items for the period ended 30 June 2019:

	Land	Site
	\$	infrastructure
		\$
2019		
Fair value at start of period	420,000	9,953,797
Additions and transfers from work in progress		1,975,256
Revaluation increments/(decrements)	-	285,348
Depreciation	-	(568,007)
Fair value at end of period	420,000	11,646,394

The Landgate Valuation Service determines the fair values of the Trust's land, and prior to 1 July 2014, also determined the fair values of site infrastructure. A quantity surveyor was engaged by the Department of Health to provide an update of the current replacement costs as at 1 July 2015 and 1 July 2018 for site infrastructure.

Notes to the Financial Statements

For the year ended 30 June 2020

9 Other disclosures

	Notes
Events occurring after the end of the reporting period	9.1
Initial application of Australian Accounting Standards	9.2
Future impact of Australian standards issued not yet operative	9.3
Key management personnel	9.4
Related party transactions	9.5
Related bodies	9.6
Affiliated bodies	9.7
Remuneration of auditors	9.8
Equity	9.9
Contributed equity	9.9.1
Asset revaluation reserve	9.9.2
Accumulated surplus (deficit)	9.9.3
Supplementary financial information	9.10
Reporting entity's accounts	9.11
Explanatory statement	9.12

9.1 Events occurring after the end of the reporting period

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

9.2 Initial application of Australian Accounting Standards

(a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price
- Allocating the transaction price to each of the performance obligations
- Recognising revenue as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the transaction price are allocated to each separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 Income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash) received by an entity.

The Trust adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Trust recognises the cumulative effect of initially applying the Standards as adjustments to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Trust applies the standards retrospectively only to contracts and transactions that are not completed contracts at the date of initial application.

Refer to Note 4.2 and 4.3 for the revenue and income accounting policies adopted from 1 July 2019.

Notes to the Financial Statements
For the year ended 30 June 2020

9.2 Initial application of Australian Accounting Standards (continued)

(b) AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases and related Interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Agency applies AASB 16 Leases from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Agency takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- a) right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019;
- b) depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and
- c) the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

The Agency measures concessionary leases that are of low value terms and conditions at cost at inception. There is no financial impact as the Agency is not in possession of any concessionary leases (as a lessee) at the date of transition.

The right-of-use assets are assessed for impairment at the date of transition and has not identified any impairments to its right-of-use assets.

On transition, the agency has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- (a) A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
- (b) The Agency has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. The Agency has adjusted the ROU asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the statement of financial position at 30 June 2019;
- (c) Where the lease term at initial application ended within 12 months, the Agency has accounted for these as short-term leases;
- (d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

a. Measurement of lease liabilities

Operating Lease Commitments disclosed as at 30 June 2019	29,851
Discounted using incremental borrowing rate at date of initial application	26,764
Add:	
Finance lease liabilities recognised as at 30 June 2019	-
Less:	
Short-term leases not recognised as liability	-
Low value leases not recognised as liability	-
Lease liability recognised at 1 July 2019	26,764
Current lease liabilities	18,810
Non-current lease liabilities	7,954

Notes to the Financial Statements
For the year ended 30 June 2020

9.3 Future impact of Australian Standards issued 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. Where applicable, the Trust plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 1059	<i>Service Concession Arrangements: Grantors</i>	1 Jan 2020
	<p>This Standard addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. Timing and measurement for the recognition of a specific asset class occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided.</p> <p>The Trust has identified that there is one potential service concession asset in scope of AASB 1059. This is the 'At-Grade Car Park' arrangement with Project Co. The implementation of AASB 1059 will require a reclassification of the service concession asset from site infrastructure to a service concession asset (as of 30 June 2020, current net book value is \$2,851,002). Revenue will be recognised when earned.</p>	
AASB 2018-6	<i>Amendments to Australian Accounting Standards – Definition of a Business</i>	1 Jan 2020
	<p>The Standard amends AASB 3 to clarify the definition of a business, assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.</p> <p>There is no financial impact</p>	
AASB 2018-7	<i>Amendments to Australian Accounting Standards – Definition of Material</i>	1 Jan 2020
	<p>The Standard principally amends AASB 101 and AASB 108. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.</p> <p>There is no financial impact.</p>	
AASB 2019-1	<i>Amendments to Australian Accounting Standards – Reference to the Conceptual Framework</i>	1 Jan 2020
	<p>This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB.</p> <p>There is no financial impact.</p>	
AASB 2019-2	<i>Amendments to Australian Accounting Standards – Implementation of AASB 1059</i>	1 Jan 2020
	<p>This Standard makes amendments to AASB 16 and AASB 1059 to: (a) amend the modified retrospective method set out in paragraph C4 of AASB 1059; (b) modify AASB 16 to provide a practical expedient to grantors of service concession arrangements so that AASB 16 would not need to be applied to assets that would be recognised as service concession assets under AASB 1059; and (c) include editorial amendments to the application guidance and implementation guidance accompanying AASB 1059.</p> <p>The Trust has identified that there is one potential service concession asset in scope of AASB 1059. This is the 'At-Grade Car Park' arrangement with Project Co. AASB 16 has not been applied to this service concession arrangement.</p>	
AASB 2020-1	<i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	1 Jan 2022
	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.</p> <p>There is no financial impact.</p>	

Notes to the Financial Statements
For the year ended 30 June 2020

	2020 \$	2019 \$
9.4 Key Management Personnel		
The Trust has determined that key management personnel include cabinet ministers and board members of the Trust. However, the Trust does not incur expenditures to compensate Ministers and those disclosures may be found in the <i>Annual Report on State Finances</i> .		
The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Trust for the reporting period are presented within the following bands:		
Compensation band (\$)		
\$0 – \$10,000	5	4
\$50,001 – \$60,000	1	1
	<u>6</u>	<u>5</u>
Short-term employee benefits ^(a)	51,526	51,312
Post-employment benefits ^(b)	4,744	4,729
Total compensation of members of the accountable authority	<u>56,270</u>	<u>56,041</u>

(a) The short term employee benefits includes salary, motor vehicle benefits, district and travel allowances incurred by the Trust in respect of senior officers.

(b) The post employment benefits represents the employer superannuation contributions.

Total compensation includes the superannuation expense incurred by the Trust in respect of senior officers.

9.5 Related party transactions

The Trust is a statutory authority established under the *Queen Elizabeth II Medical Centre Act 1966*.

Related parties of the Trust include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all board members and senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including their related bodies, that are included in the whole of government consolidated financial statements;
- associated and joint ventures, that are included in the whole of government consolidated financial statements; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

In conducting its activities, the Trust is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies.

Such transactions include:

- Income from State Government (note 4.1.1);
- Equity contributions (note 9.9)
- Superannuation payments to GESB (note 3.1)
- Insurance payments to the Insurance Commission and Riskcover fund (note 3.4)
- Remuneration for services provided by the Auditor General (note 9.8)

Material transactions with related parties

Outside of normal citizen type transactions with the Trust, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

9.6 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.

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

	2020	2019
	\$	\$

9.7 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.

9.8 Remuneration of auditor

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

Auditing the accounts, financial statements and key performance indicators	18,372	18,372
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9.9 Equity

9.9.1 Contributed Equity

The Western Australian Government holds the equity interest in the Trust on behalf of the community. Equity represents the residual interest in the net assets of the Trust. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets (note Income 'Reserves').

Balance at start of period	1,975,256	-
Contributions by owners ^(a)		
Transfer of land and building from Health Ministerial Body (HMB) ^(b)		1,975,256
Capital appropriation	23,000	
Balance at end of period	<u>1,998,256</u>	<u>1,975,256</u>

(a) AASB 1004 'Contributions' requires transfers of net assets as a result of a restructure of administrative arrangements to be accounted for as contributions by owners and distributions to owners.

TI 955 designates non-discretionary and non-reciprocal transfers of net assets between state government agencies as contributions by owners in accordance with AASB Interpretation 1038. Where the transferee Trust accounts for a non-discretionary and non-reciprocal transfer of net assets as a contribution by owners, the transferor Trust accounts for the transfer as a distribution to owners.

(b) Residual site infrastructure assets acquired and constructed for the Perth Children's Hospital was transferred from the Health Ministerial Body (HMB) to Queen Elizabeth II Medical Centre Trust as a non-discretionary transfer.

9.9.2 Asset revaluation reserve ^(a)

Balance at start of period	33,311,856	33,026,508
Net revaluation increments/(decrements) ^(b) :		
Land	-	
Site Infrastructure	-	285,348
Balance at end of period	<u>33,311,856</u>	<u>33,311,856</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.

9.9.3 Accumulated surplus / (deficit)

Balance at start of period	(2,133,066)	(3,310,559)
Result for the period	1,386,300	1,177,493
Balance at end of period	<u>(746,766)</u>	<u>(2,133,066)</u>

Notes to the Financial Statements
For the year ended 30 June 2020

9.10 Supplementary financial information

9.10.1 Not for profit

A number of not-for-profit organisations lease spaces from the Trust on a peppercorn (concessionary) rental basis.

Based on indicative market rental rates from the Landgate Valuation Services as at June 2020 (land only), the total net rental values of the not-for-profit leases for the financial year is \$6,375,000 (2019: \$6,375,000).

	Area (sqm)	Net Rent per annum \$
Tenant		
Cancer Foundation - Crawford Lodge	6,300	260,000
Lions Eye Institute	1,623	250,000
The Niche - Cystic Fibrous WA	6,200	615,000
Harry Perkins Institute of Medical Research	2,486	385,000
Ronald McDonald House	1,527	100,000
North Metropolitan Health Service	89,419	2,460,000
Child and Adolescent Health Service	22,488	930,000
PathWest Laboratory Medicine WA	5,781	575,000
University of Western Australia	8,568	800,000
	144,392	6,375,000
	2020	2019
	\$	\$
9.10.2 Write-Offs		
Revenue and debts written-off under the authority of the Accountable Authority	2,188	-
	2,188	-

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

9.11 Reporting Entity's Accounts

Statement of Comprehensive Income

COST OF SERVICES

Expenses

	2020 \$ Trust	2019 \$ Trust	2020 \$ Delegate	2019 \$ Delegate	2020 \$ Total	2019 \$ Total
Employee benefit expense	-	-	2,247,535	2,195,227	2,247,535	2,195,227
Board member remuneration	56,270	56,041	-	-	56,270	56,041
Depreciation expense	744,336	570,803	-	-	744,336	570,803
Repairs, maintenance and consumable equipment	-	-	1,119,759	1,211,625	1,119,759	1,211,625
Management fees	-	-	3,928,668	4,314,774	3,928,668	4,314,774
Finance costs	346	-	-	-	346	-
Other expenses	298,448	610,216	1,432,277	1,476,589	1,730,725	2,086,806
Total cost of services	1,099,400	1,237,060	8,728,239	9,198,215	9,827,639	10,435,276

INCOME

Revenue

Parking fees received	-	-	3,928,668	4,314,774	3,928,668	4,314,774
Car park operator licence fees	2,325,907	2,291,710	-	-	2,325,907	2,291,710
Other revenue	-	-	4,192,704	4,229,050	4,192,704	4,229,050
Total income other than income from State Government	2,325,907	2,291,710	8,121,372	8,543,824	10,447,279	10,835,534

NET INCOME / (COST) OF SERVICES

	1,226,507	1,054,650	(606,867)	(654,391)	619,640	400,258
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INCOME FROM STATE GOVERNMENT

Service appropriations	679,000	744,000	-	-	679,000	744,000
Services received free of charge	-	-	87,660	33,235	87,660	33,235
Total income from State Government	679,000	744,000	87,660	33,235	766,660	777,235

SUPPLUS / (DEFICIT) FOR THE PERIOD

	1,905,507	1,798,650	(519,207)	(621,156)	1,386,300	1,177,493
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OTHER COMPREHENSIVE INCOME / (LOSS)

Items not reclassified subsequently to profit or loss

Changes in asset revaluation reserve

		285,348	-	-	-	285,348
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	1,905,507	2,083,998	(519,207)	(621,156)	1,386,300	1,462,841

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

9.11 Reporting Entity's Accounts (continued)	2020	2019	2020	2019	2020	2019	2020	2019
Statement of Financial Position	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS	Trust	Trust	Delegate	Delegate	Elimination ^(a)	Elimination ^(a)	Total	Total
Current Assets								
Cash assets	6,578,028	4,664,141	2,647,608	4,130,375	-	-	9,225,636	8,794,516
Receivables	-	-	742,035	122,453	-	-	742,035	122,453
Amounts due from the Delegate	1,902,641	3,126,242	-	-	(1,902,641)	(3,126,242)	-	-
Right of use assets	7,872	-	-	-	-	-	7,872	-
Other current assets	-	-	21,487	3,193	-	-	21,487	3,193
Total Current Assets	8,488,541	7,790,383	3,411,130	4,256,021	(1,902,641)	(3,126,242)	9,997,030	8,920,162
Non-Current Assets								
Restricted cash and cash equivalents	-	-	33,000	24,000	-	-	33,000	24,000
Amounts receivable for services	10,839,142	10,160,142	19,017	19,017	-	-	10,858,159	10,179,159
Property, plant and equipment	15,243,617	15,919,976	-	-	-	-	15,243,617	15,919,976
Total Non-Current Assets	26,082,759	26,080,118	52,017	43,017	-	-	26,134,776	26,123,135
Total Assets	34,571,300	33,870,501	3,463,147	4,299,038	(1,902,641)	(3,126,242)	36,131,806	35,043,297
LIABILITIES								
Current Liabilities								
Payables	-	716,455	557,944	391,451	-	-	557,944	1,107,906
Amounts due to the Trust	-	-	1,902,641	3,126,242	(1,902,641)	(3,126,242)	-	-
Provisions	-	-	268,922	221,056	-	-	268,922	221,056
Contract liabilities	-	-	557,486	434,520	-	-	557,486	434,520
Other current liabilities	-	-	200	427	-	-	200	427
Lease liabilities	7,954	-	-	-	-	-	7,954	-
Total Current Liabilities	7,954	716,455	3,287,193	4,173,696	(1,902,641)	(3,126,242)	1,392,506	1,763,909
Non-Current Liabilities								
Provisions	-	-	175,954	125,342	-	-	175,954	125,342
Total Non-Current Liabilities	-	-	175,954	125,342	-	-	175,954	125,342
Total Liabilities	7,954	716,455	3,463,147	4,299,038	(1,902,641)	(3,126,242)	1,568,460	1,889,251
NET ASSETS	34,563,346	33,154,046	-	-	-	-	34,563,346	33,154,046
EQUITY								
Contributed equity	1,998,256	1,975,256	-	-	-	-	1,998,256	1,975,256
Reserves	33,311,856	33,311,856	-	-	-	-	33,311,856	33,311,856
Accumulated surplus / (deficit)	(746,766)	(2,133,066)	-	-	-	-	(746,766)	(2,133,066)
TOTAL EQUITY	34,563,346	33,154,046	-	-	-	-	34,563,346	33,154,046

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

Notes to the Financial Statements For the year ended 30 June 2020

9.11 Reporting Entity's Accounts (continued)

Statement of Cash Flows

CASH FLOWS FROM THE TRUST

Cash transferred from the Trust to the Delegate

Net cash provided by the Trust

Utilised as follows:

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Employee benefits

Supplies and services

Receipts

Receipts from customers

Car park operator licence fees

Other receipts

Net cash provided by / (used in) operating activities

CASH FLOWS FROM ACTIVITIES OF THE TRUST

Payments

Board member remuneration

Supplies and services

Payments for purchase of non-current physical assets

GST on car park operator licence fees

Repayment of lease liabilities and interest - right of use

Receipts

Capital appropriation

GST refund on car park operator licence fees

Net cash provided by/(used in) investing activities

Net increase / (decrease) in cash assets

Cash assets at the beginning of the period

CASH ASSETS AT THE END OF PERIOD

	2020 \$ Trust	2019 \$ Trust	2020 \$ Delegate	2019 \$ Delegate	2020 \$ Total	2019 \$ Total
Statement of Cash Flows						
CASH FLOWS FROM THE TRUST						
Cash transferred from the Trust to the Delegate	-	(5,804,165)	-	5,804,165	-	-
Net cash provided by the Trust	-	(5,804,165)	-	5,804,165	-	-
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	-	-	(2,146,959)	(2,170,532)	(2,146,959)	(2,170,532)
Supplies and services	-	-	(6,272,294)	(7,030,795)	(6,272,294)	(7,030,795)
Receipts						
Receipts from customers	-	-	4,299,879	4,675,721	4,299,879	4,675,721
Car park operator licence fees	1,739,897	2,291,710	-	-	1,739,897	2,291,710
Other receipts	-	-	3,922,631	4,287,117	3,922,631	4,287,117
Net cash provided by / (used in) operating activities	1,739,897	2,291,710	(196,743)	(238,489)	1,543,154	2,053,221
CASH FLOWS FROM ACTIVITIES OF THE TRUST						
Payments						
Board member remuneration	-	-	(42,889)	(56,041)	(42,889)	(56,041)
Supplies and services	-	-	(298,448)	(610,218)	(298,448)	(610,218)
Payments for purchase of non-current physical assets	-	(341,168)	(765,542)	(2,604,582)	(765,542)	(2,604,582)
GST on car park operator licence fees	173,989	-	(173,989)	-	-	-
Repayment of lease liabilities and interest - right of use	-	-	(19,156)	-	(19,156)	-
Receipts						
Capital appropriation	-	-	23,000	-	23,000	-
GST refund on car park operator licence fees	-	-	-	-	-	-
Net cash provided by/(used in) investing activities	173,989	(341,168)	(1,277,024)	(3,270,841)	(1,103,035)	(3,270,841)
Net increase / (decrease) in cash assets	1,913,886	(3,853,623)	(1,473,767)	2,294,835	440,119	(1,217,620)
Cash assets at the beginning of the period	4,664,142	8,176,597	4,154,375	1,859,540	8,818,517	10,036,137
CASH ASSETS AT THE END OF PERIOD	6,578,028	4,322,974	2,680,608	4,154,375	9,258,636	8,818,517

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

9.12 Explanatory Statement

All variances between estimates (original budget) and actual results for 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and \$1,000,000.

Statement of Comprehensive Income

	Note	2020 Estimates \$000	2020 Actual \$000	2019 Actual \$000	Variance between estimate and actual \$000	Variance between actual 2019 and 2020 \$000
COST OF SERVICES						
Expenses						
Employee benefits expense		2,467	2,248	2,195	(220)	52
Board member remuneration		61	56	56	(5)	0
Depreciation expense		673	744	571	71	174
Repairs, maintenance and consumable equipment		1,451	1,120	1,212	(331)	(92)
Management fees		4,300	3,929	4,315	(371)	(386)
Other expenses	1	3,146	1,731	2,087	(1,415)	(356)
Interest expense for lease liabilities		-	0	-	0	0
Total cost of services		12,098	9,828	10,435	(2,270)	(608)
INCOME						
Revenue						
Parking fees received		4,300	3,929	4,315	(371)	(386)
Car park operator licence fees		2,301	2,326	2,292	25	34
Other revenue		4,752	4,193	4,229	(559)	(36)
Total Revenue		11,353	10,447	10,836	(905)	(388)
Total income other than income from State Government		11,353	10,447	10,836	(905)	(388)
NET COST OF SERVICES		(745)	620	400	1,364	219
INCOME FROM STATE GOVERNMENT						
Service appropriation		673	679	744	6	(65)
Assets assumed/(transferred)		-	-	-	-	-
Services received free of charge		72	88	33	16	54
Total income from State Government		745	767	777	22	(11)
SURPLUS/(DEFICIT) FOR THE PERIOD		-	1,386	1,177	1,386	209
OTHER COMPREHENSIVE INCOME/(LOSS)						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation reserve		-	-	285	-	(285)
Total other comprehensive income/(loss)		-	-	285	-	(285)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE		-	1,386	1,463	1,386	(77)

Notes to the Financial Statements

For the year ended 30 June 2020

9.12 Explanatory Statement (continued)

Significant variances between estimated and actual for 2020

All variances between estimates (original budget) and actual results for 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and \$1,000,000.

1 Other expenses

Other expenses are significantly under the 2020 estimates largely due to the imperative to secure a surplus at least equal to the depreciation expense in the financial statements, combined with some underspend on master planning consultancies and restructure consultancies provided for in the estimates. The majority of restructure consulting services have been provided by State bodies free of charge.

Significant variances between actual for 2019 and 2020

No significant variances

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements For the year ended 30 June 2020

9.12 Explanatory Statement (continued)

Statement of Financial Position

	2020 Estimates \$ \$000	2020 Actual \$ \$000	2019 Actual \$ \$000	Variance between estimate and actual \$ \$000	Variance between actual 2019 and 2020 \$ \$000
ASSETS					
Current Assets					
Cash and cash equivalents	7,510	9,226	8,795	1,716	431
Receivables	122	742	123	620	619
Right of use assets	-	8	-	8	8
Other current assets	3	21	3	18	18
Total Current Assets	7,636	9,997	8,921	2,362	1,076
Non-Current Assets					
Restricted cash and cash equivalents	24	33	24	9	9
Amounts receivable for services	10,852	10,858	10,179	6	679
Property, plant and equipment	15,586	15,244	15,920	(343)	(676)
Total Non-Current Assets	26,462	26,135	26,123	(328)	12
Total Assets	34,098	36,132	35,044	2,034	1,088
LIABILITIES					
Current Liabilities					
Payables	1,108	558	1,108	(550)	(550)
Provisions	221	269	221	48	48
Contract liabilities	-	557	435	557	123
Other current liabilities	59	0	0	(59)	(0)
Lease liabilities	-	8	-	8	8
Total Current Liabilities	1,388	1,393	1,764	5	(371)
Non-Current Liabilities					
Borrowings	125	176	125	51	51
Total Non-Current Liabilities	125	176	125	51	51
Total Liabilities	1,514	1,569	1,890	55	(320)
NET ASSETS	32,584	34,563	33,154	1,979	1,408
EQUITY					
Contributed equity	-	1,998	1,975	1,998	23
Reserves	34,734	33,312	33,312	(1,422)	0
Accumulated surplus /(deficit)	(2,150)	(747)	(2,133)	1,403	1,386
TOTAL EQUITY	32,584	34,563	33,154	1,979	1,409

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

9.12 Explanatory Statement (continued)

All variances between estimates (original budget) and actual results for 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and \$1,000,000.

1 Receivables

Receivables actual is higher than estimated due to the final quarter license fee remaining unpaid at year end.

2 Contract liabilities

Contract liabilities for tenant charges were reclassified from other current liabilities due to the implementation of AASB 15 from 1 July 2019. The actual is higher than estimated due to provision for refund to tenants for unspent variable outgoings received.

Significant variances between actual for 2019 and 2020

1 Receivables

Receivables actual is higher than prior year due to the final quarter license fee remaining unpaid at year end (no outstanding balances in prior year).

Increase as a result of surplus from operations.

The Queen Elizabeth II Medical Centre Trust

Notes to the Financial Statements

For the year ended 30 June 2020

9.12 Explanatory Statement (continued)

Statement of Cash Flows

	2020 Estimates \$ \$000	2020 Actual \$ \$000 Inflows (Outflows)	2019 Actual \$ \$000 Inflows (Outflows)	Variance between estimate and actual \$ \$000	Variance between actual 2019 and 2020 \$ \$000
CASH FLOWS FROM STATE GOVERNMENT					
Capital appropriations	-	23	-	23	23
Net cash provided by State Government	-	23	-	23	23
Utilised as follows:					
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee benefits	(2,467)	(2,147)	(2,171)	320	24
Board member remuneration	(61)	(43)	(56)	18	13
Supplies and services	(8,824)	(6,571)	(7,641)	2,254	1,070
Interest expense - lease liabilities	-	(0)	-	(0)	(0)
Receipts					
Receipts from customers	4,970	4,300	4,676	(671)	(376)
Car park operator license fees	2,301	1,740	2,292	(561)	(552)
Other receipts	3,647	3,923	4,287	276	(364)
Net cash used in operating activities	(435)	1,202	1,387	1,636	(187)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments					
Payment for purchase of non-current physical and intangible assets	(850)	(766)	(2,605)	84	1,839
Payments for leases	-	-	-	-	-
Receipts					
Proceeds from sale of non-current physical assets	-	-	-	-	-
Net cash used in investing activities	(850)	(766)	(2,605)	84	1,839
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments					
Repayment of lease liabilities	-	(19)	-	(19)	(19)
Receipts					
Net cash used in financing activities	-	(19)	-	(19)	(19)
Net increase / (decrease) in cash and cash equivalents	(1,285)	440	(1,218)	1,725	1,656
Cash and cash equivalents at the beginning of the period	8,819	8,819	10,036	-	(1,218)
Cash and cash equivalents transferred from abolished agency	-	-	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	7,534	9,259	8,819	1,724	439

Notes to the Financial Statements

For the year ended 30 June 2020

9.12 Explanatory Statement (continued)

All variances between estimates (original budget) and actual results for 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and \$1,000,000.

Significant variances between estimated and actual for 2020

1 Supplies and services

Supplies and services cash flows are significantly under the 2020 estimates largely due to the imperative to secure a surplus at least equal to the depreciation expense in the financial statements; combined with some underspend on master planning consultancies and restructure consultancies provided for in the estimates; as well as some underspend on repairs and maintenance (some works deferred to next financial year). The majority of restructure consulting services have been provided by State bodies free of charge.

Significant variances between actual for 2019 and 2020

1 Supplies and services

Supplies and services cash flows are significantly under the prior year spend largely due to reduced spend on master planning consultancies.

2 Payment for purchase of non-current physical and intangible assets

The significant decrease in cash flows from the purchase of non-current physical assets versus the prior year is due to the majority of works on the SCGH Piazza being completed in the prior year. The last significant invoice for the capital works was paid in July 2020.

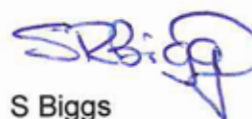
Certification of Key Performance Indicators

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 2020.

S Cole
Chair

Queen Elizabeth II Medical Centre Trust

Date: 28 August 2020



S Biggs

Deputy Chair

Queen Elizabeth II Medical Centre Trust

Date: 28 August 2020



M Hutchings

Chief Finance Officer

Queen Elizabeth II Medical Centre Trust

Date: 28/8/20



KEY PERFORMANCE INDICATORS

The Trust Key Performance Indicators were revised in 2013/14 and are now in their seventh year of measurement. The Trust is conducting a review of the current Key Performance Indicators, triggered by the new Strategic Plan 2020-2025, with a view to adopt updated KPI's in the next financial year.

Government Goals

Strong Communities: Safe communities and supported families; and

Sustainable Finances: Responsible financial management and better service delivery.

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 2019/2020 period survey examines satisfaction levels across staff, visitors and other stakeholders (including patients), and benchmarks these against the four previous year's survey results.

The 2019/2020 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 Queen Elizabeth II Medical Centre Trust's annual survey was completed by 529 respondents from various groups including medical, nursing, 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 campus planning and development, the sustainability of the reserve, TravelSmart, parking, gardens and grounds, paths and roads.

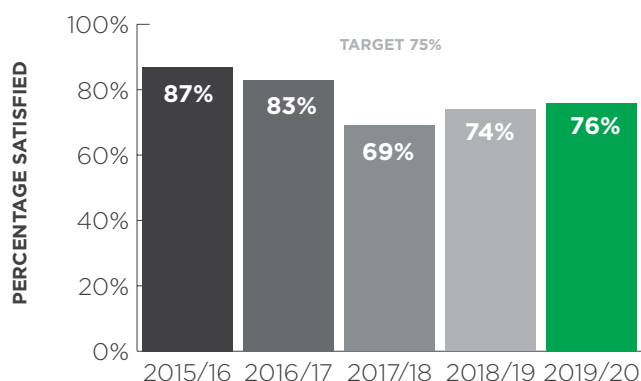
Respondents from the stakeholder groups were invited to complete an online survey via the Queen Elizabeth II Medical Centre website and the internal staff email system. The Queen Elizabeth II Medical Centre Trust utilised a survey engine, Survey Monkey, to collect the responses and analyse the data from the completed surveys. The surveys were completed during the month of June 2020.

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.

The results of the 2019/20 survey show positive progress in which KPI targets are being met, or are now trending towards being met.

Key Performance Indicator 1.1:

Satisfaction levels of the Queen Elizabeth II Medical Centre Trust planning for and development of the Campus.



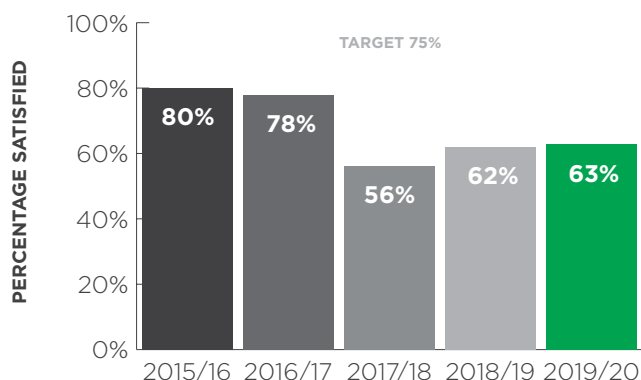
This key indicator measures the satisfaction levels of planning and development of the Queen Elizabeth II Medical Centre campus.

The target of greater than 75% of respondents being satisfied was met.

The target has been exceeded largely due to the adoption of the Trust Master Plan during the year under review

Key Performance Indicator 1.2:

Satisfaction levels of the Queen Elizabeth II Medical Centre Trust maintaining a sustainable access environment.



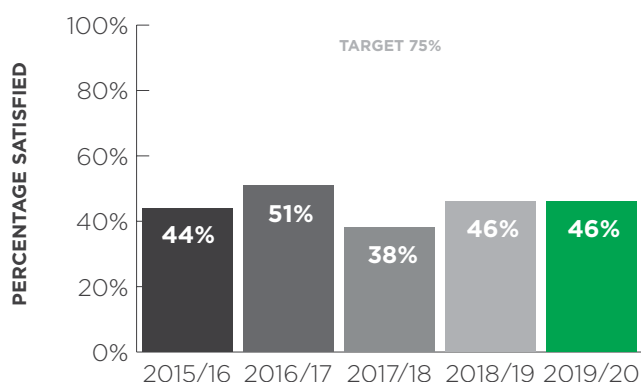
This key indicator measures the satisfaction levels of the Queen Elizabeth II Medical Centre in maintaining a sustainable access environment.

The target of greater than 75% of respondents being satisfied was not met.

The 2019/20 level of satisfaction has been adversely affected by negative perceptions in relation to parking capacity on the campus, with parking restrictions and prioritisation applied to staff parkers in mid-2018. Respondents also perceived that the campus is not well serviced by public transport.

Key Performance Indicator 1.2(a):

Satisfaction levels of the Queen Elizabeth II Medical Centre Trust TravelSmart initiatives.



This key indicator measures the satisfaction levels of the Queen Elizabeth II Medical Centre Travel Smart initiatives. These initiatives include the promotion and dissemination of information regarding alternative modes of transport for those travelling to the QEIMC.

The target of greater than 75% of respondents being satisfied was not met.

The large variances in all years to the targeted satisfaction levels can be largely attributed to the poor response rates and lack of awareness of TravelSmart initiatives, with 38% of 2019/20 respondents unable to answer or registering no responses (2018/19: 30%; 2017/18: 29%; 2016/17: 40%; 2015/16: 40%; 2014/15: 22%). Only 16% of respondents in 2019/20 were actually dissatisfied (2018/19: 24%; 2017/18: 33%; 2016/17: 9%; 2015/16: 16%; 2014/15: 17%).

The 2019/20 level of satisfaction has been adversely affected by negative perceptions in relation to parking capacity on the campus, with parking restrictions and prioritisation applied to staff parkers in mid-2018. Respondents also perceived that the campus is not well serviced by public transport, with greater pressures on alternative transport solutions with the addition of the new Perth Children's Hospital on Campus in mid-2018.

KEY EFFICIENCY INDICATOR

Timeliness in the consideration of development submissions received by the Queen Elizabeth II Medical Centre 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).

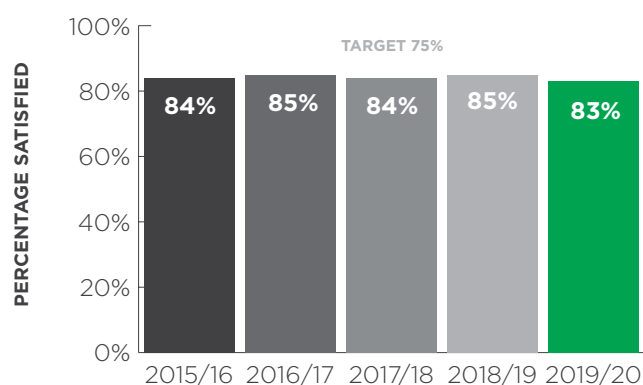
There was one development application considered by the Trust in the 2019/20 Financial Year which was addressed within 90 days of receipt. No development applications were considered by the Trust for the four financial years prior to the current financial year.

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 Queen Elizabeth II Medical Centre.

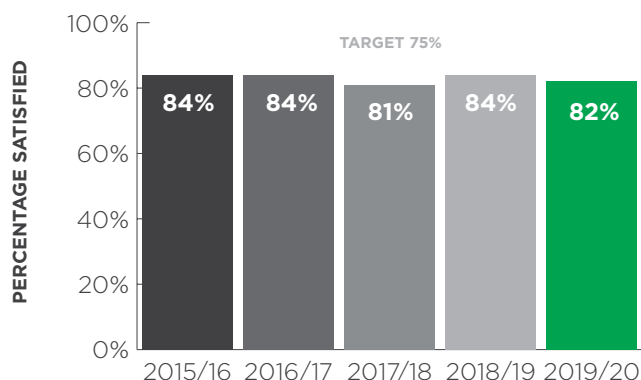


This key indicator measures satisfaction levels of the implementation and upkeep of landscaping and gardens and grounds at the Queen Elizabeth II Medical Centre.

The target of greater than 75% of respondents being satisfied was met.

The target has been exceeded largely due to a sustained program of works reinvigorating existing landscaping and introducing new green spaces around the campus.

Key Performance Indicator 2.2(a):
Satisfaction levels of the repair and maintenance of paths and roads at Queen Elizabeth II Medical Centre.

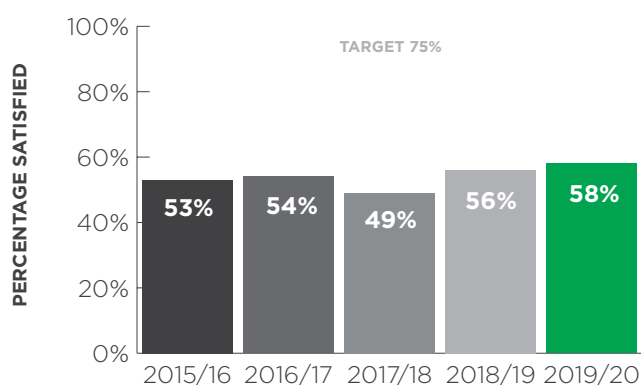


This key indicator measures satisfaction levels of the repairs and maintenance of paths and roads at the Queen Elizabeth II Medical Centre.

The target of greater than 75% of respondents being satisfied was met.

The target has been exceeded largely due to a sustained program of works reinvigorating hardscaping and roads around the campus.

Key Performance Indicator 2.2(b):
Satisfaction levels of the repair and maintenance of At-Grade parking areas at Queen Elizabeth II Medical Centre.



This key indicator measures satisfaction levels of the repairs and maintenance of At-Grade parking areas at the Queen Elizabeth II Medical Centre. At-Grade parking areas includes all bays that are not within the Multi-Deck Car Park.

The target of greater than 75% of respondents being satisfied was not met.

The large variances in all years to the targeted satisfaction levels can be largely attributed to the poor response rates with 37% of 2019/20 respondents unable to answer or registering no responses (2018/19: 35%; 2017/18: 40%; 2016/17: 38%; 2015/16: 39%; 2014/15: 33%). Only 6% of respondents in 2019/20 were actually dissatisfied (2018/19: 9%; 2017/18: 11%; 2016/17: 8%; 2015/16: 8%; 2014/15: 12%). The responses are also negatively impacted by the misconception that the Multi-Deck Car Park maintenance is included in this indicator and performed by the Trust. The Multi-Deck Car Park is managed by International Parking Group (formerly by Capella Parking Pty Ltd).

Key Performance Indicator 2.3
Provision of a safe and secure environment on the Queen Elizabeth II Medical Centre

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

As at 30 June 2020, Queen Elizabeth II Medical Centre had a total of 5350 parking bays available.

KEY EFFECTIVENESS INDICATORS

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

Target : <0.05%

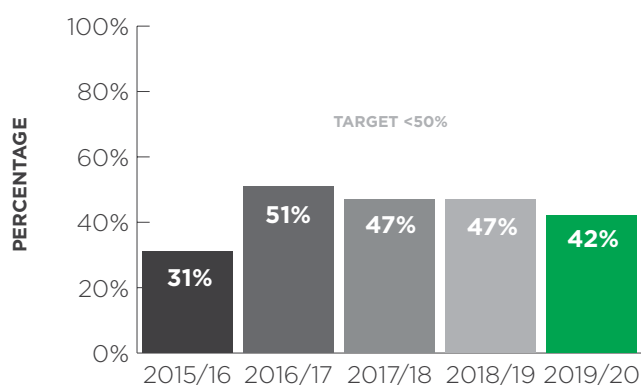
The target of less than 0.05% was met.

	2019/20	2018/19	2017/18	2016/17	2015/16
Percentage of vehicles stolen in comparison to the number of car parking bays	0.00%	0.00%	0.00%	0.02%	0.00%

KEY EFFICIENCY INDICATORS

1 Administration costs as a % of total income

Note: The Parking fee revenue associated with the IPG and At-Grade car park agreement is excluded from the calculation of total income as it is offset by management fees paid under the IPG Parking Agreement. Administration costs include employee benefits expense for administrative and clerical staff and other administration related expenses.



The target of administration costs as a percentage of total income of less than 50% was met.

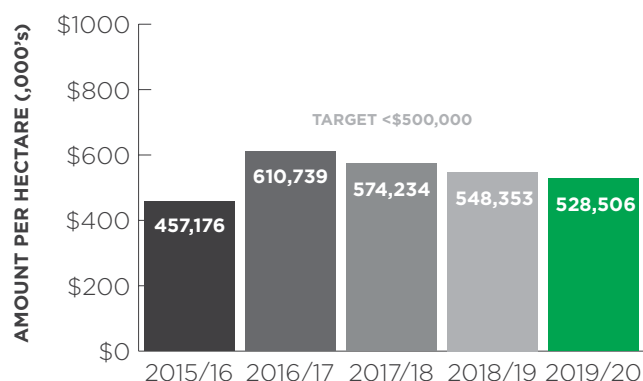
Administration costs as a percentage of total revenue for 2019/20 versus 2018/19 has decreased. This is largely due to the reduction in master planning consultancy spend during the year under review.

The 2016/17 target was not met primarily as a result of increased non-recurrent spend in relation to consultants and employment costs in preparedness for the opening of the new Perth Children's Hospital. This was coupled with a reduction in Trust revenue subsequent to 2015/16 due to the tiered reduction in license fees as per the At-Grade Car Parks Management Agreement and reduced tenant charge revenue in 2016/17 due to delays in the opening of the new Perth Children's Hospital.

2 Operating cost per hectare of common area

This indicator is to measure the cost of developing, controlling, managing the Queen Elizabeth II Medical Centre campus.

Note: The Operating cost is equal to the Total Cost of Service less the management fee associated with the At-Grade car park agreement as it is offset by the Parking Fee revenue under the parking agreement.



The target of operating cost per hectare of common area of less than \$500,000 was not met, due to an elevated period of activity as a result of development on the Campus.

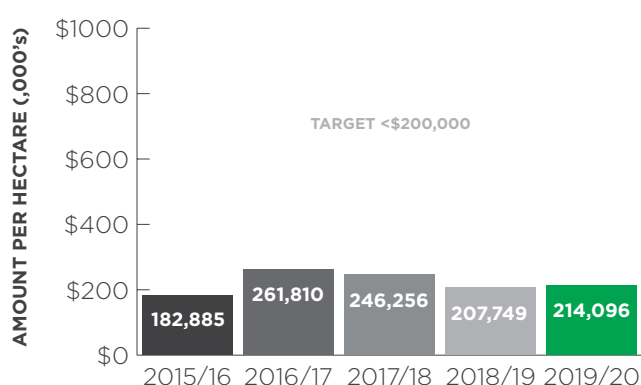
The decrease in operating costs per hectare of common area for 2019/20 versus 2018/19 is mainly due to the reduction in master planning consultancy spend during the year under review.

The large increase in operating costs per hectare of common area from 2015/16 (\$457,176) to 2016/17 (\$610,739) was largely driven by higher spend on repairs and maintenance, external security, consultancies, employment costs and depreciation to service the Trusts increased program of maintenance works and additional administration responsibilities. The Campus has seen a period of significant building development in recent years and the increase in operating costs subsequent to 2015/16 are necessary to address the increased demands on the existing Campus infrastructure.

3 Maintenance cost per hectare of common area

This indicator is to measure the cost of maintenance and repairs of campus facilities including roads, paths, car parks, lighting and gardens and grounds around the Queen Elizabeth II Medical Centre.

Note: Maintenance costs include employee benefits expense for maintenance staff and maintenance related expenses (primarily repairs and maintenance and depreciation).



The target of maintenance cost per hectare of common area of less than \$200,000 was not met.

The increase in maintenance costs per hectare of common area for 2019/20 versus 2018/19 is mainly due to the capitalisation of the SCGH Piazza and the resultant increase in depreciation.

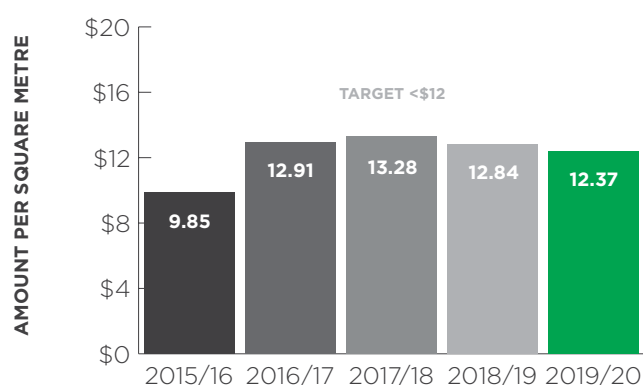
The increase in maintenance costs per hectare of common area from 2015/16 (\$182,885) to 2016/17 (\$261,810) was largely driven by higher spend on repairs and maintenance to service the Trust's increased program of maintenance works, as well as a significantly larger depreciation charge as a result of a change in accounting estimate. The Campus has seen a period of significant building development in recent years and the increase in maintenance costs subsequent to 2015/16 are necessary to address the increased demands on the existing Campus infrastructure.

Note: The common area is approximately eleven hectares of the twenty eight hectares of land for 2019/20, 2018/19 and 2017/18 (prior years: ten hectares).

4 Operating cost per gross floor area of tenant premises

This indicator is another measure of the cost of developing, controlling, managing the Queen Elizabeth II Medical Centre campus.

Note: The Operating cost is equal to the Total Cost of Service less the management fee associated with the At-Grade car park agreement as it is offset by the Parking Fee revenue under the parking agreement.



The target of operating cost per gross floor area of tenant premises of less than \$12 was not met.

The decrease in operating costs per gross floor area of tenant premises for 2019/20 versus 2018/19 is mainly due to the reduction in master planning consultancy spend during the year under review.

The significant increase in operating costs per gross floor area of tenant premises from 2015/16 (\$9.85) to 2016/17 (\$12.91) was largely driven by higher spend on repairs and maintenance, external security, consultancies, employment costs and depreciation to service the Trusts increased program of maintenance works and additional administration responsibilities. The Campus has seen a period of significant building development in recent years and the increase in operating costs subsequent to 2015/16 are necessary to address the increased demands on the existing Campus infrastructure.

OTHER DISCLOSURE REQUIREMENTS

Ministerial Directives

There were no Ministerial Directives in 2019/20.

CAPITAL WORKS

Capital works funded by the Trust in relation to the SCGH Piazza were substantially completed in the 2018/19 financial year and brought into use in the beginning of the current financial year.

EMPLOYMENT AND INDUSTRIAL RELATIONS

The Trust does not employ any staff. Staff engaged on Trust-related activities are employees of NMHS.

STAFF DEVELOPMENT

The Trust does not employ any staff. Staff engaged on Trust-related activities are employees of NMHS.

WORKERS COMPENSATION

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

Summary of Board Remuneration

The total annual remuneration for the Board is listed below.

Queen Elizabeth Medical Centre Trust				
Position	Name	Type of remuneration	2019-20 period of membership	Gross/actual remuneration
Chair	Steven Cole	Annual	12 months	\$54,684
Deputy Chair	Robert Webster	Not eligible	Not applicable	\$0
Member	Angela Kelly	Not eligible	Not applicable	\$0
Member	Professor Wendy Erber	Not eligible	Not applicable	\$0
Member	Alan Bansemer	Per meeting	12 months	\$1,586
Member	Professor Jon Watson	Not eligible	Not applicable	\$0
Member	Professor Simon Biggs	Not eligible	Not applicable	\$0
Total				\$56,270

Notes

1. Remuneration is provided to private sector and consumer representative members of a board/committee. Individuals are ineligible for remuneration if their membership on the board/committee is considered to be an integral part of their organisational role.
2. Remuneration amounts can vary depending on the type of remuneration, the number of meetings attended, and whether a member submitted a remuneration claim. Remuneration includes superannuation.
3. 'Period of membership' is defined as the period (in months) that an individual was a member of a board during the 2019-20 financial year. If a member was ineligible to receive remuneration, their period of membership is immaterial to the remuneration amount and has been defined as 'Not applicable'.

Governance Disclosures

UNAUTHORISED USE OF CREDIT CARD

The Delegate uses purchasing cards (personalised credit cards that provide a clear audit trail for management) for purchasing goods and services.

Purchasing cards are provided to employees who require one as part of their role and are not for personal use. If a cardholder makes a personal purchase or a purchase that does not meet the criteria for authorised use they must give written notice to the accountable authority within five working days and refund the total amount of expenditure.

No occurrences of invalid use were recorded in the year under review.

All credit card purchases continue to be monitored.

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 Trust other than normal contracts of employment of service.

Other Legal Requirements

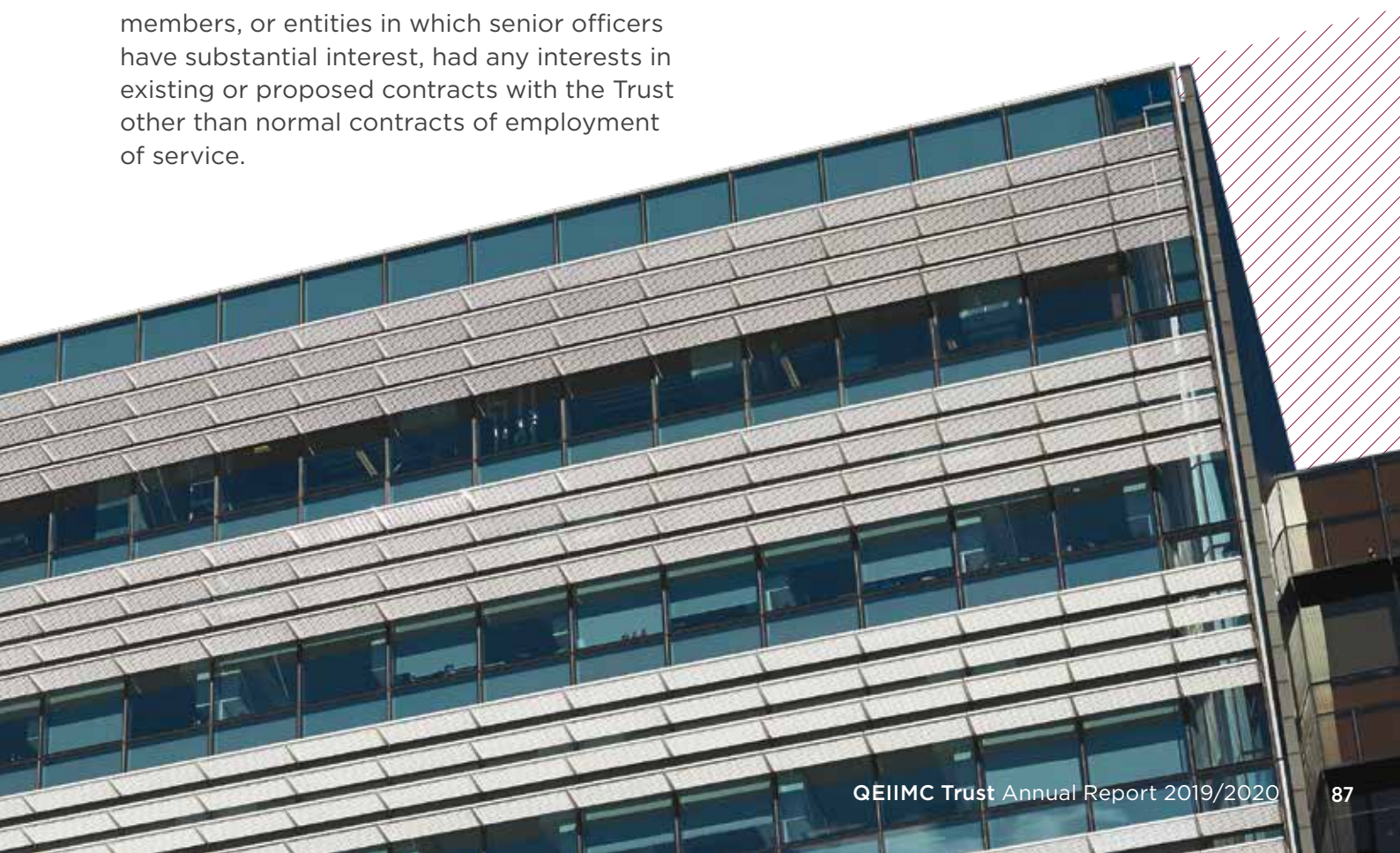
EXPENDITURE ON ADVERTISING, MARKET RESEARCH AND DIRECT MAIL

Nil

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

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

The 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 area of responsibility include:

- Provision of ample designated accessible parking bays for ACROD permit holders in the Multi-Deck Car Park and at various other locations around the campus for people experiencing difficulty walking long distances.
- Provision of a campus buggy service for people experiencing difficulty walking long distances.
- Continuous improvements throughout the QEIMC for easier and safer access for all.
- A QEIMC Guide has been designed to assist people with disability and is available in hard and electronic copy.
- Accessible Parking maps are available in hard and electronic copies.
- Ongoing training as to how to assist people with disabilities has been provided to the QEIMC 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 the Trust Master Plan, Landscape Master Plan and the Urban Design Guidelines.

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

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

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

RECORDKEEPING PLANS

In the past the 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 NMHS as the Trust's Delegate. Appropriate record management systems and processes are now being developed.

The Trust's archival records are held securely in offsite storage by Iron Mountain in compliance with the *State Records Act 2000* and the Department of Health's *Information Management Policy Framework*.

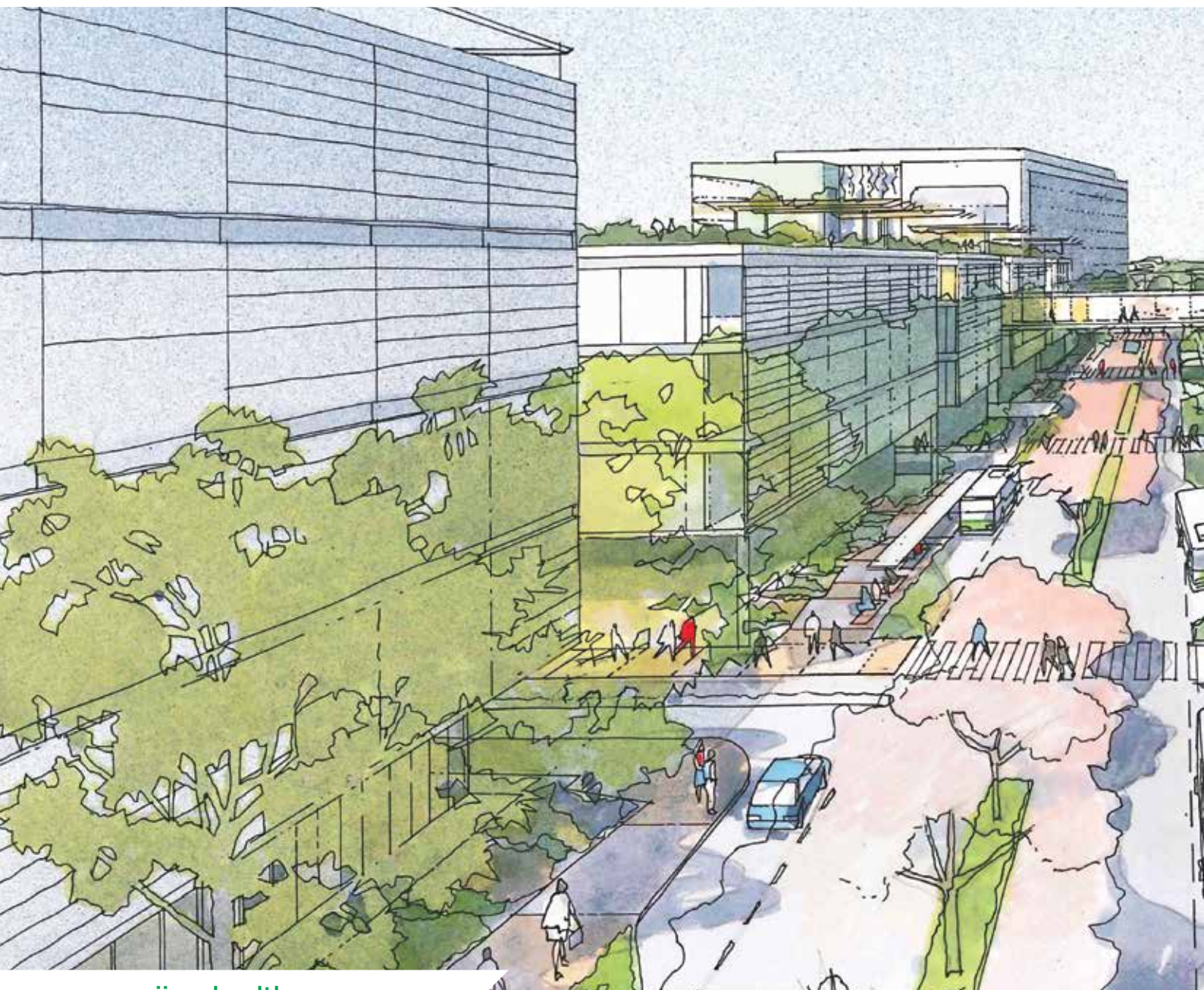
Government Policy Requirements

OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

The Trust acknowledges, endorses and commits to ensuring compliance with the requirement for State Agency commitment to occupational safety and health and injury management and the requirements for reporting in Annual Reports.

The Trust does not employ staff and has no mechanisms for consultation with employees or mechanisms relating to employee occupational health and safety. However, the Trust has satisfied itself that the Trust Delegate, North Metropolitan Health Service, which employs the QEIMC Trust Delegate staff is following the Public Sector Commission (WA) occupational safety, health and injury annual reporting guidelines for 2018 to 2020 in relation to all individual staff members undertaking work on behalf of the Trust.





www.qeiiimc.health.wa.gov.au