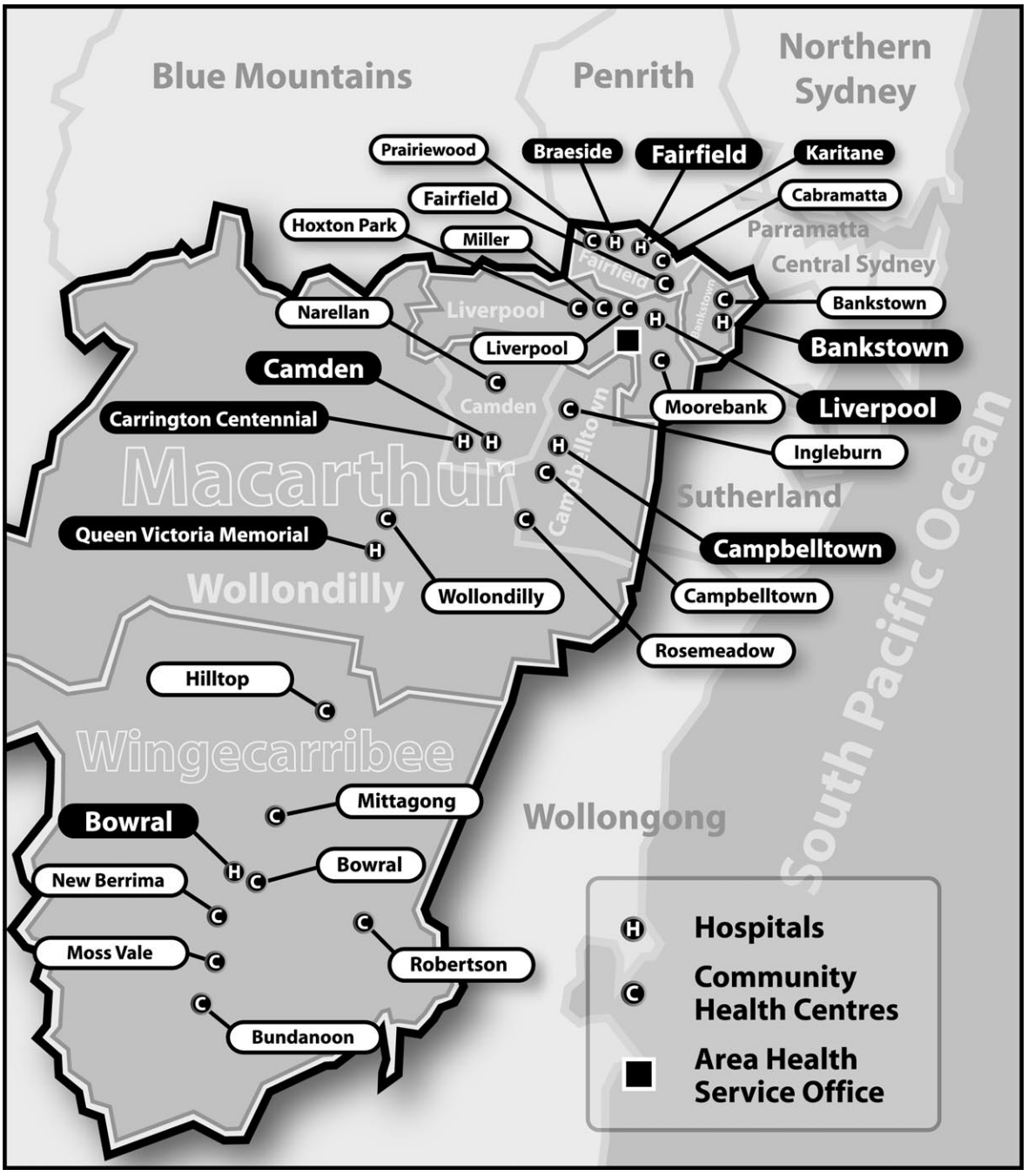
South Western Sydney
Area Health Service

Annual Report 2003/04

SOUTH WESTERN SYDNEY AREA HEALTH SERVICE
Better Health, Good Health Care

area map



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letter to the minister

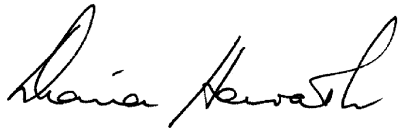
The Hon Morris Iemma MP
NSW Minister for Health
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Minister

We have pleasure in presenting the Annual Report of South Western Sydney Area Health Service (SWSAHS) for the year ending 30 June 2004.

The report documents the operations and financial statements in accordance with the provisions of the Annual Reports (Departments) Act 1985.

Yours sincerely



Dr Diana Horvath AO
Administrator

contents

Administrator's message	3
Statement of purpose, values and goals	4
Corporate governance	5
Snapshot of area health service	7
Health services	7
Area-wide clinical services	11
Division of corporate services	15
Quality and teaching	17
Research	18
Performance indicators	20
Financial services	22
Human resources	23
Divisional management	24
Organisational chart	25
SES officers' report	26
Equal employment opportunity	27
Teaching and training	28
Occupational health and safety	29
Volunteers	30
Engaging the community	31
Non-government organisations	33
Freedom of information	34
Public affairs	36
Financial statements	37
Facilities	72
Index	75

administrator's message

At the end of this year we can look ahead with renewed energy to a new era of healthcare in south-western Sydney.

This has been a difficult and challenging year for SWSAHS. The events around the Health Care Complaints Commission (HCCC) findings into 19 deaths at Camden and Campbelltown hospitals have led to improvements in health services.

I would like to commend all our staff for their continued professionalism and dedication in meeting the everyday challenges involved in patient care and for doing an excellent job in difficult circumstances.

Since the dissolution of the Board in December 2003, I have worked with a great team of doctors, nurses, allied health professionals and managers to implement the changes recommended by the expert review team headed by Professor Bruce Barraclough that looked at systems of patient care in Macarthur Health Service.

One of the chief recommendations of the Barraclough Review was to develop an Area-wide clinical strategy to network services across the area health service.

A team of 15 of our eminent clinicians and staff, headed by Professor Jeremy Wilson, worked with more than 500 frontline hospital staff and the community to develop a new plan for delivering services in SWSAHS.

This plan, the $300 million *South Western Sydney Health Network – The Way Forward: 2004-2008*, was launched by the NSW Health Minister on 17 June 2004.

The four year plan will provide a superior level of health services for the people of south-western Sydney. It focuses on the development of a healthcare network that will see coordinated services throughout SWSAHS rather than services on a hospital-by-hospital basis.

In January, NSW Health Minister Morris Iemma announced a $7.1 million funding boost to upgrade equipment and services at Campbelltown, Camden and Liverpool hospitals and a new six-bed dialysis unit was opened at Campbelltown Hospital. The unit, a key recommendation of the Barraclough Report, means renal patients no longer have to travel to other areas for dialysis.

In February, the Minister Assisting the Minister for Health (Cancer) Frank Sartor officially opened the Macarthur Cancer Therapy Centre at Campbelltown Hospital. The centre is active in cancer research, running trials into treatment improvements for prostate, breast and lung cancer.

During the year NSW Premier Bob Carr and NSW Health Minister Morris Iemma made several visits to Camden and Campbelltown hospitals to show support for the local community and staff and speak to patients about changes at the facilities.

The Baxter Awards provided a high point of the year with SWSAHS winning two top quality healthcare awards for Liverpool Hospital with a paediatric asthma education project by staff from the Division of Women's and Children's Health and practice guidelines for haemodynamically unstable patients with pelvic fractures by staff from the Trauma Department.

In June we completed our corporate plan, the Strategic Directions Statement, the culmination of two years' work by our Planning Department in consultation with our community. The plan sets out a series of focus areas for action in SWSAHS over the next three years.

At SWSAHS, we are leaders in community participation. The launch of the Community Participation Framework in June is a significant milestone which demonstrates our commitment to community involvement in health service decision-making.

Two interim reports of the Walker Special Commission of Inquiry into Camden and Campbelltown hospitals were handed down in March and June. It is anticipated the final report will be released in the next financial year bringing to a conclusion the investigations into the hospitals.

It has been a challenging time for many of us in SWSAHS and I know it has made us more resolute in our determination to ensure the people of south-western Sydney have an excellent, improved healthcare service.

The dedicated staff of SWSAHS are among the very best I have worked with in my 30 years' experience in the public health system. I would like to express my gratitude to each and every one of them.

Associate Professor Debora Picone
Administrator

statement of purpose, values and goals

We face the challenge of meeting the increasing demand for our services while also needing to efficiently manage our budget. At SWSAHS we are committed to healthier people, fairer access, quality healthcare and better value. These philosophies build on and extend current levels of achievement and orientate us toward continuing to meet the community's needs. Determined by NSW Health, these core goals guide the provision of services and the setting of standards across the state.

Our core values are acknowledgement and development of staff as individuals, trust and respect of each other and our clients, commitment in what we do and communication and collaboration with staff and clients.

healthier people

SWSAHS is committed to delivering tangible improvements to the health of the people of south-western Sydney. Our programs are designed to meet the needs of our population and the diversity of people we serve.

fairer access

SWSAHS is striving to deliver equity of access to all the services we provide in our region. We are intent on ensuring the people of south-western Sydney are offered services that compare favourably with those offered by other area health services.

quality healthcare

In order to ensure quality healthcare, we have improved our clinical governance structures and undertaken systematic quality improvement, redefining the roles of our facilities to ensure the most efficient and professional delivery of care.

better value

SWSAHS aims to deliver better value by using our resources more effectively, working cooperatively with other area health services and providing more localised services. Our brief is to make the most of our resources and provide consumers with the best possible care.

organisational capability

To achieve each of these goals, SWSAHS focuses on ensuring we have the organisational capacity to bring about the necessary changes. This means sharing a clear direction, creating a skilled workforce and engaging our community to help guide us.

This report details the achievements of the past year through each of these goals. By striving to meet our goals, SWSAHS looks forward to providing better health and good healthcare for the people of south-western Sydney.

corporate governance

SWSAHS was one of 17 area health services in NSW. It had responsibility for the efficient management of a range of health facilities and maintenance of patient care standards. SWSAHS had an extensive research and development program, planned health services in partnership with the community and other agencies and provided training and education to support staff.

management

The chief executive officer and area management group had responsibility for the day-to-day management of SWSAHS. This management group comprised general managers from each of our sectors (Bankstown, Fairfield, Liverpool, Macarthur and Wingecarribee).

the board

Until 11 December 2003 SWSAHS was administered by a 12-member board which was appointed by and accountable to the NSW Minister for Health. The Board was responsible for the corporate governance of SWSAHS and carried out all its functions, responsibilities and obligations in accordance with the Health Services Act 1997 and the Area's performance agreement as negotiated and agreed with the Director-General of NSW Health. The Board members were appointed for four-year terms.

The Board met monthly and had a number of committees. Independent advisers including internal and external auditors gave advice to the Board which enabled them to set the strategic direction for the organisation and ensured the effective planning and delivery of health services.

The Board was committed to the better practices outlined in the Corporate Governance & Accountability in Health Better Practice Reference Guide issued jointly by the Health Services Association and NSW Health. It adopted a code of ethical behaviour to guide Board members in carrying out their duties and responsibilities and endorsed a code of conduct that applied to management and employees of the health service.

risk management

The Board supervised risk management within SWSAHS and monitored financial operations. It engaged the clinical council and management of resources, audit and human research ethics committees in the fulfilment of its objectives.

clinical council

The clinical council, established as the peak clinical governance advisory committee to the Board, met bi-monthly; the management of resources committee 11 times a year; the audit committee four times a year; and the human research ethics committee 11 times a year.

Six ordinary and two extraordinary board meetings were held in 2003/04.

board members

The SWSAHS Board of Directors was dissolved by the NSW Health Minister on 11 December 2003.

Grahame Bush OAM
Chair *August 1988 – September 2003*
Attended two Board meetings
Grahame is a former Mayor of Camden and chair of Macarthur Health Service. He is an active member of the south-west Sydney community.

Ian Southwell
BSc MHA
Chief executive officer
Board member from December 1999
Attended six Board meetings
Ian was appointed chief executive officer in 1999. He is the former chief executive officer of the Illawarra Area Health Service.

Professor Betty Andersen AO
BSc MA(Hons) ED BA DipNEd
Board member from 1988
Attended seven Board meetings
Betty is a pioneer nurse educator and Founding Dean and Professor of the Faculty of Health at the University of Western Sydney.

Clr Brenton Banfield
LLB
Acting Chair *October – December 2003*
Board member from July 2000
Attended six Board meetings
Brenton was appointed to the Board in 2000. He is a solicitor and the Mayor of Campbelltown.

Dimitra Galios
BA GradDip TESOL – NAATI(3)Interp/Trans JP
Board member from 1994
Attended eight Board meetings
Dimitra works as a TAFE teacher of ESOL, Greek and Interpreting. She plays an active role in community affairs.

Irene Hing
DipHealthSc(Nursing) GradCertAdultEd GradDipAcuteCare
Staff elected Board member from July 2000
Attended two Board meetings
Irene works as a nurse manager at Bankstown Health Service.

Roy Medich OAM
CLO JP
Board member since 1998
Attended eight Board meetings
Roy is managing director of the Medich Group of Companies.

Associate Professor Debora Picone
Board member from November 2003
Attended two Board meetings
Appointed SWSAHS Acting CEO in October 2003, Debora is Deputy Director-General of NSW Health.

Alexander Sanchez
BEc MEc
Board member from November 1996
Attended two Board meetings
Alex is a former Liverpool Council Deputy Mayor and Councillor.

Patricia Thomson
Board member from 1998
Attended eight Board meetings
Patricia is a passionate supporter of our community. She has served the south-western Sydney area in many roles since the 1970s.

Arnold Vitocca
Board member from 1996
Attended six Board meetings
Arnold is a real estate developer and dedicated supporter of health and community projects in the Macarthur region.

Professor Jeremy Wilson
MD FRCP FRACP
Board member since August 2002
Attended seven Board meetings
Jeremy is Professor of Medicine at the University of NSW and Director of Medicine at Bankstown Hospital.

dissolution of all area health service boards

On 27 July 2004, Minister for Health Morris Iemma MP announced the most significant reforms to health administration in NSW in almost 20 years. The Planning Better Health initiative aims to improve health services across NSW by redirecting funding and resourcing from health administration into frontline clinical services.

As part of the Planning Better Health reforms, the 17 area health services are being consolidated into eight areas. From 1 January 2005, SWSAHS will be included within the new Sydney South West Health, along with Central Sydney Area Health Service.

In addition, a new streamlined governance structure has been introduced. The former area health service boards have been dissolved with new area chief executives having direct accountability to the Director-General of NSW Health and the Minister for Health.

Local community and clinical involvement in health service planning is being enhanced with the creation of area health advisory councils made up of clinical and community representatives. These advisory councils are designed to ensure local voices continue to be heard in health service planning and decision making

future governance

Future corporate governance will be managed by a chief executive and their management team. This will be accompanied by clear lines of accountability from the chief executive to the Director-General to the Minister.

snapshot of area health service

SWSAHS provides hospital and community-based health services for more than 770,000 residents of the local government areas of Bankstown, Camden, Campbelltown, Fairfield, Liverpool, Wingecarribee and Wollondilly. These seven regions cover an area of 6,237 sq km. Settlement varies from dense residential and commercial development to scattered townships, with some parts of the region being quite isolated.

The number of people living in our region is estimated to grow to over 891,000 by 2006 (up almost 12 per cent from 2001). In terms of population, we are the largest area health service, serving more than 12 per cent of NSW residents, and with more babies born in our area than any other.

Like most of Australia, we have an ageing population and this will mean increased demand for our services especially cancer, cardiovascular disease and respiratory illness services.

Our region is culturally and linguistically diverse. More than one-third of our residents were born overseas in a non-English speaking country, compared to just over one-fifth of the residents of the rest of NSW. Forty-four per cent of residents speak languages other than English at home, almost double the state average. The most common non-English languages spoken in the area are Arabic, Vietnamese, Italian and Cantonese. People of Aboriginal and Torres Strait Islander descent account for 1.3 per cent of our population.

The Area has a higher than average unemployment rate (8.6 per cent compared with 7 per cent for the rest of NSW), and the proportion of the population in public housing is almost double that for the rest of the state (8.8 per cent compared with 4.9 per cent). Many of our residents experience significant social and financial disadvantage.

health services

bankstown health service

Executive Director: Andrew Bernard

Summary of business activity

The Bankstown Health Service continued to make significant contributions to the health of the people of Bankstown and Sydney's south-west.

The hospital treated over 25,000 patients and provided over 400,000 non-admitted patient service-occasions during the year. There were almost 32,000 attendances at the Emergency Department (ED) and 1,777 babies were born at the hospital during the year. Our community health teams and ambulatory care service continued to expand the range and extent of non-hospital services.

Major goals and outcomes

The Young Parents Home Visiting Project was a Families First initiative that brought together six health teams to provide the additional support young parents often need. The focus was on family strengths, resources and ideas with the objective of strengthening the effective parenting capacity of young parents.

The Division of Mental Health's Vietnamese mental health group won a gold award in the clinical category of the Trans-cultural Mental Health Centre's annual awards.

Several initiatives are in place to improve nurse recruitment to the health service. We are actively involved in recruiting nurses overseas with the skills required to meet the specific needs of our patients. Our collaboration with the Department of Education and Training in Bankstown is now in its third year, engaging Year 11 and 12 students in an accredited certificate III program. Eight graduands from 2003 are pursuing nursing or health related studies and work.

Key issues and events

The Intensive Care Unit received additional funding for an eighth ventilated bed – the additional equipment and staff provided significant extra resources to the statewide intensive care network. Particular emphasis has been placed on providing more formal support for intensive care and high dependency patients at Fairfield Hospital.

The hospital established a respiratory medicine unit, which now provides twice weekly outpatient clinics, a pulmonary rehabilitation service and laboratory and bronchoscopy service.

The ED has received several enhancements including commencement of the Rapid Emergency Assessment Team, Aged Care Assessment Team and expansion of the Rapid Response Team. These services accelerate the referral of patients presenting with special needs to the most appropriate healthcare team within the hospital. In many instances, these services are facilitating a speedy return home, often avoiding the need for hospital admission.

Additional medical staff were recruited to the children's ward of the hospital.

The hospital has purchased significant additional technology and equipment for use in operating theatres, nuclear medicine, gastroenterology, cardiology, emergency department, aged care and coronary care. The new equipment facilitates provision of high quality care and improves the community's access to best practice service delivery in Bankstown.

To meet the increasing needs of the community, the hospital opened additional parking for almost 100 cars and work is underway on improving client access to the Raymond Street Community Health Centre.

Future direction
In the next financial year, key services will expand in areas such as stroke and aged care, gastroenterology, respiratory medicine and coronary care, surgery and intensive care.

fairfield health service

General Manager: Michael Woodhouse

Summary of business activity
Fairfield Health Service operates a comprehensive range of inpatient and community health services for the people of the Fairfield local government area. Fairfield Hospital has developed particular expertise in elective surgery and hosts the Whitlam Joint Replacement Centre, a centre of excellence in orthopaedics.

In 2003/04 demand for services remained high. Emergency Department (ED) presentations continue at approximately 26,000 a year. There was a slight decline in the number of babies born at Fairfield, reflecting the gradual ageing of the local community. We maintained a similar number of operations with a clear focus on elective and day-only surgery.

Major goals and outcomes
Strategies to improve access to ED services have been a priority with additional investment in medical staff to work in ED and the creation of a Rapid Emergency Assessment Team. The team is staffed with trained nurses who are able to attend to minor presentations and expedite their treatment.

The Whitlam Joint Replacement Centre is developing as a centre of excellence in orthopaedics, servicing all of south-western Sydney. In 2003/04, we provided a record number of joint replacements under a model of multidisciplinary care that supports patients to make the quickest recovery possible. We began the first stages of our research program by examining outcomes for joint replacement patients. The Whitlam Joint Replacement Centre continues to receive excellent community support through an annual fundraising ball.

Primary healthcare services progressed with the establishment of a network with Vietnamese GPs which has resulted in improved use of health service staff by local GPs and better coordinated care.

The Fairfield Health Service Consumer and Community Participation Network of representatives from across all sectors of the Fairfield community has increased community participation.

Key issues and events
Quality and safety issues were a priority during the year with a particular focus on ensuring Fairfield Hospital is supported with sufficient medical staff and is part of a strong network of health services where critically ill patients are able to be transferred to larger facilities as required. As part of this network, the first steps were taken to establish a single Intensive Care Unit with Bankstown Hospital.

Future direction
Over the next 12 months, major priorities for Fairfield Health Service are:

- Improving medical infrastructure in anaesthetics, paediatrics, emergency medicine and critical care
- Further networking critical care services with Bankstown and Liverpool hospitals
- Developing our maternity services as a part of a wider network
- Further developing our capacity in elective surgery
- Building internal systems for effective financial and resource management.

liverpool health service

General Manager: Dr Teresa Anderson

Summary of business activity
The number of non-admitted occasions of service and inpatient admissions has increased considerably since last year.

During the year, there were over 56,800 admissions; more than 603,300 non-admitted occasions of service; 15,900 operations; 3,119 babies were born; and there were 45,555 emergency presentations.

Some medical and surgical wards have been relocated and refurbished to support the new clinical services plan and to accommodate the opening of a 20-bed transitional care unit.

Major goals and outcomes
Liverpool Hospital introduced a new clinical governance framework to improve the facilitation of planning and review of data-driven services which will best inform the organisation of its performance and management of resources. The new framework also incorporates an enhanced quality improvement and clinical risk management process.

We are working with the Department of Community Services to provide a coordinated care planning service for children identified as having high support needs. The Liverpool Child Care Centre is now operated and managed by Liverpool Health Service and is part of a business within the Division of Nursing and Clinical Services.

Two projects arising from the 2002 Premier's Crime Prevention Program to support residents of Green Valley – the Valley Domestic Violence Program and the Miller Early Childhood Sustained Home Visiting Program – are now fully developed and accepted by the community.

A clinical risk management program and a risk register are currently being developed and workshops to educate staff about risk management are ongoing.

Key issues and events
There are significant works and refurbishment associated with the Emergency Department (ED), Mental Health Services and Cardiac Catheter Lab. ED refurbishments will result in much needed expansion of the clinical areas, including space for mental health assessment.

Mental Health Services will be relocated to a new purpose-built facility that will provide a 50 bed inpatient unit, ambulatory care service and facilities for administration, teaching and research.

Refurbishment of the Cardiac Catheter Lab will result in another procedure room, primarily for electrophysiology studies.

Liverpool Hospital has provided clinical and administrative support to Macarthur Health Service through the secondment of several key clinicians and managers. Under the Critical Care Network, the director of the Intensive Care Unit (ICU) and other senior staff specialists liaise with and provide clinical care services to Campbelltown Hospital ICU. Senior medical staff from Liverpool Hospital ICU are now working on the staff roster for Campbelltown Hospital ICU.

Future direction
The implementation of recommendations from the clinical services plan *South Western Sydney Health Network – The Way Forward: 2004-2008* and selection of a committee to manage the design phase of the proposed stage 2 capital works program.

macarthur health service

General Manager: JoAnne Fisher

Summary of business activity
The past year has been a challenging one for Macarthur Health Service which has undergone significant change and development in the past 12 months following a review into systems of patient care led by Professor Bruce Barraclough.

During the year, the health service maintained its primary role of providing a diverse and comprehensive range of services to the community.

In the year under review, 43,476 people presented to the Emergency Department (ED), with 13,037 admissions, 481,419 outpatient occasions of service, 29,807 admissions and 3.98 per cent logged occasions of service.

We commend the staff for their support and commitment in enabling Macarthur Health Service to continue to meet the increasing health needs of the community.

Major goals and outcomes
As part of the changes at the health service an interim management team was appointed to provide leadership and future direction and there were some major service achievements.

Key issues and events
During the year, the ED medical and nursing infrastructure was enhanced. Five clinical nurse consultants were appointed to provide senior clinical nursing expertise and directors of Surgery and Cardiology were appointed, providing senior clinical leadership in these areas.

A cardiology roster was implemented to fast-track the development of cardiology services and a patient liaison officer was appointed to facilitate complaint resolution. The year saw the establishment of a clinical committee to oversight the review of adverse incidents and the safety and quality of patient care.

Future direction
Capital development funding was secured for stage 3 of the Macarthur Strategy and the tender has been let for the final stage of Campbelltown Hospital, encompassing refurbishment of the maternity unit, establishment of a psychogeriatric ward and relocation of surgery. Further preliminary work has commenced on the development of the 20-bed

sub-acute mental health unit and work on the final refurbishment and carpark at Camden Hospital has commenced.

We anticipate the release of the final report of the Walker Special Commission of Inquiry into Campbelltown and Camden hospitals in the coming months, following the release of two interim reports this financial year.

wingecarribee health service

General Manager: Amanda Larkin

Summary of business activity

Wingecarribee Health Service (WHS) has continued to provide efficient health services to our community.

Admissions to the hospital were 4 per cent above target, 5.2 per cent above the previous year. Non-admitted patient services were 2.7 per cent above target, 5.5 per cent above the previous year. We performed 2,498 operations. Of these, 67.9 per cent were admitted and discharged on the same day, 7.9 per cent above target. There were 657 babies born, up by 6.5 per cent on the previous year. Our Emergency Department met or exceeded all benchmarks on targeted performance. Admissions were up by 7.1 per cent on the previous year.

Major goals and outcomes

In May 2004 WHS underwent a periodic review, with the Australian Council of Health Care Standards EquIP reaffirming our accreditation. WHS continues to strive for quality improvement and looks forward to the 2006 full accreditation process.

During the year, Community Health Services developed links with Macarthur Health Service by providing mental health and dental services to clients in the lower Wollondilly area from Tahmoor Community Health Centre.

Funding enhancements for mental health have been used to increase the hours of their consultant psychiatrist and adolescent mental health case workers. The Drug Health Service has benefited from funding enhancements and now has a clinical nurse consultant, a caseworker and the support of Area medical drug health staff. Orthopaedic surgery also received significant new funding to be used to increase the number of elective joint replacements.

The newly established Clinical Advisory Council is the key WHS body for clinical governance. The multidisciplinary council consists of representatives from medical, nursing, community and Allied Health.

Key issues and events

WHS has undergone significant change in the past year. We farewelled director of clinical and support services Joan Lowe, who retired in July 2003 after 30 years' service with Bowral and District Hospital. Dr Simon Grant resigned as director of medical services after many years of valuable contribution to WHS. Dr Grant remains on staff as physician staff specialist. General manager Amanda Larkin has expanded her role and is acting executive director for Campbelltown, Camden and Bowral hospitals. This is a positive step for WHS in developing partnerships which will benefit our community.

WHS conducted another successful Health Awards, which was well represented by all departments. The Centenary Scholarship was awarded to Lucinda Price to enable her to undertake Bachelor of Medical Science studies. Awards were made to: Alison Muddle – Employee of the Year; Brett Ross – Innovation Award; Lyn Wood – Extra Mile Award; Min Alstrope – Integration Award; Brett Ross – Patricia Lloyd Lucas Award; and Cardiac Assessment Unit – Team of the Year.

Formal community participation remains high on the agenda for us and we continue to have the valuable input of community members into key committees such as clinical advisory and sector executive committees.

Future direction

WHS looks forward to the challenges ahead in implementing the clinical strategy plan, *South Western Sydney Health Network – The Way Forward: 2004-2008*, and the increased opportunity to network with other clinical services across the Area.

area-wide clinical services

south western sydney cancer services

Clinical Director: Dr Martin Berry

Summary of business activity

SWSAHS has about 2,600 new patients diagnosed with cancer each year. Our patients undergo a range of treatments involving many specialist and generalist services in the private and public sectors, so the provision of cancer care is a complex undertaking. Comprehensive radiation and chemotherapy services are provided at Liverpool and Campbelltown hospitals with chemotherapy offered at Bankstown and Bowral hospitals. In addition to new patients there are many other people living with cancer who need constant access to services to manage their illness.

Major goals and outcomes

The goal of SWS Cancer Services (Cancer Services) is to reduce the incidence of cancer; improve the quality of life of those living with cancer; and reduce mortality from cancer by developing an organisation capable of delivering a patient centred, multidisciplinary, coordinated cancer service to south-western Sydney which accords with good practice.

Cancer Services has focused on achieving these outcomes through the Cancer Services Development Project. By developing good management and planning processes based on accurate information, we will provide the best services to patients and their carers.

Cancer is the common name for any one of over 100 different types of diseases and this means patients have varying needs depending on what type of cancer they have. Cancer Services has organised 11 tumour programs for the major cancers. Through these programs, we are developing a specialised multidisciplinary approach to cancer care which aims to improve clinical outcomes and resource management.

Key issues and events

The publication of the Clinical Service Framework for Optimising Cancer Care, designed to build up the quality of statewide cancer services, is the first service standard for cancer. Cancer Services believes the definition of and compliance with minimum standards ensures quality of service delivery. Through our experience in this field, we have made a significant contribution to the development of this framework.

In June 2004, NSW Premier Bob Carr, Health Minister Morris Iemma, Minister Assisting the Minister for Health (Cancer) Frank Sartor and chief cancer officer Professor Jim Bishop launched the NSW Cancer Plan at Liverpool Cancer Therapy Centre. The plan, buoyed by substantial funding for the next three years, outlines future directions in cancer research and treatments.

Cancer Services development continues in the Macarthur region with the announcement of a second linear accelerator to be installed and ready for use at Campbelltown Hospital in early 2005, increasing our radiotherapy service to five linear accelerators, on par with national service recommendations for our population.

The Collaboration for Cancer Outcomes Research and Evaluation (CCORE) is an initiative of our radiation oncologists. CCORE has gained local and international recognition for a project conducted by Associate Professor Michael Barton and Dr Geoff Delaney that defines the evidence basis for radiotherapy treatment for different types of cancers. The development of health services research for cancer will drive good practice, ensuring the best outcomes for the population at large.

The Area clinical cancer registry has completed a pilot for the Colorectal Tumour Program. This registry enables the clinician to directly monitor treatments and outcomes for their patients. Importantly, it will allow comparison with other services so we can share innovations, leading to continual practice improvement.

Cancer Services has established the first cancer care coordination service in Australia, with five care coordinators. The service has been developed to support tumour programs and multidisciplinary care and act as a single point of contact for patients.

Future direction

We will continue with the implementation of the Cancer Service Development Plan, including support for the tumour programs and our patient-focused service.

mental health services

Clinical Director: Associate Professor Scott Clark

Summary of business activity

In 2003/04, additional enhancement funding was provided for the expansion of infant, child and adolescent community mental health services and community mental health services for older people, particularly in Macarthur. An Area consumer network coordinator has been appointed and adult mental health services at the Wollondilly Health Centre at Tahmoor have commenced.

Major goals and outcomes

Facility development included the establishment of the Child and Adolescent Mental Health Service in Cordeaux Street, Campbelltown and detailed planning of the 20-bed non-acute inpatient unit at Campbelltown Hospital.

Due to the high demand for acute inpatient services, resources were committed to assist with management of demand across SWSAHS, with a focus on expediting the flow of patients being assessed in emergency departments and ensuring timely access to the appropriate level of care.

Key issues and events

In conjunction with our non-government organisation partners, 21 community residential places with high-level non-clinical support have been established across the Area and access to other supported accommodation places has been enhanced. Carers NSW has continued to work with south-west Sydney families, carers and mental health staff to develop education programs and provide an information directory of services.

Community development and health promotion activities have included weekend camps for the children of parents with a mental illness, development of joint programs with south-western Sydney schools and targeted parenting programs. Commencement of Teams of Two activities in association with the NSW Alliance of Divisions of GP strengthened links with general practitioners.

A focus has been maintained on suicide prevention, and a program to better assist people with mental illness and co-morbid substance abuse has commenced at Fairfield and Liverpool. The Area mental health education program included the provision of training to 25 new nurses through the special nursing introductory program which now has two intakes a year.

Future direction

Construction has started on the Liverpool Mental Health Centre which will provide 50 acute inpatient beds, facilities for the Liverpool Community Mental Health Service and accommodation for research and Area-wide administration of mental health services.

division of population health

Clinical Director: Professor Jeanette Ward

Summary of business activity

The Division of Population Health (Population Health) comprises programs and strategies designed to improve population health status, reduce inequalities between population groups and address gaps in services and individual care for groups with special needs.

In SWSAHS, these strategies address a range of challenges in primary and secondary prevention including interventions to enhance community capacity, environmental amenity and social capital; health promotion initiatives, advocacy and partnerships in settings such as schools and workplaces; organised disease screening and immunisation programs; and individual clinical care services for marginal groups, vulnerable clients and those posing a public health risk.

Population Health's services are managed through each local health service with the exception of Drug Health Services.

Our services include Aboriginal Health, Health Promotion, Women's Health, Public Health, the Academic GP Unit, Multicultural Services, the REMS Centre, Oral Health, Drug Health (Drug & Alcohol) and Community Paediatrics.

Major goals and outcomes

In 2004, Population Health published its equity profile in which the unrealised potential for population health gain was summarised.

Population Health has also calculated that the age-standardised all-cause mortality rate for women in south-western Sydney (4.9 per cent) is higher than the NSW average (4.7 per cent).

The Area has high and costly rates of ambulatory care sensitive conditions and other avoidable hospitalisations. SWSAHS spends $24 million a year on tobacco-related admissions. Fifty per cent of the chronic disease in SWSAHS – including cancer, vascular and respiratory diseases and mental health – can be attributed to modifiable risk factors.

In 2003/04 we published *Ngalawa Bunga Mana* (Life Information). Emerging challenges in Aboriginal health include intergenerational marginalisation, loss and grief, culturally inappropriate healthcare services and low rates of identification in SWSAHS of Aboriginal clients. Less than 3 per cent of the Aboriginal population has reached the age of 65 years or older compared with 12 per cent of the non-Aboriginal population.

The SWSAHS Multicultural Health Plan 2004-2007 forms the basis for decision-making to promote health among culturally and linguistically diverse communities in south-western Sydney.

Key issues and events

In addition to these achievements, Population Health supported all seven local councils in the development of social community plans.

The Aboriginal Health Unit coordinated the Welcome to Country ceremony at Campbelltown Hospital in April 2004 and the Public Health Unit provided statewide leadership in implementing successful immunisation programs to disadvantaged and widespread communities, achieving 91 per cent coverage for infants fully immunised at 12 months to less than 15 months (performance target 92 per cent). In another first for NSW, Population Health created the Centre for Research, Evidence Management and Surveillance to bring together researchers on population health projects.

Future direction

In 2004/05, Population Health will move to develop integrated population health services that combine policy, implementation, common standards and quality improvement across the Area.

Strategies will address locational disadvantage, gender and culture inequities, environmental health, disaster planning, marginalised groups and population-based primary and secondary disease prevention programs. SWSAHS will benefit from a Division of Population Health at the forefront in innovation, partnerships and policy-oriented research.

palliative care service

Clinical Director: Dr Jennifer Wiltshire

Summary of business activity

The Palliative Care Service operates across the area health service. It provides care in all settings from home or aged care facility into acute hospitals and back into the home. Through the Area's palliative care standards and practice committee and palliative care executive, subcommittees and working parties, we are attempting to provide an integrated service delivering uniform standards across all sites within the existing structure.

The service strives to deliver best clinical practice and implement improvement. Apart from the two inpatient units, the service operates on a consultative model based on the assumption of functioning primary healthcare.

Major goals and outcomes

We have achieved the final implementation of the Area model for delivery of palliative care services and the launch of the electronic clinical record project – a joint Information Systems and Chronic and Complex Care departments initiative which used Palliative Care as a pilot site and proof of concept for the Cerner clinical document management module.

During the year, we undertook review and implementation of Palliative Care Australia Standards, including monitoring key performance indicators. We established working parties with a community and consumer presence as well as representation from other disciplines and specialties to address gaps and try to find solutions to identified needs in the Palliative Residential Aged Care Team – Improving Care & Life.

Education initiatives such as workshops for health and residential aged care workers and the biannual Orientation Program for Speciality Clinical Areas funded palliative care workshops for assistants in nursing, enrolled nurses and registered nurses were carried out during the year. In addition, bereavement education was supplied to all palliative home nursing/palliative care sites in the Area.

The second strategic plan for Palliative Care Services 2004/08 was developed to continue on from the 2001/04 plan. During the year, the affirmation and acknowledgement by the Barraclough Review and HCCC Report and the NSW Legislative Council that the Palliative Care Service was functioning very well were welcomed by the service.

We also participated in the Institute for Clinical Excellence Chronic Care Collaborative.

Key issues and events

Palliative Care Services has identified a number of priority areas in the South Western Sydney Strategic Directions Plan, including bereavement support services and the need for a coordinated approach to basic end of life care in general healthcare. Late referrals to palliative care are of concern as 28 per cent of all referrals occur within one month of death.

Future direction

In 2004/05, the service anticipates the implementation of the Strategic Plan for Palliative Care Services SWSAHS 2004/08 and the development of the Department of Palliative Care with a dedicated Palliative Care Unit at Liverpool Hospital. The creation of an academic chair of palliative care in partnership with the universities of NSW and Western Sydney and the proposed Institute of Palliative Care will be notable steps forward in the provision of palliative care in Sydney's south-west.

division of corporate services

Summary of business activity
The Division of Corporate Services (Corporate Services) manages the development and provision of the Area's business services to deliver efficient and effective services to clients. Corporate Services provides advice and practical operational knowledge on the full range of commercial and business services as well as managing specific business units within SWSAHS.

Major goals and outcomes
Corporate Services' main objectives are to undertake planning and development of non-clinical services, initiatives and projects; organisation of contracts and agreements for the delivery of key projects and business services; management of business services to meet organisational needs; development and improvement of policy and practices in Corporate Services; and enhancement of Corporate Services planning and policy development.

Key issues and events
During the year, all clinical departments contributed to the development of the SWSAHS clinical services plan *South Western Sydney Health Network – The Way Forward: 2004-2008* while the medical imaging information system and picture archive and communication system project was established and acquisition arrangements commenced.

Tenders for the transfer of Queen Victoria Memorial Home to a non-government organisation were completed and the recommendation regarding the preferred proponent was finalised. In partnership with adjoining area health services, Legal Services prepared a tender for the appointment of companies to provide legal advice to the organisation.

In the year under review, increased claims management activities achieved improved performance, resulting in a $1.5 million improvement in renewal premium and $3.5 million hindsight surplus. The Liverpool Land Development Project was scoped to conduct a strategic review of the organisation's Liverpool properties and tactically implement value-adding opportunities. The food service review was completed and implementation commenced.

South Western Area Pathology Service (SWAPS)
SWAPS processed over one million requests in the financial year, with a significant productivity increase. The Pathnet project was established and is proceeding on time and within budget to achieve the go-live target of August 2005. National Association of Testing Authority reaccreditation was achieved for eight of 11 laboratories for a further three years (remaining laboratories will be reviewed in August 2004).

Associated with this were activities in education and research with success of staff in professional examinations and the award of higher academic degrees. SWAPS staff contributed to 23 journal publications, a similar number of presentations and posters and professional meetings, receiving grants totalling $191,400.

The master development control planning for facility requirements commenced in the year under review. National benchmarking continues to highlight SWAPS efficiency compared to peers and the new electron microscope, the first instrument of its type in the southern hemisphere, was commissioned.

Radiology Network
During the year, service level agreements defining services to internal clients were established and service delivery at Macarthur expanded, including the establishment of after-hours computed tomography (CT) scan reporting and additional staff specialist support.

The medical workforce recruitment program ensured vacant positions were filled and worked to ensure supported area of need radiologists achieved full registration and permanent residence. A virtual private network to provide for after hours reporting and multi-site image transfer to critical care areas was established. College of Radiologists' recognition and accreditation of the network entity for registrar training were achieved.

The Nutrition Link
The Nutrition Link's external business increased significantly. Food safety systems were revised and reaccreditation achieved. A quality improvement project on our soup range was undertaken, achieving price reduction without loss of quality.

Area Physical Resources
The $9.1 million contract for the Liverpool Hospital Emergency Department extension and the $32 million Liverpool Mental Health Centre were awarded and building commenced. Contracts were also awarded and building commenced on the Information Services Department extension ($1.5 million) and Macarthur redevelopment ($125 million). The final stage of Campbelltown Hospital neared completion and the contract for final works at Camden Hospital has been awarded. The 20-bed Mental Health Non-acute Inpatient Unit ($6 million) project was initiated and the early civil works package completed.

Health Care Interpreter Service
The Health Care Interpreter Service (HCIS) successfully applied for and obtained funding through NSW Health Telehealth to establish video-interpreting for Campbelltown and Liverpool hospitals. This service will commence in Campbelltown, Camden and Bowral hospitals on 1 July 2004. The implementation of the HCIS information system was completed and the inpatient program at Liverpool, Fairfield and Bankstown health services expanded to cover additional languages at each of the sites.

The Talking Picture resources were expanded from four to six languages (available to healthcare providers through the intranet) and the development of language glossaries expanded to include Arabic, Vietnamese, Chinese, Serbian, Croatian, Bosnian, Khmer and Polish.

HCIS, in collaboration with the University of NSW, commenced a research project Impact of Professional Interpreters in the Emergency Department. The pilot was conducted at Bankstown and Fairfield hospitals' emergency departments. We negotiated and established a partnership with Macquarie University to train interpreters, targeting new and emerging community languages.

Area Commercial Services
Commercial tenders were coordinated and established with natural gas (SWSAHS acted as lead agency for a consortium of 11 area health services) and agency nursing staff preferred suppliers. The motor vehicle fleet reduction program was implemented, achieving annual cost savings of $630,000.

The vehicle bulk purchasing program was established and is projected to achieve annual cost savings of $135,000.

The year saw the development of the zero tolerance to violence and aggression program and the completion of the occupational health and safety numerical profile.

Health Research Foundation Sydney South West
A successful fundraising program was completed – funds raised this year exceeded $200,000. The Community Leader's program arranged community group tours of radiology and research facilities and the Research Grants Program was completed, with 11 grants totalling $264,000 awarded to researchers. The annual Health Research Foundation Open Day, which enables the public to learn about research being conducted by SWSAHS staff, was a success.

For further information on SWSAHS research projects, turn to page 18.

Future direction
The Shared Corporate Services program currently being established by NSW Health will dominate the future direction of Corporate Services for the year ahead. The program proposes the establishment of a separate entity to provide selected corporate services on a cluster or statewide basis.

quality and teaching

Summary of business activity

Recruitment and retention of nursing staff has been our focus in 2003/04, with a number of initiatives undertaken to promote nursing within SWSAHS.

These initiatives include the nurse unit managers (NUM) project aimed at mentoring NUMs and the development of an Integrated Nursing Development Program in collaboration with the University of Western Sydney – the program will focus on the professional development of both registered and enrolled nurses.

Other initiatives included a review to streamline recruitment of overseas nurses; the review of casual pool management, with a number of orientation and performance management recommendations being implemented; and the inaugural SWSAHS Nurse Recognition Awards in which 26 nurses were recognised for their achievements in practice and professional development.

Major goals and outcomes

The Clinical Risk Management model developed for SWSAHS was ratified in February 2004.

The process for reporting incidents has been reviewed and strengthened during 2003/04. Three hundred and eleven reportable incident briefs were completed and reported during 2003/04. Twenty per cent of the briefs resulted in root cause analysis.

Systems issues identified from the analysis include communication, knowledge, skills and competence, work environment and scheduling, patient factors, equipment, policies and procedures and safety mechanisms.

Key issues and events

SWSAHS hosted a Quality Expo in October 2003, focusing on community participation. Seven finalists participated in the SWSAHS Quality Awards, with the joint-winners Macarthur Kids Asthma Project Emergency Department Guidelines and Liverpool Hospital's Toxic Drug Monitoring Program. Runnerup was Fairfield Health Service's Rapid Emergency Assessment Team.

The Area also submitted a number of entries to the NSW Baxter Awards and two submissions from Liverpool Health Service – Evaluating the Effectiveness of the Provision of Paediatric Asthma Education and Management of Haemodynamically Unstable Patients with Pelvic Fracture – were successful.

An Area-wide review of infection control services was undertaken – recommendations are expected to be implemented in 2004/05.

During the year, four SWSAHS infection control nurses were authorised to practise as nurse practitioners in diabetes, genetics, emergency medicine and cardiac rehabilitation.

Future direction

To recruit, train and retain enough nurses to service the needs of the community of south-western Sydney.

research

In the year under review, the work of the Health Research Foundation Sydney South West (HRFSSW) continued. This project began in 1998. The HRFSSW works in partnership with community and business groups in south-west Sydney to support health and medical research within SWSAHS.

Eleven research grants were awarded in the past financial year. The majority of the grants were for research projects while three were for major equipment, research training and research establishment. The work this facilitated will encompass a broad range of medical, nursing and allied health issues including pancreatic and cervical cancer, coronary artery disease, gestational diabetes, anxiety disorders, nerve damage and physiotherapy. HRFSSW has allocated more than $260,000 to this research.

A successful Education Open Day was held in November 2003, when eight medical, nursing and allied health researchers presented overviews of their current work. A cross-section of people from community organisations and SWSAHS employees attended, gaining a broader understanding of the work undertaken in the Area.

For further information or a copy of the SWSAHS Research Annual Report, call the HRFSSW on (02) 9828 6553 or visit our website www.swsahs.nsw.gov.au.

researcher	title	description	institution	funding
Dr G Delaney A/Prof M Barton Dr J Shafiq Dr B Jalaludin	Basic Treatment Equivalent (BTE): An assessment of linear accelerator throughput in NSW in 2003	To assess productivity of recent technology enhancements in radiotherapy treatment delivery and update the BTE measure	South Western Sydney Cancer Services	Statewide Services Development Branch of NSW Health
A/Prof M Barton	Development of a Victoria Cancer Services Framework	To establish a cancer services framework in Victoria, defining structure and coordination of services at population and service levels	South Western Sydney Cancer Services	Victoria Dept of Human Services
S Wilson, R Marks B Warner, S Peters	Illawarra TACT Review	To review the ambulatory care services within the Illawarra Area Health Service. Recommendations on how to improve service delivery/efficiencies for ambulatory care sensitive DRGs	Macarthur Health Service	Illawarra Area Health Service
N Collins, P Waldon B Warner, S Wilson UNWS and Confident Care Products	Macarthur Applications	To develop and monitor the use of therapeutic medical honey in medicine	Macarthur Health Service	Self-funded
Dr M Apte	Alcohol, vitamin A and pancreatic stellate cells	To investigate the role of vitamin A in maintaining pancreatic stellate cells and the influence of alcohol on metabolism of these cells	Health Research Foundation Sydney South West	HRFSSW Grant
Prof A Bauman (grant transferred to Prof Silove Nov 2003)	Additional effect of walking program to cognitive behavioural group therapy for patients with anxiety disorders	To gauge the effect of walking program to cognitive behavioural group therapy for patients with anxiety disorders	Health Research Foundation Sydney South West	HRFSSW Grant

researcher	title	description	institution	funding
S Clarke CNC	Transitional care program – moving the goalposts of primary health nurse core business	To examine the impact of expanding the role of primary health nurses into post acute ambulatory care	Bowral Hospital	Wingecarribee Health Service
J Marks D Pagnini	Trends, management and outcomes for post partum haemorrhage	To analyse trends, treatments and outcomes for post partum haemorrhage at Bowral Hospital	Bowral Hospital	Wingecarribee Health Service
J Harlum CNC J Stone	Do palliative care nurses practise within a professional boundaries framework?	To investigate the practice and educational needs of palliative care nurses in community and hospitals	Palliative Care Service	None applied for
Dr R Hawley Dr J Wiltshire A Monk RN	Identifying needs of patients with malignant mesothelioma, their carers and health professionals involved in their care	To conduct a qualitative study on the development of multidisciplinary care plans to promote evidence-based best clinical practice	Palliative Care Service	Dust Diseases Board, University of Sydney
Dr I Gosbell	South West Area Pathology Service Staphylococcal Reference Facility	To establish and run a major reference facility to investigate NSW hospital and community MRSA epidemics	South West Area Pathology Service	NSW Health
A/Prof R Munro Dr E Binotto	Multi-locus sequence typing of invasive isolates of Neisseria meningititis from NSW prior to the introduction of mass vaccination with conjugated serogroup C meningococcal vaccine	To carry out multi-locus sequence typing of invasive meningococcal isolates (2002) to determine the prevalence of different sequence types causing disease in NSW	South West Area Pathology Service	Health Research Foundation Sydney South West
Dr G Delaney A/Prof M Barton Dr S Jacob	Radiotherapy in cancer care: estimating the optimal utilisation from a review of evidence-based clinical guidelines	This study estimates the percentage of all patients with cancer in Australia who should, according to the best available evidence, receive at least one course of radiotherapy. This optimal radiotherapy utilisation rate is useful in the planning of radiotherapy services	South Western Sydney Cancer Services	Commonwealth Dept of Health and Ageing
A/Prof M Barton Richard Thode	Applied Sciences of Oncology Distance Learning Project	Development, piloting and implementation of a cost-effective and translatable distance-learning course in radiation oncology that will increase the numbers of radiation oncologists trained in developing countries	South Western Sydney Cancer Services	International Atomic Energy Agency
A/Prof M Barton A/Prof M Frommer School of Public Health, Uni of Sydney Dr GS Gabriel	Overview of Cancer Services in NSW	To review existing knowledge of cancer in NSW, cancer services, benchmarks, service configurations. Examine needs for cancer services covering prevalence, incidence, risk, geographic distribution etc in NSW	South Western Sydney Cancer Services	The Cancer Institute (NSW)

performance indicators

	2000/01	2001/02	2002/03	2003/04
Healthier People				
Percentage of confinements where first antenatal visit was before 20 weeks gestation				
– non indigenous	79.7%	78.5%	78.3%	77.7%
– indigenous	51.5%	50.0%	58.7%	58.7%
Percentage of infants fully immunised at 12 to less than 15 months	u/a	90%	91%	91%
Mental Health – Ambulatory contacts	142,970	111,395	108,902	141,074
Mental Health – Acute overnight inpatient separations	1,946	2,182	2,295	2,398
Mental Health – Non-acute inpatient days	0	0	0	0
Total mental health clinical levels (FTE)	309	381	370	395
Fairer Access				
Handover to Hospital within 30 minutes of ambulance arrival (Sydney/area) – % of cases	u/a	u/a	67.5%	59.1%
Cases treated within benchmark times as a % of all cases at EDIS site emergency departments				
Triage 1	99.9%	100%	100%	100%
Triage 2	86.7%	92.5%	91.2%	84.7%
Triage 3	62.6%	56.2%	55.4%	57.5%
Triage 4	66.8%	60.1%	62.0%	65.3%
Triage 5	90.5%	87.5%	88.7%	91.6%
Percentage of ED patients not admitted to an inpatient bed within				
8 hours of commencement of active treatment	17.9%	20.0%	23.0%	28.5%
Number of medical and surgical (categories 1 & 2) patients waiting more than 30 days	261	325	435	576
Number of medical and surgical (categories 1, 2, 7 & 8) patients waiting more than 12 months	256	528	701	1,513
Percentage booked surgery patients admitted and discharged on the same day	57.8%	60.3%	60.2%	60.8%
Percentage booked surgery patients admitted on the day of surgery (DOSA)	81.0%	84.9%	87.8%	90.0%
Number of inpatient separations	133,250	133,362	139,506	141,898
Number of case-weighted inpatient separations	118,629	120,866	126,779	126,658
Number of non-admitted patient occasions of service (NAPOOS)	1,832,210	1,980,607	2,177,019	2,249,375
Percentage of booked admissions experiencing a single delay	3.2%	3.3%	1.9%	1.9%
Percentage of booked admissions experiencing multiple delays	0.04%	0.06%	0.04%	0.04%
Quality Health Care				
Incidence rate (%) of acute separations where there is:				
(1) An unplanned overnight re-admission to hospital following booked surgery				
within 28 days of discharge (average of previous 3 years)	u/a	401	346	402
(2) An unplanned re-admission to ICU within 72 hours of discharge from				
an ICU (average of previous 3 years)	_*	_*	_*	_*
(3) An unplanned return to an operating room (booked surgery admissions only)				
(average of previous 3 years)	_*	_*	_*	_*
Percentage of total age-adjusted rates of potentially avoidable hospital admissions				
for ambulatory sensitive conditions per 100,000 population	6.3%	6.9%	6.8%	6.5%
Better Value				
Net cost of service – General Fund (general) % variance against budget	1.35%	0.10%	-0.01%	-1.1%
Total general creditors profile monthly average (days)	42	42	43	51
Creditors > 45 days at end of year ($000)	0	0	0	1,456
Capital Allocation as issued – % variance against approved Capital Allocation	2.18%	-0.34%	0.00%	-1.19%

*Data for Area not currently available

u/a unavailable

highlights

Healthier people
The percentage of confinements where a woman's first antenatal visit was before 20 weeks gestation improved in non-Aboriginal women to the 80 per cent target. The percentage also improved for Aboriginal women, however not to the target. Therefore, a number of proposals addressing the needs of antenatal care in Aboriginal women were developed. In partnership with the Tharawal Aboriginal Medical Service, improvements to services to Aboriginal people were undertaken.

The targets for mental health ambulatory and acute inpatient contacts were achieved. A significant advertising campaign, to attract mental health nursing staff to the expanded Area services, including standalone advertisements, was launched. Planning for the expansion of non-acute mental health services was completed in 2003/04.

Fairer access
Access to health services is a key focus area for action in the SWSAHS Strategic Directions Statement 2004-2007. Key access objectives, strategies and performance indicators have been defined for both hospital and community-based settings and for preventive programs. The creation of networked services, for example intensive care services, and the progression toward Area-wide clinical services will further address the access needs of the residents of south-western Sydney.

Although emergency department attendances generally have remained fairly constant, the percentage of patients requiring admission has increased. Targets for treatment within benchmark times were achieved in triage categories 1 and 5. For triage category 2, local results were 15 per cent better than the state average.

The capital expansion of the Liverpool Hospital Emergency Department will see the number of treatment spaces increase from 27 to 65.

The target for booked surgery patients admitted and discharged on the same day was exceeded (60.8 per cent compliance) and booked surgery patients admitted on the day of surgery achieved 90 per cent compliance.

The number of separations, case-weighted separations and non-admitted occasions of service provided were in excess of activity targets.

Quality healthcare
Innovation is promoted at all levels of SWSAHS. Successful implementation of innovative developments include Health Care Interpreter Service video-interpreting for Bowral, Camden and Campbelltown hospitals and the provision of outreach mental health services to Aboriginal people at Tharawal and other community groups. Other award-winning services at Liverpool Hospital are paediatric asthma education and the management of haemodynamically unstable patients.

financial services

Summary of business activity

SWSAHS Financial Services division consists of four units – the Finance Department, Payroll Services, Purchasing and Logistics and Information Services.

The centralised Finance Department plays a key role in ensuring the Area's financial resources and assets are managed efficiently and effectively through planning, coordinating and monitoring the use of these resources and assets.

Payroll Services' brief is to provide efficient payroll services to the Area.

SWSAHS Purchasing and Logistics Centre, based at Wetherill Park, provides cost-effective purchasing, contracting and warehousing services to the Area's healthcare facilities.

The Information Services Department provides information management and technology support to SWSAHS's clinical, corporate and support services.

Major goals and outcomes

During the year, the Finance Unit provided quality financial and performance management information to NSW Health, the Board, committees, managers and clinical directors. The unit managed the budget and the Area's financial performance, maintaining an appropriate level of liquidity.

In the year under review, Payroll Services made efficiency improvements to processing, improvements to the management of workers' compensation payments and implemented electronic data transfer in lieu of paper timesheets for the large numbers of casual and agency medical staff payments.

Purchasing and Logistics initiatives delivered significant financial benefit to the Area in the financial year. These initiatives included contracts for pharmaceuticals, orthopaedic implants, pacemakers, cardiac catheter consumables and perfusion devices. To maximise our contracting potential and achieve economies of scale, the Area utilised the Quadrangle program to partner with a number of other health services.

Significant milestones in information management and technology were achieved in 2003/04. The commencement of a number of key projects, which will continue through 2005/06, will ensure SWSAHS remains at the forefront of information management and technology services to support clinicians in the delivery of healthcare services.

Key issues and events

The Finance Unit conducted its core business of managing the Area's financial resources and assets.

During the year, Purchasing and Logistics delivered process and finance improvements in inventory reduction, product standardisation, barcoding and eBusiness initiatives.

Payroll also played a significant role in the development and testing of new data extracts for NSW Health's health information exchange program. Salary packaging numbers increased to almost 4,500 or just over half of eligible staff.

In the year under review, 90 per cent of Information Services Department staff were trained to ITIL (BS15000) compliance in the areas of service and change management, and a five-year relationship with Northern Rivers Area Health Service to provide support for their recently implemented patient administration system commenced. The extension of the information services centre will result in the SWSAHS facility being one of two NSW health data centres supporting future implementations of IT services for health across NSW.

Future direction

The unit brief is continuing sound financial management; continuing the provision of quality financial information to stakeholders; continuing the administration and management of taxation matters; progressing the development of simplified billing and implementing financial related systems upgrade.

human resources

Summary of business activity
Human Resources is responsible for establishing and implementing workplace policies and procedures for SWSAHS. Human Resources also represents SWSAHS at employee related tribunals and authorities.

Major goals and outcomes
Human Resources continues to work in conjunction with the salary packaging team to ensure our staff can enjoy the benefits of the salary packaging scheme.

Key issues and events
Human Resources supported 24 overseas applicants for temporary employment in 2003/04. In addition, 12 employees applying for permanent residence in Australia were sponsored by SWSAHS. Another 14 applicants have had their applications for temporary employment status in Australia supported by SWSAHS but are waiting on finalisation of their immigration process before they can commence work in the Area.

Future direction
The proposed realignment of the health service boundaries will affect the future direction of our human resource functions. We will review our human resource procedures and practices to reflect the new structure. The new clinical strategy for the Area health service, the *South Western Sydney Health Network – The Way Forward: 2004-2008*, will also need to be considered in the review of human resource procedures and policies.

swsahs full time equivalent staff at 30 june 2004

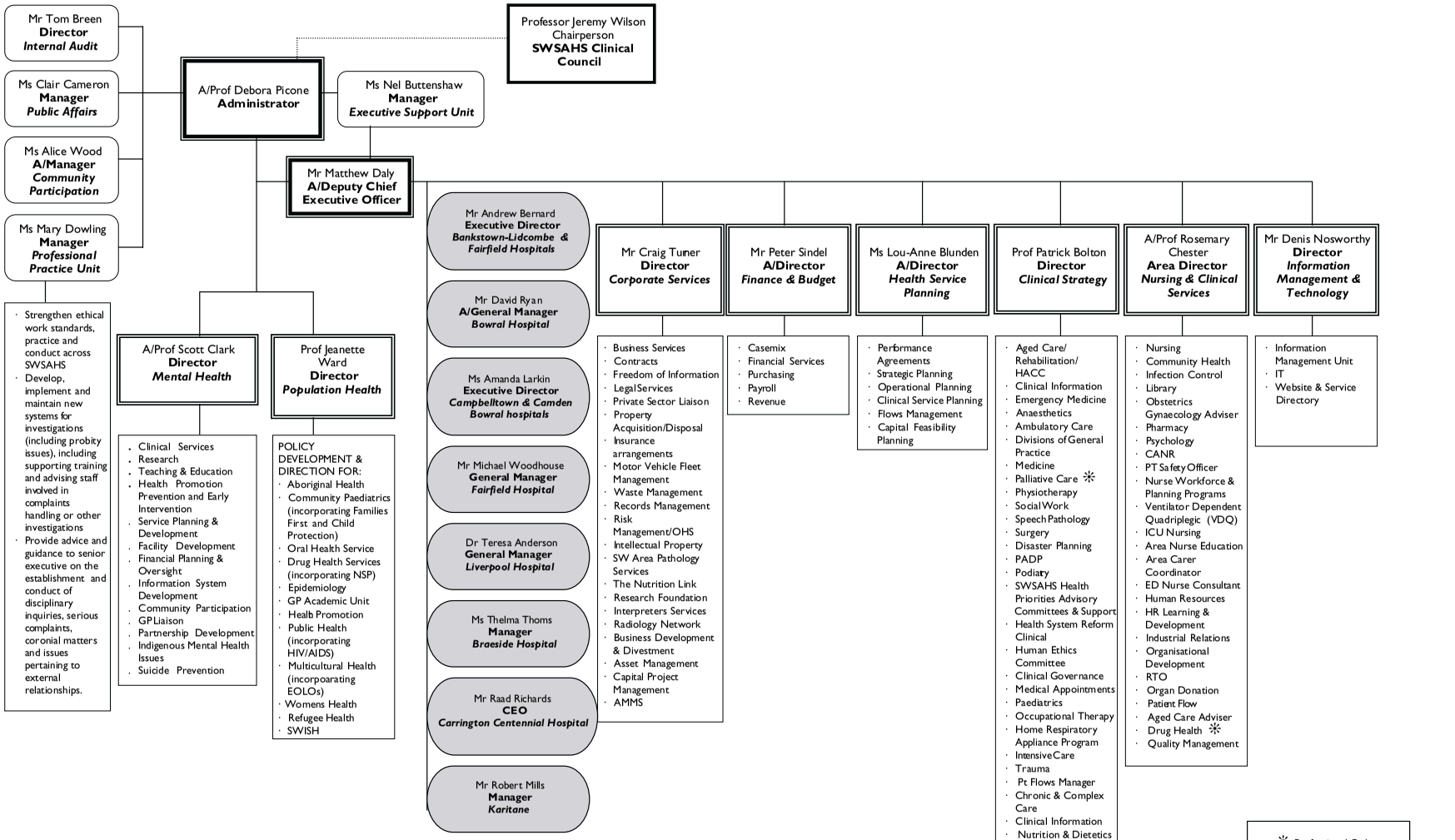
employment category	2003/04	2002/03	2001/02
Medical	649	604	566
Nursing	3,237	3,073	2,919
Corporate administration	359	249	1,199
Allied Health Professional	1,382	1,405	1,310
Hospital employees (eg wardsman, technical assistant, ancillary staff)	1,508	1,608	536
Hotel services	620	643	600
Maintenance and trades	66	64	61
Other	116	109	116
Total SWSAHS staff	7,937	7,755	7,307
Third schedule hospitals	350	363	366
Total staff	**8,287**	**8,118**	**7,673**

An improved and more accurate reporting system was developed in 2003/04 which means the format of workforce reporting differs from previous years.

divisional management

Position	Name
Administrator	Associate Professor Debora Picone
Acting Deputy CEO	Matthew Daly
Director Clinical Strategy	Professor Patrick Bolton
Director Financial Services	Colin Froud
Director Nursing Services	Associate Professor Rosemary Chester
Director Corporate Services	Craig Turner
Director Health Service Planning	Tim Wills
Manager Public Affairs	Clair Cameron
Manager Professional Practice Unit	Mary Dowling
Director Population Health	Professor Jeanette Ward
Director Mental Health	Associate Professor Scott Clark
Manager Human Resources	Greg Driver
Acting Manager Community Participation	Alice Woods
Manager Executive Support Unit	Nel Buttenshaw
Bankstown Health Service	
Executive Director	Andrew Bernard
Director Medical Services	Dr Geoff Westwood
Nursing and Clinical Services	Margaret Brown
Fairfield Health Service	
Executive Director	Andrew Bernard
General Manager	Michael Woodhouse
Director Medical Services	Dr Mushtaq Malik
Acting Director Nursing and Support Services	Helen Stewart
Liverpool Health Service	
General Manager	Dr Teresa Anderson
Director Medical Services	Dr Brett Oliver
Director of Nursing & Clinical Services	Kung Lim
Macarthur Health Service	
Acting General Manager	JoAnne Fisher
Director of Medical Services	Dr Ian Graham
Acting Director Nursing & Acute Services	Leanne Mills
Wingecarribee Health Service	
General Manager	Amanda Larkin
Acting Director Clinical and Support Services	David Ryan
Braeside Hospital	
General Manager	Thelma Thoms
Carrington Centennial Hospital	
Chief Executive Officer	Raad Richards
Karitane	
Executive Manager	Robert Mills

south western sydney area health service
organisational chart – functional responsibilities of divisions



Subject to Clinical Services Networking Strategy

July 2004

ses officers' report

Associate Professor Debora Picone
Acting Chief Executive Officer/Administrator
SES Level 7
Period in position: Appointed Acting CEO 19 October 2003; appointed Administrator 11 December 2003

Mr Matthew Daly
Acting Deputy Chief Executive Officer
SES Level 5
Period in position: Appointed 29 October 2003

results

Strategic initiatives – Associate Professor Debora Picone

- Implemented a new management team for the area health service and Macarthur Health Service
- Established the Clinical Strategy Group comprising 15 eminent SWSAHS clinicians to lead the development of an Area-wide clinical services plan for SWSAHS
- Developed the *South Western Sydney Health Network – The Way Forward: 2004-2008*, a new health plan for the people of south-western Sydney, a blueprint for the development and growth of hospital and health services in SWSAHS. The plan outlines broad directions for over 60 clinical services. Over 500 SWSAHS staff members including doctors, nurses, allied health staff, health planners and administrators contributed to the development of the plan. Members of the community also contributed to the process
- Expert review of maternal and perinatal services across SWSAHS undertaken under the leadership of Professor David Henderson-Smart
- Commissioned the review of SWSAHS Human Resource Services
- Established the SWSAHS Professional Practice Unit to progress patient safety across the Area
- Continued to develop structured and coordinated approaches to involving consumers, carers and community members in decision-making and evaluation processes at all levels of health service delivery
- Released the Community Participation Framework for SWSAHS. The framework outlines the area health service's commitment to the development of participation partnerships with its communities and provides guidance to staff and community members on participation processes in SWSAHS
- Concluded the strategic directions planning process involving staff, community members and other key stakeholders to develop the Area's Strategic Directions Statement 2004-2007. Hosted the Health Summit for the People of South Western Sydney in September 2003 as part of this process
- The agreed 2003/04 Net Cost of Services budget for the area was $792 million against which the audited actuals of $798 million represented an unfavourable variation of $6 million or 0.8 per cent.

Management accountabilities – Mr Matthew Daly

- Achieved the majority of volume and activity targets for 2003/04. Attained a range of capital enhancements to the value of $7.1 million for the purchase of vital hospital equipment and services
- Received $3.26 million capital funding under the National Pathways Home project for the upgrade of facilities across the Area to accommodate 20 new aged care, rehabilitation and stepdown beds
- Received over $1.9 million under the NSW Sustainable Access Program to reduce the number of patients waiting for treatment for targeted procedures longer than 12 months including cataract, cholecystectomy, total hip replacement and total knee replacement procedures
- Achieved $26.2 million in 2004/05, rising to $112 million per annum by 2007/08 to implement the *South Western Sydney Health Network – The Way Forward: 2004-2008*, a new health plan for the people of south-western Sydney
- Enhanced and improved the quality of care at Campbelltown and Camden hospitals through networking with Liverpool Hospital, appointing clinical nurse consultants and/or clinical leaders in a range of areas including emergency medicine, intensive care, general medicine and surgery and through additional medical nursing and allied health appointments
- Won first place in the 2003 Baxter Awards for quality projects in two categories, the education and training category for Evaluating the Effectiveness of Paediatric Asthma Education – Liverpool Hospital, and the effectiveness category for The Management of Haemodynamically Unstable Patients with a Pelvic Fracture – Liverpool Hospital.

equal employment opportunity

Equal Employment Opportunity (EEO) ensures the workplace is free from all forms of harassment and discrimination and provides programs for employees who are traditionally disadvantaged in the workplace – Aboriginal and Torres Strait Islanders, women, people whose first language is not English and people with a disability.

Equity is the fundamental right of every employee of SWSAHS. By applying EEO principles to every aspect of work life, we are supporting good management practices and fulfilling our obligations under the Anti-Discrimination Act 1977.

We continue to promote the principles and practices of EEO in conditions of employment, workplace relationships, performance evaluation and training and career development opportunities.

achievements of last year's planned outcomes

SWSAHS continues to implement the Aboriginal and Torres Strait Islander Employment Strategy.

There is an emphasis on recruitment and retention through initiatives such as mentoring programs, skills audits, career development and staff cultural awareness.

SWSAHS participates in the Elsa Dixon program and has 24 positions to support the employment of people of Aboriginal and Torres Strait Islander descent.

projected outcomes for next year

In 2004/05, SWSAHS will consolidate existing plans and ensure EEO is applied in respect of the proposed new clinical strategy and the anticipated change to area health service boundaries.

progress made in implementing the disability plan

SWSAHS has focused its efforts on improving access for disabled people through its major works and redevelopment program.

percentage of full time equivalent (fte) staff by level 2003/04

Level	Total staff	Respondents	Men	Women	Aboriginal people & Torres Strait Islanders	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
$27,606	14	12	2	12	0	7	9	0	0
$27,607-$36,258	2,204	1,747	533	1,671	54	250	463	47	11
$36,259-$40,535	1,096	890	134	962	14	131	230	26	6
$40,536-$51,293	1,413	1,171	260	1,153	23	273	329	18	7
$51,294-$66,332	2,806	2,248	411	2,395	8	597	641	74	17
$66,333-$82,914	872	713	319	553	3	202	168	17	3
>$82,914 (non-SES)	411	303	288	123	1	111	80	5	1
>$82,914 (SES)	5	5	3	2	0	0	0	0	0
TOTAL	8,821	7,089	1,950	6,871	103	1,571	1,920	187	45

teaching and training

To facilitate the development of a skilled and motivated workforce capable of providing a patient-centred approach to service delivery, our Human Resources Development Service has continued to build on its extensive range of corporate training and development programs for managers and staff.

A number of significant new initiatives were implemented during 2003/04, including:

- A development program for supervisors in support services which focuses on building the core knowledge, skills and attitudes required for effective performance in a supervisory role. The program focuses on practical application of learning to bring about improvements in the workplace. Supervisors who successfully complete the program will be awarded a Certificate III in Business (Frontline Management)
- An innovative large-scale development program is being piloted for administrative and secretarial staff across the Area, providing a comprehensive approach for developing participants according to their individual needs while placing a strong emphasis on improving customer service and teamwork. Eighty-seven staff are enrolled in the pilot program which is offered at Certificate III, Certificate IV and Diploma level. By offering a comprehensive development and career pathway, the program aims to build and retain a highly skilled administrative workforce
- Customised development programs for 26 clinical teams based on specific needs which provide interventions, development and support to facilitate improved performance at both individual and team level.

In order to demonstrate compliance with standards governing the delivery of nationally recognised training, the Human Resources Development Service underwent an external audit conducted by VETAB. The outcomes of this audit played a key role in the accreditation of NSW Health as a Registered Training Organisation from 2004 to 2008.

medical training

Medical Training is centred at Liverpool Hospital, a principal tertiary referral hospital. An active teaching and research program is also run at Bankstown Hospital, the second principal referral hospital in SWSAHS, and at Campbelltown and Fairfield hospitals, as well as a number of other facilities.

The South Western Sydney Clinical School, based at Liverpool Hospital, embraces multiple campuses, including Fairfield, Campbelltown and Bankstown hospitals, allowing access to the broad and diverse range of healthcare services delivered to a large and diverse population of approximately 800,000 people.

The clinical school commenced the new curriculum in 2004 with 42 students in phase 1. It facilitates years 3, 4 and 6 of the existing curriculum, with over 110 students undertaking their clinical studies across SWSAHS campuses.

nurse education and professional development

In 2003, SWSAHS achieved registration as a higher education institution and accreditation of the Graduate Certificate in Specialty Nursing with the NSW Department of Education and Training.

Last year 52 nurses graduated with the award specialising in Anaesthetics/Recovery, Emergency, Family & Child Health, Perioperative and Renal nursing.

SWSAHS is also a recognised provider of clinical education for trainee enrolled nursing, undergraduate bachelor of nursing and midwifery programs.

In the last financial year, SWSAHS provided for 4,679 undergraduate nursing clinical placements, employed 209 new graduate nurses, provided employment and clinical support for 52 trainee enrolled nurses and 25 midwifery students, who subsequently completed the programs.

SWSAHS is involved in the Reconnect Program, a ministerial initiative to facilitate nurses returning to the workforce. Since the inception of this program in early 2002, SWSAHS has supported and retained 75 nurses.

As well as providing formal education, SWSAHS is also committed to continuing professional development for nurses. During the year, nearly 3,500 nurses attended 158 area-wide clinical enhancement and professional development programs.

occupational health and safety

SWSAHS maintains a strong commitment to supplying a safe environment for all staff, patients and visitors. Workplace safety and injuries are constantly monitored and workers' compensation claims reviewed. A summary of results within SWSAHS for 2003/04 is recorded in column two. Key trends have been identified and strategies developed to reduce workplace incidents.

Manual handling injuries are the most common type of injury within the health system. Strategies to reduce these body stressing injuries include manual handling training at initial orientation of new employees and task specific training; supplying lifting equipment for patients and bulky goods transportation; conducting risk assessments of workplace tasks; and developing safe work practices to standardise the safest way to perform tasks.

A regular process of hazard inspections is designed to identify physical hazards in the workplace and the annual Numerical Profile safety audit program monitors the progress of all occupational health and safety (OH&S) systems and policies. SWSAHS facilities consistently score either A or B in the Hazard Inspection element of the tool, where A is best practice.

Other workplace safety initiatives undertaken in 2003/04 include:

- Annual security and aggression minimisation audits conducted to specifically manage staff, patients and facility safety and security
- The Safer Place to Work program developed for all SWSAHS employees which included a Zero Tolerance for Violence and Aggression policy, a communication strategy and a comprehensive training program
- Workplace incident forms to record all actual or potential risks and collated to identify emerging trends
- OH&S committees across SWSAHS actively monitored the work environment and communicated OH&S information to all employees
- Training programs which focused on manual handling and ergonomics, hazardous substances, managing aggression, fire safety and incident investigation
- OH&S practitioners met regularly to network and support a consistent approach to safety across SWSAHS.

During 2003/04 SWSAHS was not prosecuted for any breach of the OH&S legislation and maintains its proactive stance in post-incident management of injuries.

Workers' compensation claims for occupation groups

	2001/02	2002/03	2003/04
Number of claims	743	795	812
Nurses	46.7%	47.3%	47.0%
Clerical/management	8.6%	6.2%	6.4%
Allied Health/medical	9.8%	12.3%	14.4%
General services	34.9%	34.2%	32.1%
Common injury types			
Manual handling	36.6%	35.2%	35.0%
Slips/trips/falls	16.3%	18.0%	15.2%
Hit by object	17.2%	17.7%	12.1%
Mental stress	8.5%	7.2%	9.4%
Other	21.4%	21.9%	28.3%

volunteers

SWSAHS remains indebted to our volunteers who contribute their valuable time and energy in assisting us achieve our goals. In 2003/04, volunteers have run fundraising stalls, staffed information desks, distributed flowers to wards, collected library books and assisted clients on day trips.

bowral hospital

The hospital auxiliaries continued their loyal support, this year donating over $20,000, which has been used to buy clinical equipment. The Cancer Patients Assistance Society, now known as Can Assist, provided valuable support to the Palliative Care Service in purchasing equipment and providing funds for private respite nursing for patients.

The hospital volunteers and the Blue Ladies continue to provide great service to our patients and visitors. The pastoral care workers have provided spiritual support to our patients and are a much appreciated service within the hospital and community.

We have also been supported by the generosity of other community groups such as Crafts Unlimited, Rainbow of the Southern Highlands, Lions Club, Heart Support and Rotary clubs.

Bowral Hospital Auxiliary
President: Lucy Donkin
Secretary: Wendy Pedley
Treasurer: Joan Liebmann

Moss Vale Auxiliary
President: Kit Bright
Secretary: Sandra D'Adam
Treasurer: Rikky Winley

Burrawang/Wildes Meadow Auxiliary
President: Jenny Gair
Secretary: Audrey Jackson
Treasurer: Anne Ford

bankstown hospital

The hospital has an active volunteer service of over 70 members and a well organised pastoral care service. Members of both these groups provide additional interaction with our patients and community to make patients' stay in hospital more comfortable.

The Rev John Bunyan is chairman of the hospital pastoral care committee.

Bankstown Hospital Auxiliary
President: Alf Long
Secretary: June Ryan
Treasurer: Harvey Worth

fairfield hospital

The hospital has a very active auxiliary which runs monthly stalls, conducts regular raffles and other fundraising activities that allow us to purchase equipment. The volunteers primarily work on the wards.

Fairfield Hospital Auxiliary
President: Margaret Mason
Secretary: Wilma Stewart
Treasurer: Bill Mason

liverpool hospital

Liverpool Hospital volunteers have continued their successful hospital foyer and shopping centre stalls each week as well as arranging bus trips and outings to raise funds for the hospital.

During the year, the auxiliary funded a $13,217 blue bath and shower trolley for the Brain Injury Unit and two extra-wide wheelchairs ($4,000) for the Oncology Unit. Auxiliary president Elizabeth Johnson says she hopes for an even bigger shopping spree next year. During March, the auxiliary hosted the Western Sydney Regional Auxiliary Conference.

Liverpool has one hospital chaplain, paid for by the Anglican Church. A Buddhist chaplain has recently commenced duties at the hospital.

Liverpool Hospital Auxiliary
President: Elizabeth Johnson
Secretary: Robyn Jance
Treasurer: Pat Gaggins
Vice-Presidents: Lorna Macdonald, Helen Clifford

campbelltown and camden hospitals

Campbelltown and Camden hospitals are indebted to the volunteers who contribute their valuable time and energy in assisting us achieve our goals. In 2003/04 these volunteers have assisted with the Bear & Bilby Picnic Day, staffed the information desks, distributed flowers to hospital wards and assisted Allied Health, the library and the Cancer Therapy Centre.

Campbelltown Hospital Auxiliary
President: Barry Kemister
Secretary: Judy Kemister
Treasurer: Gail Smith

Camden Hospital Auxiliary
President: Robyn Jance
Secretary: Helen Evans
Treasurer: Bill Richards

engaging the community

community participation

Community participation is an important SWSAHS initiative to engage consumers, carers and the community of south-western Sydney in the planning and management of their health services. The Community Participation Framework launched in June 2004 embraces the philosophy of working in partnership with our community in health service decision making. The Framework builds on the involvement of hospital auxiliaries, volunteer programs and local advisory groups and will actively engage our community in a range of activities throughout all levels of the area health service.

Community participation has formal structures to engage with our diverse population in south-western Sydney. The SWSAHS Community Representatives Network has 200 members and its executive, the Consumer Community Council, has of total of 17 members including representation from all sectors.

Existing community participation groups include the Macarthur Health Community Council, SWSAHS Aboriginal Health Partnership and Sector Aboriginal Liaison Committees, the Mental Health Carers and Mental Health Consumers networks, SWSAHS Disability Reference and Sector Disability Reference groups, SWSAHS and Sector Multicultural Advisory Committees.

patient feedback

All facilities have a patient representative. This service is promoted at each facility to ensure patients and carers know who to voice their complaints and comments through. Complaint statistics are collected and regularly reported to the Clinical Quality Control Council and NSW Health for inclusion in the statewide complaints database.

SWSAHS has resolved 1,469 (NSW Health figures) complaints in the financial year 2003/04. Rendered data would suggest the most frequently raised issues are related to access to services, treatment and communication (excludes Professional Practice Unit data).

fundraising and sponsorship

Fundraising takes place across SWSAHS at department, facility and service levels. These activities allow SWSAHS personnel and the community to come together to make a contribution to the ongoing success of our services. Donations over $5,000 are listed on page 32.

environment

The state government and SWSAHS are committed to the principles of waste avoidance and resource recovery as reflected in the Waste Reduction and Purchasing Plan. The key strategies to be implemented in the plan are based on the hierarchy of waste management – avoidance, reuse, recycling and disposal.

SWSAHS plans to reduce waste from paper products, office equipment, vegetation and construction materials and reports on a biennial basis to Resource NSW on the progress made in recycling products and purchasing recycled materials.

A summary of materials recycled is outlined below.

recycled materials

Material	Units	Quantity recycled		Average
		2002/03	2003/04	recycled/yr
Paper	tonnes	148.3	244.1	196.2
Packaging (cardboard)	tonnes	420.2	388.5	404.4
Toner cartridges	items	1,603	1,052	1,328
Computers	units	600	244	422
Printers	items	60	81	71
Mobile phones	items	32	23	28

Data: ISD and Area Purchasing

ethnic affairs priority statement

The SWSAHS Multicultural Health Plan 2004/07 was endorsed in 2003. Informed by consultations with health services and community organisations, the plan identifies priority health areas and evidence-based strategies linked to the four goals of NSW Health.

In 2003, the Health Care Interpreter Service received funding from the NSW Health Telehealth initiative to introduce video-interpreting to the range of existing interpreting services at Liverpool and Campbelltown hospitals.

The South Western Sydney Families First Multicultural Project targets culturally diverse families with young children aged 0-3. It consists of three programs – the Multicultural Sustained Home Visiting Program provides culturally competent education and support in the home; the Bilingual Early Parenting Program addresses the needs of isolated women and people from refugee-like backgrounds; and the Multicultural Communication Program will develop a communication campaign around positive parenting.

The provision of interpreters to Home and Community Care (HACC) funded services ensures flexible and proficient interpreter services reach clients. Initiatives this year included training for sessional interpreters in the HACC service model, the development of promotional material and a satisfaction survey.

The Ageing in a Multicultural Society: Moving Forward Together seminar was conducted in collaboration with the Australian Association of Gerontology, SWSAHS, the Transcultural Mental Health Centre and the University of NSW Centre for Culture and Health. The seminar promoted discussion of aged care issues within a multicultural society and considered models of care, policy, research and culturally competent practice.

donations and bequests

We would like to thank all the volunteers and community members who have shown their support by donations and bequests during the year – your support and help are highly valued.

SWSAHS thanks the following organisations and individuals for providing $5,000 or more in support during 2003/04:

Allied Express
AMP Foundation
Bankstown District Sports Club
Bankstown Industrial Estate
Bankstown Hospital Auxiliary
Bankstown Lions and Rotary clubs
Bankstown Trotting Club
Bowral Cancer Patients Assistance Society
Bowral Hospital Auxillary
Bowral Lions Club
Bowral Meals on Wheels
Burrawang/Wildes Meadow Hospital Auxillary
Cabravale Diggers
Cabravale Ex-Servicemen's Club
Camden Golf Club
Campbelltown Bear & Bilby Day
Campbelltown Cancer Support Group
Campbelltown Catholic Club
Campbelltown Hospital Auxiliary
Casula Bing Lee
City of Fairfield RSL
DePuy Australia
Estate Ena Kathleen Box
Estate Nance De Cairos
Estate Alexander Cameron
Fairfield City Council
Global Orthopaedic Technology
Greek community of Bankstown
Greek Orthodox Church
Ingleburn Quota Club
Kids of Macarthur Foundation
Leo McCarthy
Marconi Club
Moss Vale Hospital Auxiliary
Mounties
Narellan Lions Club
NSW/ACT Lions Club
Paul Wakeling
Radiomarathon Australia
Retravision Bankstown
Revesby Workers' Club
R Prentice
Smithfield RSL
Sulzer
Zimmer Australia

non-government organisations

funds granted to non-government community organisations

Organisation	Amount $000	Program Area	Purpose
Cabramatta Community Centre	127	1.1 Primary & Community Care	Drug and alcohol prevention for NESB adolescents and parents/caregivers
GROW Community Program	200	1.1 Primary & Community Care	Residential drug and alcohol treatment service
Youth Solutions	290	1.1 Primary & Community Care	Drug and alcohol counselling, education and support services for youth
Odyssey House	945	1.1 Primary & Community Care	Residential drug and alcohol treatment service
South West Alternative Program	157	1.1 Primary & Community Care	Drug and alcohol assessment, counselling and referral for NESB community
St Vincent de Paul Maryfields Recovery Centre	237	1.1 Primary & Community Care	Alcohol and drug rehabilitation centre
Sydney City Mission	99	1.1 Primary & Community Care	Drug and alcohol prevention and education for young people
Quest for Life	154	1.1 Primary & Community Care	Support services to people suffering from disease, ailment or crisis
Fairfield Youth Recovery Support Team	150	1.1 Primary & Community Care	Drug and alcohol support services to assist families of drug dependent young people
Open Family Cabramatta	22	1.1 Primary & Community Care	Youth drug court pilot and other youth justice diversionary programs
Cabramatta Community Centre HIV Program	74	1.1 Primary & Community Care	AIDS awareness project for NESB adolescents and parents/caregivers
Bankstown Women's Health Centre	307	1.1 Primary & Community Care	Clinical, counselling and health education services for women
Immigrant Women's Health Centre	342	1.1 Primary & Community Care	Clinical, counselling and health education services for immigrant women
Lifeline Macarthur	64	1.1 Primary & Community Care	Telephone and face to face counselling services for the general community
Liverpool Women's Health Centre	518	1.1 Primary & Community Care	Clinical, counselling and health education services for women
Southern Highlands Bereavement Care	48	1.1 Primary & Community Care	Bereavement and support service
WILMA Women's Health Centre	340	1.1 Primary & Community Care	Clinical, counselling and health education services for women
Benevolent Society of NSW	1,217	1.1 Primary & Community Care	Clinical, counselling and health education services for women
Bankstown City Aged Care	221	4.1 Rehabilitation & Extended Care	Day care centre for dementia clients
Triple Care Farm	48	1.1 Primary & Community Care	Residential drug and alcohol treatment service

freedom of information

The area health service remains committed to the principles and objectives contained within the Freedom of Information Act 1989 and the Privacy and Personal Information Protection Act 1998.

FOI requests	Personal		Other		Total	
	2002/03	2003/04	2002/03	2003/04	2002/03	2003/04
New (including transferred in)	12	25	3	20	15	45
Brought forward from previous year	0	0	0	0	0	0
Total to be processed	12	25	3	20	15	45
Completed	12	24	3	19	15	44
Transferred out	0	1	0	0	0	1
Withdrawn	0	0	0	0	0	0
Total processed	12	25	3	19	15	44
Unfinished (carried forward)	0	0	0	1	0	1

results of FOI requests	Personal		Other	
	2002/03	2003/04	2002/03	2003/04
Granted in full	8	9	2	7
Granted in part	4	14	0	5
Refused	0	1	1	8
Deferred	0	0	0	0
Completed	12	24	3	20
basis of disallowing or restricting access				
Section 19 (application incomplete, wrongly directed)	0	0	0	0
Section 22 (deposit not paid)	0	0	1	4
Section 25 (1)(a1) (diversion of resources)	0	0	0	0
Section 25 (1)(a) (exempt)	4	14	0	5
Section 25 (1)(b), (b1), (c), (d) (otherwise available)	0	0	0	0
Section 28 (1)(b) (documents not held)	0	0	0	4
Section 24 (2) (deemed refused, over 21 days)	0	0	0	0
Section 31 (4) (released to medical practitioner)	0	3	0	0
Totals	4	17	1	13
days to process				
0-21	8	14	2	9
22-35 (consultation period/out of time determinations)	2	7	0	6
Over 35 (extended consultation/out of time determinations)	2	4	1	4
Totals	12	25	3	19
hours to process				
0-10	11	21	3	13
11-20	0	4	0	2
21-40	1	0	0	3
Over 40	0	0	0	1
Totals	12	25	3	19
type of discount allowed on fees charged				
Public Interest	0	0	0	0
Financial Hardship – Pensioner/Child	5	9	0	0
Financial Hardship – Non Profit Organisation	0	0	0	0
Totals	5	9	0	0
Significant correction of personal records	0	0	0	0

highlights

For the financial year 2003/04, 45 new applications were received for information under the Freedom of Information Act 1989, compared with 15 in 2002/03, representing an increase of 200 per cent. The increase was due to the heightened media attention to the area health service.

Twenty-five of the applications were requests for personal or next of kin medical records, with 20 requests of a non-personal nature.

One internal review was sought this financial year and none last financial year.

Eleven applications required consultation with 38 parties outside the area health service, compared to five last year.

It took 399.5 hours to process the freedom of information (FOI) requests, costing an estimated $23,115, with fees received $5,310.

There have been no requests for amendments to personal records, notations to personal records or ministerial certificates issued and in the last two years there were no ombudsman or District Court appeals.

The area health service supports the right of a patient to see what personal information is held by the health service and is continuing to advise patients of their right to access documents under FOI and outside FOI, and to reassure patients that strict confidentiality of all material processed is maintained.

Patients are able to apply to view or obtain a copy of their medical record by contacting the clinical information department of the hospital where the records are kept. There is no charge to view a medical record but when a patient applies to view a medical record, they are required to make an appointment and view the record in the presence of a health professional.

statement of affairs

Under section 14(1)(a) of the FOI Act, SWSAHS is required to publish a statement of affairs every 12 months and, as such, the statement of affairs is incorporated in this annual report.

A description of the area health service's structures and functions is outlined in this annual report.

The area health service has a direct effect on the general public by providing health services to assist in improving the health and wellbeing of the people within the local government areas under its jurisdiction.

The service has a number of committees that assist with policy development within the health system. These committees are also listed in this annual report.

A list of the service's policy documents which are available for inspection, purchase or free of charge is outlined in the summary of affairs published in the *Government Gazette* every six months.

A summary of affairs is produced by the service each June and December. The summary lists all policy documents held by the area health service and the method of accessing the documents.

The FOI Act gives a member of the public the right to apply for records to be amended if they are out of date, misleading, incorrect or incomplete.

Members of the public can apply to have records amended by applying in writing to the FOI Coordinator, SWSAHS, Locked Bag 7017, Liverpool BC NSW 1871. No application fee is payable for amendment of records.

For further information relating to FOI, amendment of records or to obtain a copy of the summary of affairs, contact the FOI coordinator on (02) 9828 6063.

privacy and personal information

The area health service has been greatly assisted by NSW Health during the year, with no internal reviews being conducted under the Privacy and Personal Information Protection Act 1998.

public affairs

Summary of business activity

The Public Affairs Department promotes the corporate identity of SWSAHS, its hospitals and healthcare facilities. Our goal is to communicate, internally and externally, the work conducted at our facilities for the benefit of patients and the wider community. The department is the first point of contact for all media representatives.

Our expertise includes internal and external communication strategies, media advocacy, specialised promotion campaigns, corporate publications and events management.

Major goals and outcomes

Public Affairs worked to promote and maintain public confidence in our services and facilities. During the year under review, we kept the community informed of new clinical initiatives and services, additional funding and progress on the refurbishments and capital works being undertaken at our hospitals and health services.

Key issues and events

The major event of the year was the launch of the clinical plan for the future of services in SWSAHS, *South Western Sydney Health Network – The Way Forward: 2004-2008*. A team of eminent clinicians worked with more than 500 SWSAHS staff and members of the local community to produce the strategy.

As a result of the new four year strategy, hospital and healthcare services will be enhanced and refined to form an innovative clinical network. The announcement of the new health network generated a great deal of community and media interest.

During the year, Premier Carr and Minister Iemma made visits to Camden and Campbelltown hospitals and spoke to staff and patients about changes at the facilities.

The Baxter Awards provided another high point for the year with SWSAHS winning two top healthcare awards.

In February, the Minister Assisting the Minister for Health (Cancer) Frank Sartor presided over the official launch of the Macarthur Cancer Therapy Centre at Campbelltown Hospital.

During March, a new six-bed dialysis unit was opened at Campbelltown Hospital and the Play Your Cards Right initiative was launched in partnership with other area health and Aboriginal medical services in Sydney's greater west.

In March, maternity services at SWSAHS were reinvigorated with the launch at Liverpool Hospital of the SWSAHS Maternity Services Review to network child and women's health. Key recommendations of the review conducted by eminent neonatologist Professor David Henderson-Smart included the provision of more beds, extra senior staff and the establishment of a maternal and perinatal service network across the Area.

In April staff, the community and local media gathered at Campbelltown Hospital for a Welcome to Country and smoking ceremony conducted by local elders from the Tharawal people to welcome administrator Associate Professor Debora Picone to the Area and to show support for the health service working together with the Aboriginal medical service.

In May, as part of celebrations to mark International Nurses Day, Premier Bob Carr visited Liverpool Hospital to present achievement awards to four nurses and a nine-member nursing project team.

In June, the Cancer Institute NSW's Plan was launched at Liverpool Hospital. This will result in $1.8 million extra to fund 11 specialist academic, clinical and cancer research positions in south-western Sydney.

Future direction

The unit looks forward to communicating SWSAHS initiatives to the community and the staff of the Area.

South Western Sydney
Area Health Service

Financial Statements 2003/04

financial overview

SWSAHS received its budget allocation for the 2003/04 financial year on 30 September 2003. The agreed 2003/04 net cost of services budget for the health service was $792.3 million against which the audited actuals of $798.5 million represented a variation of $6.2 million or 0.8 per cent. The reported variation was mainly attributed by inpatients being treated exceeding agreed performance levels by 1,913 or 1.4 per cent and special service issues in the Macarthur hospitals that were the subject of government reviews.

In achieving the above result, the Area is satisfied it largely operated within the advised level of government cash payments and restricted operating costs to the budget available. While making every attempt to maintain general creditors within 45 days at any month end, as at 30 June the Area did have creditors to the value of $10.432 million in excess of this benchmark level.

Major increases in budget allocations that occurred in 2003/04 included General Assistance funds of $8.4 million principally for use in the Macarthur sector to address service issues; Special Purpose Funding of $12.3 million for services such as Drug and Alcohol, Mental Health, Clinical Service Development, Nurse Recruitment and Targeted Booked Surgery and the 3.5 per cent award increases for nurses.

In respect of program reporting, the reported expenditure and revenue levels for the 2003/04 financial year as they are allocated across the programs are largely consistent with global trends and the allocations of the previous financial year. Responsibility for the management of inpatient flows and outflows from other states and territories was devolved to Health Services in 2003/04. Financial incentives are available to all NSW health services for the management of these flows. The effect of the interstate flow on SWSAHS in 2003/04 was a net outflow of $0.5 million and the net outflow for the inter-area was $75 million.

The program expenditure for Aboriginal health was $60,000 lower than the previous year. The decrease was mainly attributed to the reduction in overhead allocation.

An increase of 18 per cent in emergency services expenditure over the previous financial year is primarily attributable to increases in salaries and wages and agency staff costs for Liverpool and Macarthur Health Services.

In the year under review, same day acute inpatient services expenditure decreased 5.5 per cent over the previous financial year, due to a refinement of ED reporting procedures at Camden and Bowral. The expense, currently reported in the emergency services program, was formerly reported in the same day acute program.

The current year increase in expenditure of 13.5 per cent for rehabilitation and extended care reflects increased running costs at Bankstown and Camden inpatient units, an increase in the subsidy payment to Braeside Hospital and an increase in patient outflow expense.

An increase of 18.9 per cent in expenditure over the previous financial year is substantially due to extra funding totalling $5.8 million received during the year. The funds were directed toward recruitment of mental health staff and the purchase of private inpatient services. The National Mental Health Plan also gained an additional $0.6 million in funding.

During the year, increases in junior medical staff and clinical academic appointments resulted in an increase in expenses attributable to teaching.

The Finance Committee and Audit Committee Best Practice Guidelines developed by the Health Services Association in collaboration with NSW Health have been adopted, recognising the governance responsibilities of the Area Board and the accountabilities to be observed. Using these principles, budgetary and other performance targets are developed in consultation with relevant sector general managers and the outcomes of the sectors measured against these targets and reviewed at the relevant Board committees.

SWSAHS received its initial budget allocation for the 2004/05 financial year on 23 July 2004. The initial budget provided additional growth and enhancement funding to the Area.

independent auditor's report

GPO BOX 12
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

SOUTH WESTERN SYDNEY AREA HEALTH SERVICE

To Members of the New South Wales Parliament

Audit Opinion Pursuant to the *Public Finance and Audit Act 1983*

In my opinion, the financial report of the South Western Sydney Area Health Service:

(a) presents fairly the South Western Sydney Area Health Service's and the consolidated entity's financial position as at 30 June 2004 and their financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements, in Australia, and

(b) complies with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act).

Audit Opinion Pursuant to the *Charitable Fundraising Act 1991*

In my opinion:

(a) the accounts of the South Western Sydney Area Health Service and the consolidated entity show a true and fair view of the financial result of fundraising appeals for the year ended 30 June 2004

(b) the accounts and associated records of the South Western Sydney Area Health Service and the consolidated entity have been properly kept during the year in accordance with the *Charitable Fundraising Act 1991* (the CF Act) and the *Charitable Fundraising Regulation 2003* (the CF Regulation)

(c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the CF Act and the CF Regulation, and

(d) there are reasonable grounds to believe that the South Western Sydney Area Health Service and its controlled entity will be able to pay their debts as and when they fall due.

My opinions should be read in conjunction with the rest of this report.

The Administrator's Role

The financial report is the responsibility of the Administrator of the South Western Sydney Area Health Service. It consists of the statements of financial position, the statements of financial performance, the statements of cash flows, the program statement - expenses and revenues and the accompanying notes for the South Western Sydney Area Health Service and the consolidated entity. The consolidated entity comprises the South Western Sydney Area Health Service and the entity it controlled at the year's end or during the financial year.

The Auditor's Role and the Audit Scope

As required by the PF&A Act and the CF Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing and Assurance Standards and statutory requirements, and I:

- evaluated the accounting policies and significant accounting estimates used by the Administrator in preparing the financial report,
- examined a sample of the evidence that supports:
  - (i) the amounts and other disclosures in the financial report,
  - (ii) compliance with accounting and associated record keeping requirements pursuant to the CF Act, and
- obtained an understanding of the internal control structure for fundraising appeal activities.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Administrator had not fulfilled her reporting obligations.

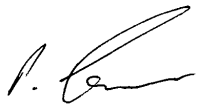
My opinions do *not* provide assurance:

- about the future viability of the South Western Sydney Area Health Service or its controlled entity,
- that they have carried out their activities effectively, efficiently and economically,
- about the effectiveness of their internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



P Carr
Director of Audit

SYDNEY
28 September 2004

certification of financial statements

The South Western Sydney Area Health Service
Financial Statements for the Year Ended 30th June 2004

Certification of Financial Statements

The attached financial statements of the South Western Sydney Area Health Service for the year ended 30 June 2004

i) have been prepared in accordance with the requirements of the Applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), UIG Consensus Views, the requirements of the Public Finance & Audit Act, 1983 and its regulations, the Health Services Act 1997 and its regulations, the Accounts and Audit Determinations and the Accounting Manual for Area Health Services and Public Hospitals; and

where there are inconsistencies between the above requirements, the legislative provisions have prevailed; Statements of Accounting Concepts are used as guidance in the absence of applicable Accounting Standards and other mandatory professional legislative requirements.

ii) present fairly the financial position and transactions of the health organisation;

iii) have no circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

Dr. Diana Horvath **AO**
Administrator

Date: 28-9-2004

Colin Froud
Director of Finance & Information Management until 16 July 2004

Date: 28.9.04

statement of financial performance for the year ended 30 june 2004

	notes	parent actual 2004 $'000	parent budget 2004 $'000	parent actual 2003 $'000	consolidated actual 2004 $'000	consolidated budget 2004 $'000	consolidated actual 2003 $'000
Expenses							
Operating Expenses							
Employee Related	3	543,316	536,402	476,748	543,562	536,402	476,993
Visiting Medical Officers		34,978	32,255	33,282	34,978	32,255	33,282
Goods and Services	4	258,656	250,570	243,312	258,768	250,570	243,409
Maintenance	5	22,604	24,425	24,571	22,605	24,425	24,574
Depreciation and Amortisation	2(i), 6	34,397	35,700	34,920	34,399	35,700	34,921
Grants and Subsidies	7	6,132	5,680	8,220	6,122	5,680	6,801
Payments to Affiliated Health Organisations	8	17,684	17,747	15,991	17,684	17,747	15,991
Total Expenses		**917,767**	**902,779**	**837,044**	**918,118**	**902,779**	**835,971**
Revenues							
Sale of Goods and Services	9	101,180	102,983	103,196	101,203	102,983	103,196
Investment Income	10	3,990	1,700	1,936	4,185	1,700	2,032
Grants and Contributions	11	12,348	2,615	17,874	12,138	2,615	15,241
Other Revenue	12	1,834	3,227	1,915	1,873	3,227	2,006
Total Revenues		**119,352**	**110,525**	**124,921**	**119,399**	**110,525**	**122,475**
Gain/(Loss) on Disposal of Non Current Assets	13	189	0	486	189	0	486
Net Cost of Services	**32**	**798,226**	**792,254**	**711,637**	**798,530**	**792,254**	**713,010**
Government Contributions							
NSW Health Department Recurrent Allocations	2 (c)	710,511	710,511	634,632	710,511	710,511	634,632
NSW Health Department Capital Allocations	2 (c)	28,579	28,242	22,829	28,579	28,242	22,829
Acceptance by the Crown Entity of employee superannuation benefits	2 (a)	37,900	37,900	34,300	37,921	37,900	34,318
Total Government Contributions		**776,990**	**776,653**	**691,761**	**777,011**	**776,653**	**691,779**
RESULT FOR THE YEAR FROM ORDINARY ACTIVITIES	**27**	**(21,236)**	**(15,601)**	**(19,876)**	**(21,519)**	**(15,601)**	**(21,231)**
Net increase/(decrease) in Asset Revaluation Reserve		154,095	0	380	154,095	0	380
Total Revenues, Expenses and Valuation Adjustments Recognised Directly in Equity		**154,095**	**0**	**380**	**154,095**	**0**	**380**
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS	**27**	**132,859**	**(15,601)**	**(19,496)**	**132,576**	**(15,601)**	**(20,851)**

The accompanying notes form part of these Financial Statements

statement of financial position for the year ended 30 june 2004

	notes	parent actual 2004 $'000	parent budget 2004 $'000	parent actual 2003 $'000	consolidated actual 2004 $'000	consolidated budget 2004 $'000	consolidated actual 2003 $'000
ASSETS							
Current Assets							
Cash	16	7,717	13,751	6,965	8,540	13,751	9,197
Receivables	18	12,720	7,891	11,134	12,720	7,891	11,134
Inventories	19	3,530	3,554	3,554	3,530	3,554	3,554
Other Financial Assets	17	28,324	32,591	31,390	30,656	32,591	32,591
Other	21	631	550	550	631	550	550
Total Current Assets		**52,922**	**58,337**	**53,593**	**56,077**	**58,337**	**57,026**
Non-Current Assets							
Receivables	18	687	2,338	632	687	2,338	632
Property, Plant and Equipment							
– Land and Buildings	20	752,913	593,835	595,568	752,913	593,835	595,568
– Plant and Equipment	20	69,146	62,391	69,889	69,153	62,391	69,898
Total Property, Plant and Equipment		**822,059**	**656,226**	**665,457**	**822,066**	**656,226**	**665,466**
Other	21	11,207	10,840	8,540	11,207	10,840	8,540
Total Non-Current Assets		**833,953**	**669,404**	**674,629**	**833,960**	**669,404**	**674,638**
Total Assets		**886,875**	**727,741**	**728,222**	**890,037**	**727,741**	**731,664**
LIABILITIES							
Current Liabilities							
Payables	23	68,535	39,429	43,103	68,542	39,429	43,108
Interest Bearing Liabilities	24	0	12,945	12,945	0	12,945	12,945
Provisions	25	41,122	47,418	38,849	41,132	47,418	38,862
Other	26	2,704	2,545	97	2,704	2,545	97
Total Current Liabilities		**112,361**	**102,337**	**94,994**	**112,378**	**102,337**	**95,012**
Non-Current Liabilities							
Provisions	25	92,463	88,423	84,036	92,501	88,423	84,070
Total Non-Current Liabilities		**92,463**	**88,423**	**84,036**	**92,501**	**88,423**	**84,070**
Total Liabilities		**204,824**	**190,760**	**179,030**	**204,879**	**190,760**	**179,082**
Net Assets		**682,051**	**536,981**	**549,192**	**685,158**	**536,981**	**552,582**
EQUITY							
Reserves	27	274,170	120,367	120,367	274,170	120,367	120,367
Accumulated Funds	27	407,881	416,614	428,825	410,988	416,614	432,215
Total Equity		**682,051**	**536,981**	**549,192**	**685,158**	**536,981**	**552,582**

The accompanying notes form part of these Financial Statements

statement of cash flows for the year ended 30 june 2004

	notes	parent actual 2004 $'000	parent budget 2004 $'000	parent actual 2003 $'000	consolidated actual 2004 $'000	consolidated budget 2004 $'000	consolidated actual 2003 $'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee Related		(498,187)	(482,129)	(421,913)	(498,411)	(482,129)	(422,141)
Grants and Subsidies		(6,745)	(5,680)	(9,042)	(6,734)	(5,680)	(7,481)
Other		(335,875)	(332,140)	(338,189)	(335,985)	(332,140)	(338,432)
Total Payments		**(840,807)**	**(819,949)**	**(769,144)**	**(841,130)**	**(819,949)**	**(768,054)**
Receipts							
Sale of Goods and Services		124,770	104,519	122,248	124,808	104,519	122,499
Interest Received		3,990	1,700	1,936	4,185	1,700	2,032
Other		12,889	3,542	21,374	12,701	3,542	18,578
Total Receipts		**141,649**	**109,761**	**145,558**	**141,694**	**109,761**	**143,109**
Cash Flows From Government							
NSW Health Department Recurrent Allocations		710,511	710,511	634,632	710,511	710,511	634,632
NSW Health Department Capital Allocations		29,044	28,242	22,363	29,044	28,242	22,363
Net Cash Flows from Government		**739,555**	**738,753**	**656,995**	**739,555**	**738,753**	**656,995**
NET CASH FLOWS FROM OPERATING ACTIVITIES	32	**40,397**	**28,565**	**33,409**	**40,119**	**28,565**	**32,050**
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		1,100	0	914	1,100	0	914
Proceeds from Sale of Investments		3,065	2,232	0	1,934	0	0
Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(33,313)	(26,459)	(36,368)	(33,313)	(26,459)	(36,368)
Purchases of Investments		0	0	(7,123)	0	0	(4,081)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(29,148)**	**(24,227)**	**(42,577)**	**(30,279)**	**(26,459)**	**(39,535)**
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from Borrowings and Advances		2,448	2,448	0	2,448	2,448	0
NET CASH FLOWS FROM FINANCING ACTIVITIES		**2,448**	**2,448**	**0**	**2,448**	**2,448**	**0**
NET INCREASE/(DECREASE) IN CASH		**13,697**	**6,786**	**(9,168)**	**12,288**	**4,554**	**(7,485)**
Opening Cash and Cash Equivalents		**(5,980)**	**(5,980)**	**3,188**	**(3,748)**	**(3,748)**	**3,737**
CLOSING CASH AND CASH EQUIVALENTS	16	**7,717**	**806**	**(5,980)**	**8,540**	**806**	**(3,748)**

The accompanying notes form part of these Financial Statements

program statement expenses and revenues for the year ended 30 june 2004

SERVICE'S EXPENSES AND REVENUES	Program 1.1 *		Program 1.2 *		Program 1.3 *		Program 2.1 *		Program 2.2 *		Program 2.3 *		Program 3.1 *		Program 4.1 *		Program 5.1 *		Program 6.1 *		Total	
	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000	June 2004 $000	June 2003 $000
Expenses																						
Operating Expenses																						
Employee Related	61,217	56,561	657	693	52,816	47,936	47,869	37,618	227,266	198,015	27,038	32,525	44,997	35,389	45,650	40,168	10,172	8,754	25,880	19,334	543,562	476,993
Visiting Medical Officers	234	285	23	29	4,534	4,062	611	365	23,472	23,208	2,989	2,991	1,548	1,353	1,094	942	46	26	427	21	34,978	33,282
Goods and Services	12,664	12,930	193	139	18,879	16,756	14,884	15,698	155,091	146,870	27,819	24,764	7,158	6,211	15,431	14,194	3,361	2,505	3,288	3,342	258,768	243,409
Maintenance	2,824	2,657	43	57	2,558	2,819	1,885	1,708	9,020	10,511	1,340	1,795	2,005	1,761	1,839	2,124	414	396	677	746	22,605	24,574
Depreciation and Amortisation	4,491	5,253	32	39	4,183	4,718	3,169	2,586	14,372	13,735	1,752	2,381	2,413	1,753	2,912	3,509	351	399	724	548	34,399	34,921
Grants and Subsidies	4,996	5,145	0	1	32	49	3	22	2	338	0	34	20	22	504	582	154	137	411	471	6,122	6,801
Borrowing Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payments to Affiliated Health																						
Organisations	3,539	3,280	0	0	0	0	0	0	0	0	0	0	606	2,912	13,539	9,799	0	0	0	0	17,684	15,991
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	89,965	86,111	948	958	83,002	76,340	68,421	57,997	429,223	392,677	60,938	64,490	58,747	49,401	80,969	71,318	14,498	12,217	31,407	24,462	918,118	835,971
Revenue																						
Sale of Goods and Services	1,808	1,458	19	41	7,375	6,494	6,294	5,429	59,612	63,646	7,717	9,749	963	173	16,395	15,569	362	71	658	566	101,203	103,196
Investment Income	166	103	4	2	793	139	236	64	1,449	913	212	102	181	9	252	255	32	6	860	439	4,185	2,032
Grants and Contributions	2,520	2,969	1	1	384	1,567	182	387	2,044	2,844	108	74	188	95	2,416	2,184	241	26	4,054	5,094	12,138	15,241
Other Revenue	116	75	73	3	239	71	13	39	446	1,611	110	34	86	41	181	65	2	37	607	30	1,873	2,006
Total Revenue	4,610	4,605	97	47	8,791	8,271	6,725	5,919	63,551	69,014	8,147	9,959	1,418	318	19,244	18,073	637	140	6,179	6,129	119,399	122,475
Gain/ (Loss) on Disposal of																						
Non Current Assets	(10)	(3)	0	0	17	(48)	(20)	(13)	123	(148)	58	(70)	(5)	(1)	30	780	(1)	(6)	(3)	(5)	189	486
Net Cost of Services	85,365	81,509	851	911	74,194	68,117	61,716	52,091	365,549	323,811	52,733	54,601	57,334	49,084	61,695	52,465	13,862	12,083	25,231	18,338	798,530	713,010

* The name and purpose of each program is summarised in Note 15. The program statement uses statistical data to 31 March 2004 to allocate the current year's financial information to each program.

No changes have occurred during the period between 1 April 2004 and 30 June 2004 which would materially impact this allocation for the entire year.

notes to and forming part of the financial statements

1. the health service reporting entity

The Health Service, as a reporting entity, comprises all the operating activities of the Hospital facilities and the Community Health Centres under its control. It also encompasses the Special Purposes and Trust Funds which, while containing assets which are restricted for specified uses by the grantor or the donor, are nevertheless controlled by the Health Service.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

2. summary of significant accounting policies

The Health Service's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group (UIG) Consensus Views and the requirements of the Health Services Act 1997 and its regulations including observation of the Accounts and Audit Determination for Area Health Services and Public Hospitals.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncements of the AASB or UIG consensus View, the hierarchy of other pronouncements as outlined in AAS6 "Accounting Policies" is considered.

Except for certain investments and land and buildings, plant and equipment and infrastructure systems, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Other significant accounting policies used in the preparation of these financial statements are as follows:

a) Employee Benefits and Other Provisions

i) Salaries & Wages, Annual Leave, Sick Leave and On Costs (including non-monetary benefits)

Liabilities for salaries and wages, annual leave and vesting sick leave and related on-costs are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Employee benefits are dissected between the "Current" and "Non Current" components on the basis of anticipated payments for the next twelve months. This in turn is based on past trends and known resignations and retirements.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of workers' compensation insurance premiums and fringe benefits which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

ii) Long Service Leave and Superannuation

Long Service Leave is measured on a short hand basis at an escalated rate of 3.7% above the salary rates immediately payable at 30 June 2004 for all employees with five or more years of service. Actuarial assessment has found that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

Employee leave entitlements are dissected between the "Current" and "Non Current" components on the basis of anticipated payments for the next twelve months. This in turn is based on past trends and known resignations and retirements.

The Health Service's liability for superannuation is assumed by the Crown Entity. The Health Service accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of Employee Benefits".

The superannuation expense for the financial year is determined by using the formulae specified by the NSW Health Department. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employee's salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employee's superannuation contributions.

for the year ended 30 june 2004

2. summary of significant accounting policies continued

iii) Other Provisions

Other provisions exist when the entity has a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events. These provisions are recognised when it is probable that a future sacrifice of economic benefits will be required and the amount can be measured reliably.

b) Insurance

The Health Service's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government Agencies. The expense (premium) is determined by the Fund Manager based on past experience.

c) Revenue Recognition

Revenue is recognised when the Health Service has control of the good or right to receive, it is probable that the economic benefits will flow to the Health Service and the amounts of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services, ie user charges. User charges are recognised as revenue when the Health Service obtains control of the assets that result from them.

Patient Fees

Patient Fees are derived from chargeable inpatients and non-inpatients on the basis of rates specified by the NSW Health Department from time to time.

Investment Income

Interest revenue is recognised as it accrues. Rent revenue is recognised in accordance with AAS17 "Accounting for Leases". Dividend revenue is recognised when the Health Service's right to receive payment is established.

Debt Forgiveness

In accordance with the provisions of Australian Accounting Standard AAS23 debts are accounted for as extinguished when and only when settlement occurs through repayment or replacement by another liability or the debt is subject to a legal defeasance.

Use of Hospital Facilities

Specialist doctors with rights of private practice are subject to an infrastructure charge for the use of hospital facilities at rates determined by the NSW Health Department. Charges consist of two components:

- a monthly charge raised by the Health Service based on a percentage of receipts generated
- the residue of the Private Practice Trust Fund at the end of each financial year, such sum being credited for Health Service use in the advancement of the Health Service or individuals within it.

Use of Outside Facilities

The Health Service uses a number of facilities owned and maintained by the local authorities in the area to deliver community health services for which no charges are raised by the authorities. The cost method of accounting is used for the initial recording of all such services with cost being determined as the fair value of the services given which is then duly recognised as both revenue and matching expense.

Grants and Contributions

Grants and Contributions are generally recognised as revenues when the Health Service obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

NSW Health Department Allocations

Payments are made by the NSW Health Department on the basis of the allocation for the Health Service as adjusted for approved supplementations mostly for salary agreements, patient flows between Health Services and other States and approved enhancement projects. This allocation is included in the Statement of Financial Performance before arriving at the "Result for the Year from Ordinary Activities" on the basis that the allocation is earned in return for the health services provided on behalf of the Department. Allocations are normally recognised upon the receipt of Cash.

2. summary of significant accounting policies continued

General operating expenses/revenues of Karitane, Carrington Centennial Hospital, Hope Health Care (Braeside Hospital) and the Benevolent Society of NSW have only been included in the Statement of Financial Performance prepared to the extent of the cash payments made to the Health Organisations concerned. The Health Service is not deemed to own or control the various assets/liabilities of the aforementioned Health Organisations and such amounts have been excluded from the Statement of Financial Position. Any exceptions are specifically listed in the notes that follow.

d) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the Health Service as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

e) Inter Area and Interstate Patient Flows

Inter Area Patient Flows

Health Services recognise patient flows from acute inpatients (other than Mental Health Services), emergency and rehabilitation and extended care.

Patient flows have been calculated using benchmarks for the cost of services for each of the categories identified and deducting estimated revenue, based on the payment category of the patient.

The adjustments have no effect on equity values as the movement in Net Cost of Services is matched by a corresponding adjustment to the value of the NSW Health Recurrent Allocation.

Inter State Patient Flows

Health Services recognise the outflow of acute inpatients from the area in which they are resident to other States and Territories within Australia. The Health Services also recognise the value of inflows for acute inpatient treatment provided to residents from other States and territories. The expense and revenue values reported within the financial statements have been based on 2002/03 activity data using standard cost weighted separation values to reflect estimated costs in 2003/04 for acute weighted inpatient separations. Where treatment is obtained outside the home health service the State/Territory providing the service is reimbursed by the benefiting Area.

The reporting adopted for both inter area and interstate patient flows aims to provide a greater accuracy of the cost of service provision to the Area's resident population and disclose the extent to which service is provided to non residents.

The composition of patient flow revenue/expense is disclosed in Notes 4 and 9

f) Receivables

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Health Service. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition except for assets transferred as a result of an administrative restructure.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the acquisition date. The discount rate used is the incremental borrowing rate, being the rate at which similar borrowing could be obtained.

Land and Buildings which are owned by the Health Administration Corporation or the State and administered by the Health Service are deemed to be controlled by the Health Service and are reflected as such in the financial statements.

for the year ended 30 june 2004

2. summary of significant accounting policies continued

h) Plant and Equipment

Individual items of plant & equipment costing $5,000 and above are capitalised.

i) Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Health Service.

Details of depreciation rates for major asset categories are as follows:

Buildings	2.5%
Electro Medical Equipment	
– Costing less than $200,000	10.0%
– Costing more than or equal to $200,000	12.5%
Computer Equipment	20.0%
Computer Software	20.0%
Infrastructure Systems	2.5%
Office Equipment	10.0%
Plant and Machinery	10.0%
Furniture, Fittings and Furnishings	5.0%

j) Revaluation of Physical Non-Current Assets

Physical non-current assets are valued in accordance with the NSW Health Department's "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value". This policy adopts fair value in accordance with AASB 1041 from financial years beginning 1 July 2002. There is no substantive difference between the fair value valuation methodology and the previous valuation methodology adopted by the Health Service.

Where available, fair value is determined having regard to the highest and best use of the asset on the basis of current market selling prices for the same or similar assets. Where market selling price is not available, the asset's fair value is measured as its market buying price ie the replacement cost of the asset's remaining service potential. The Health Service is a not for profit entity with no cash generating operations.

Each class of physical non-current assets is revalued every three years and with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2004 and was based on an independent assessment.

Non-specialised generalised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation is separately restated.

Otherwise, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Result for the Year from Ordinary Activities, the increment is recognised immediately as revenue in the Result for the Year from Ordinary Activities.

Revaluation decrements are recognised immediately as expenses in the Result for the Year from Ordinary Activities, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

k) Maintenance and Repairs

The costs of maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset in which case the costs are capitalised and depreciated.

2. summary of significant accounting policies continued

l) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Statement of Financial Performance in the periods in which they are incurred.

m) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of stock mainly on the basis of weighted average costs.

Obsolete items are disposed of in accordance with instructions issued by the NSW Health Department.

n) Other Financial Assets

"Other financial assets" are generally recognised at cost, with the exception of TCorp Hour Glass Facilities and Managed Fund Investments, which are measured at market value.

For non-current "other financial assets", revaluation increments and decrements are recognised in the same manner as physical non-current assets.

For current "other financial assets", revaluation increments and decrements are recognised in the Statement of Financial Performance.

o) Equity Transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and is recognised as an adjustment to "Accumulated Funds". This treatment is consistent with Urgent Issues Group Abstract UIG 38 "Contributions by Owners Made to Wholly Owned Public Sector Entities".

Transfers arising from an administrative restructure between Health Services/government departments are recognised at the amount at which the asset was recognised by the transferor Health Service/government Department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

p) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either South Western Sydney Area Health Service or its counter party and a financial liability (or equity instrument) of the other party. For South Western Sydney Area Health Service these include cash at bank, receivables, other financial assets, payables and interest bearing liabilities.

In accordance with Australian Accounting Standard AAS33, "Presentation and Disclosure of Financial Instruments", information is disclosed in Note 39 in respect of the credit risk and interest rate risk of financial instruments. All such amounts are carried in the accounts at net fair value. The specific accounting policy in respect of each class of such financial instrument is stated hereunder.

Classes of instruments recorded at cost and their terms and conditions at balance date are as follows:

Cash

Accounting Policies - Cash is carried at nominal values reconcilable to monies on hand and independent bank statements.

Terms and Conditions - Monies on deposit attract an effective interest rate of approximately 5.21%.

Receivables

Accounting Policies - Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred. No interest is earned on trade debtors. Accounts are issued on 7 day terms.

Investments

Accounting Policies - Investments reported at cost include both short term and fixed term deposits, exclusive of Hour Glass funds invested with Treasury Corporation. Interest is recognised in the Statement of Financial Performance when earned. Shares are carried at cost with dividend income recognised when the dividends are declared by the investee.

2. summary of significant accounting policies continued

Terms and Conditions - Short term deposits have an average maturity of 45 days (45 days in 2002/03) and effective interest rate of 5.21% as compared to 4.25% in the previous year. Fixed term deposits have an average maturity of 847 days (913 days in 2002/03) and effective interest rates of 2.99% as compared to 7.6% in the previous year.

Payables

Accounting Policies - Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Health Service.

Terms and Conditions - Trade liabilities are settled within any terms specified. If no terms are specified, payment is made by the end of the month following the month in which the invoice is received.

Interest Bearing Liabilities

Accounting Policies - Bank Overdrafts and Loans are carried at the principal amount. Interest is charged as an expense as it accrues. Finance Lease Liability is accounted for in accordance with Australian Accounting Standard, AAS17.

Terms and Conditions - Bank Overdraft interest is charged at the bank's benchmark rate.

Classes of instruments recorded at market value comprise:

Hour Glass Investment Facilities

The Health Service has investments in TCorp's Hour Glass Investment facilities. The Health Service's investments are represented by a number of units in managed investments within the facilities. Each facility has different investment horizons and comprises a mix of asset classes appropriate to that investment horizon. TCorp appoints and monitors fund managers and establishes and monitors the application of appropriate investment guidelines.

The Health Service's investments are:

	2004 $000	2003 $000
Cash Facility	5,132	6,475
Bond Market Facility	4,168	9,886
Medium Term Growth Facility	10,626	8,850
Long Term Growth Facility	**16,270**	**14,238**
	36,196	**39,449**

These investments are generally able to be redeemed with up to five business days notice (dependent upon the facility). The value of the investments held can decrease as well as increase depending upon market conditions. The value that best represents the maximum credit risk exposure is the net fair value. The value of the above investments represents the Health Service's share of the value of the underlying assets of the facility and is stated at net fair value.

There are no classes of instruments which are recorded at other than cost or market valuation.

All financial instruments including revenue, expenses and other cash flows arising from instruments are recognised on an accrual basis.

q) Payables

These amounts represent liabilities for goods and services provided to the Health Service and other amounts, including interest. Interest is accrued over the period it becomes due.

r) Interest Bearing Liabilities

All loans are valued at current capital value. The finance lease liability is determined in accordance with AAS17 "Leases".

s) Trust Funds

The Health Service receives monies in a trustee capacity for various trusts as set out in Note 29. As the Health Service performs only a custodial role in respect of these monies, and because the monies cannot be used for the achievement of the Health Service's own objectives, they are not brought to account in the financial statements.

t) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional supplementation provided.

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

3. employee related

Employee related expenses comprise the following:

Salaries and Wages	409,115	344,055	409,321	344,257
Enterprise Agreements/Awards	3,870	13,016	3,870	13,016
Long Service Leave [see note 2(a)]	13,375	14,173	13,378	14,176
Annual Leave [see note 2(a)]	40,900	40,985	40,916	41,007
Nursing Agency Payments	14,223	11,725	14,223	11,725
Other Agency Payments	8,703	6,223	8,703	6,223
Workers Compensation Insurance	15,185	12,215	15,185	12,215
Superannuation [see note 2(a)]	37,900	34,300	37,921	34,318
Fringe Benefits Tax	45	56	45	56
	543,316	**476,748**	**543,562**	**476,993**

Salaries and Wages includes $41,876 paid to members of the Health Service Board consistent with the Statutory Determination by the Minister for Health which provided remuneration effective from 1 July 2000.

The payments have been made within the following bands –

$ range	number paid
$0 to $15,000	9

The following additional information is provided:

Maintenance staff costs included in Employee Related Expenses Note 5 further refers.

4. goods and services

Computer Related Expenses	465	460	465	460
Domestic Charges	9,925	9,182	9,927	9,183
Drug Supplies	30,575	26,638	30,575	26,638
Food Supplies	8,519	7,706	8,519	7,715
Fuel, Light and Power	4,980	4,938	4,980	4,938
General Expenses (b)	8,619	10,742	8,643	10,766
Hospital Ambulance Transport Costs	1,503	1,617	1,503	1,617
Insurance	809	1,408	809	1,408
Inter Area Patient Outflows, NSW (c)	114,245	106,957	114,245	106,957
Interstate Patient Outflows (d)	1,490	1,558	1,490	1,558
Medical and Surgical Supplies	36,534	35,042	36,534	35,042
Postal and Telephone Costs	5,240	4,590	5,241	4,592
Printing and Stationery	4,558	3,988	4,574	4,007
Rates and Charges	1,143	1,157	1,144	1,162
Rental	591	563	591	563
Special Service Departments	20,487	18,625	20,487	18,625
Staff Related Costs	5,294	4,728	5,358	4,762
Sundry Operating Expenses (a)	195	220	195	220
Travel Related Costs	3,484	3,193	3,488	3,196
	258,656	**243,312**	**258,768**	**243,409**

for the year ended 30 june 2004

4. goods and services continued

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000
a) Sundry Operating Expenses comprise:				
Aircraft Expenses (Ambulance)	195	220	195	220
	195	**220**	**195**	**220**
b) General Expenses include:-				
Advertising	924	1,199	924	1,211
Books and Magazines	1,037	994	1,037	994
Consultancies				
– Operating Activities	766	477	778	477
– Capital Works	0	56	0	56
Courier and Freight	569	504	569	504
Auditor's Remuneration - Audit of financial reports	106	91	110	94
Auditor's Remuneration - Other Services				
Legal Expenses	179	202	179	202
Membership/Professional Fees	242	216	242	216
Motor Vehicle Operating Lease Expense - minimum lease payments	2,604	2,857	2,608	2,863
Other Operating Lease Expense - minimum lease payments	15	35	15	35
Provision for Bad and Doubtful Debts	989	886	989	886
Other	1,188	3,225	1,192	3,228
	8,619	**10,742**	**8,643**	**10,766**
c) Expenses for Inter Area Patient Flows, NSW on an Area basis are as follows:-				
Central Sydney	31,038	28,241	31,038	28,241
Northern Sydney	3,441	3,626	3,441	3,626
Western Sydney	25,489	20,382	25,489	20,382
Wentworth	3,610	4,630	3,610	4,630
Central Coast	435	404	435	404
Hunter	307	367	307	367
Illawarra	1,317	1,563	1,317	1,563
South Eastern Sydney	30,753	29,594	30,753	29,594
Northern Rivers	197	1,514	197	1,514
Mid North Coast	264	194	264	194
New England	132	141	132	141
Macquarie	86	115	86	115
Mid Western	242	197	242	197
Far West	30	53	30	53
Greater Murray	159	192	159	192
Southern NSW	378	483	378	483
Children's Hospital	16,367	15,261	16,367	15,261
	114,245	**106,957**	**114,245**	**106,957**
d) Expenses for Interstate Patient Flows are as follows:				
Australian Capital Territory	287	315	287	315
Northern Terittory	28	65	28	65
Queensland	497	650	497	650
South Australia	138	96	138	96
Tasmania	30	30	30	30
Victoria	402	296	402	296
Western Australia	108	106	108	106
	1,490	**1,558**	**1,490**	**1,558**

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

5. maintenance

Repairs and Routine Maintenance	15,622	13,961	15,622	13,964
Other				
Renovations and Additional Works	1,117	977	1,117	977
Replacements and Additional Equipment less than $5,000	5,865	9,633	5,866	9,633
	22,604	**24,571**	**22,605**	**24,574**

The value of Employee Related Expense (Note 3) applicable to Maintenance staff was $3.794 million for 2003/04 and $3.293 million for 2002/03, such cost covering engineers, trades staff and apprentices' salary costs, workers compensation and superannuation.

6. depreciation and amortisation

Depreciation – Buildings	20,575	22,724	20,575	22,724
Depreciation – Plant and Equipment	13,822	12,196	13,824	12,197
	34,397	**34,920**	**34,399**	**34,921**

7. grants and subsidies

Grants to Non Government	5,562	5,537	5,562	5,537
Other	570	2,683	560	1,264
	6,132	**8,220**	**6,122**	**6,801**

8. payments to affiliated health organisations

Recurrent Sourced				
Carrington Centennial Hospital	1,361	1,162	1,361	1,162
Karitane	3,480	3,212	3,480	3,212
Benevolent Society of NSW	407	389	407	389
Braeside Hospital	12,436	11,228	12,436	11,228
	17,684	**15,991**	**17,684**	**15,991**

for the year ended 30 june 2004

9. sale of goods and services

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000
a) Sale of Goods and Services comprise the following:-				
Patient Fees [see note 2 (C)]	33,951	29,709	33,951	29,709
Staff-Meals and Accommodation	2,219	2,073	2,219	2,073
Infrastructure Charge – Monthly Facility Fees [see note 2(C)]	7,293	6,276	7,293	6,276
– Annual Charge	3,533	11,748	3,533	11,748
Car Parking	1,344	1,028	1,344	1,028
Child Care Fees	824	690	824	690
Commercial Activities	4,987	5,046	4,987	5,046
Fees for Medical Records	121	145	121	145
Non Staff Meals	1,991	1,562	1,991	1,562
Sale of Prostheses	1,026	550	1,026	550
Patient Inflows from Interstate	947	886	947	886
Inter Area Patient Inflows, NSW	39,723	40,958	39,723	40,958
Other	3,221	2,525	3,244	2,525
	101,180	**103,196**	**101,203**	**103,196**
b) Revenues from Inter Area Patient Flows, NSW on an Area basis are as follows:				
Central Sydney	13,475	13,471	13,475	13,471
Northern Sydney	932	811	932	811
Western Sydney	9,316	9,371	9,316	9,371
Wentworth	1,506	1,865	1,506	1,865
Central Coast	700	517	700	517
Hunter	420	845	420	845
Illawarra	2,625	2,938	2,625	2,938
South Eastern Sydney	6,092	5,627	6,092	5,627
Northern Rivers	206	211	206	211
Mid North Coast	696	808	696	808
New England	279	384	279	384
Macquarie	759	941	759	941
Mid Western	590	660	590	660
Far West	183	201	183	201
Greater Murray	430	444	430	444
Southern NSW	1,514	1,765	1,514	1,765
Children's Hospital Westmead	0	99	0	99
	39,723	**40,958**	**39,723**	**40,958**
c) Revenues from Patient Inflows from Interstate are as follows:-				
Australian Capital Territory	214	184	214	184
Northern Terittory	42	41	42	41
Queensland	280	307	280	307
South Australia	88	63	88	63
Tasmania	14	14	14	14
Victoria	247	218	247	218
Western Australia	62	59	62	59
	947	**886**	**947**	**886**

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000
10. investment income				
Interest	3,468	1,449	3,663	1,545
Lease and Rental Income	522	487	522	487
	3,990	**1,936**	**4,185**	**2,032**
11. grants and contributions				
Clinical Drug Trials	565	710	565	710
Commonwealth Government grants	5,461	5,913	5,461	5,913
Industry Contributions/Donations	4,893	6,945	4,903	4,479
Research grants	972	851	752	684
Other grants	457	3,455	457	3,455
	12,348	**17,874**	**12,138**	**15,241**
12. other revenue				
Other Revenue comprises the following:-				
Commissions	387	580	387	580
Conference and Seminar Fees	239	296	239	296
Sale of Merchandise, Old Wares and Books	508	512	508	512
Other	700	527	739	618
	1,834	**1,915**	**1,873**	**2,006**
13. gain/(loss) on disposal of non current assets				
Property Plant and Equipment	4,908	15,458	4,908	15,458
Less Accumulated Depreciation (20)	3,997	15,030	3,997	15,030
Written Down Value	**911**	**428**	**911**	**428**
Less Proceeds from Disposal	1,100	914	1,100	914
Gain/(Loss) on Disposal of Non-Current Assets	**189**	**486**	**189**	**486**

for the year ended 30 june 2004

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

14. conditions on contributions

Contributions recognised as revenues during current year for which expenditure in manner specified had not occurred as at balance date				
Purchase of Assets	2,930	3,721	2,930	3,721
Clinical Services	754	959	754	959
Private Practice Funds	3,771	6,821	3,771	6,821
Community Services	624	661	624	661
Nursing Services	147	145	147	145
Health Promotion, Education and Research	2,711	2,922	3,182	5,188
Staff Amenities & Education	667	450	667	450
Patient Property	13	5	13	5
	11,617	**15,684**	**12,088**	**17,950**
Contributions recognised in previous years which were not expended in the current financial year				
Purchase of Assets	9,809	7,850	9,809	7,850
Clinical Services	1,159	632	1,159	632
Private Practice Funds	4,005	74	4,005	74
Community Services	490	360	490	360
Nursing Services	540	500	540	500
Health Promotion, Education and Research	5,910	6,423	8,494	7,495
Staff Amenities & Education	706	565	706	565
Patient Property	29	27	29	27
	22,648	**16,431**	**25,232**	**17,503**
Total amount of unexpended contributions as at balance date				
Purchase of Assets	12,738	11,571	12,739	11,571
Clinical Services	1,913	1,591	1,913	1,591
Private Practice Funds	7,776	6,895	7,776	6,895
Community Services	1,114	1,021	1,114	1,021
Nursing Services	687	645	687	645
Health Promotion, Education and Research	8,621	9,345	11,676	12,683
Staff Amenities & Education	1,373	1,015	1,373	1,015
Patient Property	42	32	42	32
	34,265	**32,115**	**37,320**	**35,453**

Comment on restricted assets appears in Note 22

15. programs/activities of the health service

Program 1.1 – Primary and Community Based Services

Objective: To improve, maintain or restore health through health promotion, early intervention, assessment, therapy and treatment services for clients in a home or community setting.

Program 1.2 – Aboriginal Health Services

Objective: To raise the health status of Aborigines and to promote a healthy life style.

Program 1.3 – Outpatient Services

Objective: To improve, maintain or restore health through diagnosis, therapy, education and treatment services for ambulant patients in a hospital setting.

Program 2.1 – Emergency Services

Objective: To reduce the risk of premature death and disability for people suffering injury or acute illness by providing timely emergency diagnostic, treatment and transport services.

Program 2.2 – Overnight Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital on an overnight basis.

Program 2.3 – Same Day Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital and discharged on the same day.

Program 3.1 – Mental Health Services

Objective: To improve the health, well being and social functioning of people with disabling mental disorders and to reduce the incidence of suicide, mental health problems and mental disorders in the community.

Program 4.1 – Rehabilitation and Extended Care Services

Objective: To improve or maintain the well being and independent functioning of people with disabilities or chronic conditions, the frail aged and the terminally ill.

Program 5.1 – Population Health Services

Objective: To promote health and reduce the incidence of preventable disease and disability by improving access to opportunities and prerequisites for good health.

Program 6.1 – Teaching and Research

Objective: To develop the skills and knowledge of the health workforce to support patient care and population health.
To extend knowledge through scientific enquiry and applied research aimed at improving the health and well being of the people of New South Wales.

for the year ended 30 june 2004

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

16. current assets - cash

Cash at bank and on hand	3,250	1,095	3,472	2,756
Deposits at call	4,467	5,870	5,068	6,441
	7,717	**6,965**	**8,540**	**9,197**
Cash assets recognised in the Statement of Financial Position are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:				
Cash (per Statement of Financial Position)	7,717	6,965	8,540	9,197
Bank overdraft	0	(12,945)	0	(12,945)
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	**7,717**	**(5,980)**	**8,540**	**(3,748)**

17. current/non current other financial assets

Current

Treasury Corporation - Hour Glass Facility	28,324	31,390	30,656	32,591
	28,324	**31,390**	**30,656**	**32,591**

18. current/non current receivables

Current

a) Sale of Goods and Services	7,555	7,214	7,555	7,214
Goods and Services Tax	3,667	2,183	3,667	2,183
Leave Mobility	322	1,028	322	1,028
NSW Health Department	384	16	384	16
Other Debtors	4,305	3,835	4,305	3,835
Sub Total	16,233	14,276	16,233	14,276
Less Provision for Doubtful Debts	(3,513)	(3,142)	(3,513)	(3,142)
	12,720	**11,134**	**12,720**	**11,134**
b) Bad debts written off during the year – Current Receivables				
– Sale of Goods and Services	359	318	359	318
	359	**318**	**359**	**318**

Non Current

a) Sale of Goods and Services				
– Patient Fees Compensable	232	241	232	241
– Patient Fees Ineligible	422	339	422	339
– Patient Fees Other	33	52	33	52
Sub Total	687	632	687	632
	687	**632**	**687**	**632**
b) Bad debts written off during the year – Non Current Receivables				
– Sale of Goods and Services	242	388	242	388
– Other	16	13	16	13
	258	**401**	**258**	**401**
c) Sale of Goods and Services includes:				
Patient Fees - Compensable	5,788	5,069	5,788	5,069
Patient Fees - Ineligible	1,760	1,633	1,760	1,633
Patient Fees - Other	694	1,144	694	1,144
	8,242	**7,846**	**8,242**	**7,846**

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

19. inventories

Current – at cost				
Drugs	1,714	1,660	1,714	1,660
Medical and Surgical Supplies	1,234	1,392	1,234	1,392
Food and Hotel Supplies	325	289	325	289
Engineering Supplies	137	104	137	104
Other including Goods in Transit	120	109	120	109
	3,530	**3,554**	**3,530**	**3,554**

20. property, plant and equipment

Land and Buildings				
At Fair Value	949,180	794,987	949,180	794,987
Less Accumulated Depreciation	196,267	199,419	196,267	199,419
	752,913	**595,568**	**752,913**	**595,568**
Plant and Equipment				
At Fair Value	175,022	165,821	175,037	165,830
Less Accumulated Depreciation	105,876	95,932	105,884	95,932
	69,146	**69,889**	**69,153**	**69,898**
Total Property, Plant and Equipment At Net Book Value	**822,059**	**665,457**	**822,066**	**665,466**

20. property, plant and equipment – reconciliations

	land $000	buildings $000	work in progress $000	plant and equipment $000	total $000
Parent					
2004					
Carrying amount at start of year	77,186	512,054	27,934	48,283	665,457
Additions	63	442	32,390	4,920	37,815
Disposals	(70)	(206)	0	(635)	(911)
Net revaluation increment less revaluation decrements	10,763	143,332	0	0	154,095
Depreciation expense	0	(20,575)	0	(13,822)	(34,397)
Reclassifications	1,933	3,900	(17,236)	11,403	0
Carrying amount at end of year	89,875	638,947	43,088	50,149	822,059
Consolidated					
2004					
Carrying amount at start of year	77,186	512,054	27,934	48,292	665,466
Additions	63	442	32,390	4,920	37,815
Disposals	(70)	(206)	0	(635)	(911)
Net revaluation increment less revaluation decrements	10,763	143,332	0	0	154,095
Depreciation expense	0	(20,575)	0	(13,824)	(34,399)
Reclassifications	1,933	3,900	(17,236)	11,403	0
Carrying amount at end of year	89,875	638,947	43,088	50,156	822,066

i) Land and Buildings include land owned by the NSW Health Department and administered by the Health Service [see note 2(g)].

iii) Land and Buildings were valued by Global Valuation P/L on 30 April 2004. Mr A.C.Colman JP FAI of Global Valuation Services is not an employee of the Health Service.

for the year ended 30 june 2004

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

21. current/non current assets - other

Current

Prepayments	631	550	631	550
	631	550	631	550

Non Current

Prepayments	1,800	1,845	1,800	1,845
Other				
– Emerging Right to receive private sector infrastructure	9,407	6,695	9,407	6,695
	11,207	8,540	11,207	8,540

Detailed Disclosure

private sector infrastructure arrangement	year commenced	term of arrangement in years	carrying value 2003 $000	carrying value 2004 $000	increment in carrying value recognised in sofp $000
Bowral Private Hospital	1994	60 years	4,810	6,842	2,032
Bowral Private Medical Imaging	1996	10 years	678	741	63
Bankstown Medical GP Service	1998	50 years	1,207	1,824	617
			6,695	9,407	2,712

Neither new arrangements were entered nor any arrangements ceased during the current financial year.

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

22. restricted assets

The Health Service's financial statements include the following assets which are restricted by externally imposed conditions, eg. donor requirements. The assets are only available for application in accordance with the terms of the donor restrictions.

Category

Property, Plant & Equipment	12,739	11,571	12,739	11,571
Clinical Services	1,913	1,591	1,913	1,591
Private Practice Funds	7,776	6,895	7,776	6,895
Community Services	1,114	1,021	1,114	1,021
Nursing Services	687	645	687	645
Health Promotion, Education & Research	8,621	9,345	11,676	12,683
Staff Amenities and Education	1,373	1,015	1,373	1,015
Patient Property	42	32	42	32
	34,265	32,115	37,320	35,453

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

23. payables

Current				
Accrued Salaries and Wages	6,327	9,572	6,327	9,572
PAYG and Other Payroll Deductions	6,886	4,313	6,886	4,313
Creditors	37,842	18,204	37,849	18,207
Other Creditors				
– Capital Works	7,010	2,508	7,010	2,508
– Other	10,470	8,506	10,470	8,508
	68,535	**43,103**	**68,542**	**43,108**

24. current/non current interest bearing liabilities

Current				
Bank Overdraft	0	12,945	0	12,945
	0	**12,945**	**0**	**12,945**

25. current/non current liabilities - provisions

Current				
Employee Annual Leave	30,024	28,386	30,032	28,397
Employee Long Service Leave	4,677	4,254	4,679	4,256
Other	6,421	6,209	6,421	6,209
Total Current Provisions	**41,122**	**38,849**	**41,132**	**38,862**
Non Current				
Employee Annual Leave	27,976	25,580	27,984	25,588
Employee Long Service Leave	64,487	58,456	64,517	58,482
Total Non Current Provisions	**92,463**	**84,036**	**92,501**	**84,070**
Aggregate Employee Benefits and Related On-costs				
Provisions - current	41,122	38,849	41,132	38,862
Provisions - non current	92,463	84,036	92,501	84,070
Accrued Salaries and Wages and on costs (Note 23)	13,213	13,885	13,213	13,885
	146,798	**136,770**	**146,846**	**136,817**

26. other liabilities

Current				
Income in Advance	256	97	256	97
Other	2,448	0	2,448	0
	2,704	**97**	**2,704**	**97**

for the year ended 30 june 2004

27. equity

	accumulated funds		asset revaluation reserve		total equity	
	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000
parent						
Balance at the beginning of the financial year	428,825	448,595	120,367	120,093	549,192	568,688
Result for the Year	(21,236)	(19,876)	0	0	(21,236)	(19,876)
Increment/(Decrement) on Revaluation of:						
Land and Buildings	0	0	154,095	380	154,095	380
Asset Revaluation Reserve balances transferred to Accumulated Funds on disposal of asset	292	106	(292)	(106)	0	0
Balance at the end of the financial year	**407,881**	**428,825**	**274,170**	**120,367**	**682,051**	**549,192**
consolidated						
Balance at the beginning of the financial year	432,215	453,340	120,367	120,093	552,582	573,433
Result for the Year	(21,519)	(21,231)	0	0	(21,519)	(21,231)
Increment/(Decrement) on Revaluation of:						
Land and Buildings	0	0	154,095	380	154,095	380
Asset Revaluation Reserve balances transferred to Accumulated Funds on disposal of asset	292	106	(292)	(106)	0	0
Balance at the end of the financial year	**410,988**	**432,215**	**274,170**	**120,367**	**685,158**	**552,582**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Health Service's policy on the "Revaluation of Physical Non Current Assets" and "Investments", as discussed in Note 2(j).

	2004 $000	2003 $000

28. commitments for expenditure

a) Capital Commitments

Aggregate capital expenditure contracted for at balance date but not provided for in the accounts:

Not later than one year		
Later than one year and not later than five years	47,968	31,515
Later than five years	3,231	22,582
Total Capital Expenditure Commitments (including GST)	**51,199**	**54,097**

Of the commitments reported at 30 June 2004 it is expected that $ 2.2 million will be met from locally generated moneys.

b) Other Expenditure Commitments

Aggregate other expenditure contracted for at balance date but not provided for in the accounts:

Not later than one year	7,540	13,578
Later than one year and not later than five years	0	0
Later than five years	0	0
Total Other Expenditure Commitments (including GST)	**7,540**	**13,578**

c) Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable:

Not later than one year	2,911	3,719
Later than one year and not later than five years	7,955	13,642
Later than five years	0	0
Total Operating Lease Commitments (including GST)	**10,866**	**17,361**

description of lease	expiry date
57 ANTHONY STREET, FAIRFIELD	01.09.2005
SUITE 5, GROUND FLOOR, 157-161 GEORGE ST, LIVERPOOL	15.12.2005
SUITES 1&2, 2ND FLOOR, 157-161 GEORGE ST, LIVERPOOL	10.03.2005
SUITE 5, 2ND FLOOR, 157-161 GEORGE ST, LIVERPOOL	10.03.2005
SUITE 3, 3RD FLOOR, 157-161 GEORGE ST, LIVERPOOL	15.12.2005
3 CORDEAUX STREET, CAMPBELLTOWN	31.08.2006
HAMMONDVILLE PUBLIC SCHOOL, HAMMONDVILLE	31.03.2005
SHOP 10, ROBERTSON VILLAGE CENTRE	01.01.2007
Motor Vehicles – ongoing	

d) Contingent Asset related to Commitments for Expenditure

The total of "Commitments for Expenditure" above includes input tax credits of $ 6.3 million ($ 7.7 million in 2003) that are expected to be recoverable from the Australian Taxation Office.

for the year ended 30 june 2004

29. trust funds

The Health Service holds trust fund moneys of $ 0.47million which are used for the safe keeping of patients' monies, deposits on hired items of equipment and Private Practice Trusts. These monies are excluded from the financial statements as the Health Service cannot use them for the achievement of its objectives. The following is a summary of the transactions in the trust account:

	patient trust		refundable deposits		private practice trust funds	
	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000
Cash Balance at the beginning of the financial year	38	38	378	312	0	9,262
Receipts	12	12	169	191	3,533	0
Expenditure	13	12	110	125	3,533	9,262
Cash Balance at the end of the financial year	37	38	437	378	0	0

30. contingent liabilities

a) Claims on Managed Fund

Since 1 July 1989, the Health Service has been a member of the NSW Treasury Managed Fund. The Fund will pay to or on behalf of the Health Service all sums which it shall become legally liable to pay by way of compensation or legal liability if sued except for employment related, discrimination and harassment claims that do not have statewide implications. The costs relating to such exceptions are to be absorbed by the Health Service. As such, since 1 July 1989, apart from the exceptions noted above no contingent liabilities exist in respect of liability claims against the Health Service. A Solvency Fund (now called Pre-Managed Fund Reserve) was established to deal with the insurance matters incurred before 1 July 1989 that were above the limit of insurance held or for matters that were incurred prior to 1 July 1989 that would have become verdicts against the State. That Solvency Fund will likewise respond to all claims against the Health Service.

b) Workers Compensation Hindsight Adjustment

TMF normally calculates hindsight premiums each year. However, in regard to workers compensation the final hindsight adjustment for the 1997/98 final year and an interim adjustment for the 1999/2000 fund year were not calculated until 2003/04. As a result, the 1998/99 final and 2000/01 interim hindsight calculations will be paid in 2004/05.

The basis for calculating the hindsight premium is undergoing review and it is expected that the problems experienced will be rectified for future payments.

c) Affiliated Health Organisations

Based on the definition of control in Australian Accounting Standard AAS24, Affiliated Health Organisations listed in Schedule 3 of the Health Services Act, 1997 are only recognised in the Department's consolidated Financial Statements to the extent of cash payments made.

However, it is accepted that a contingent liability exists which may be realised in the event of cessation of health service activities by any Affiliated Health Organisation. In this event the determination of assets and liabilities would be dependent on any contractual relationship which may exist or be formulated between the administering bodies of the organisation and the Department.

31. charitable fundraising activities

Fundraising Activities

The South Western Sydney Area Health Service conducts direct fundraising in all hospitals under its control.

All revenue and expenses have been recognised in the financial statements of the South Western Sydney Area Health Service. Fundraising activities are dissected as follows:

	income raised $000	direct expenditure* $000	indirect expenditure+ $000	net proceeds $000
Appeals (In House)	36	20	6	10
Fetes	16	0	0	16
Raffles	41	11	2	28
Functions	124	32	66	26
	217	**63**	**74**	**80**
Percentage of Income	100%	29%	34%	37%

** Direct Expenditure includes printing, postage, raffle prizes, consulting fees, etc*

+ Indirect Expenditure includes overheads such as office staff administrative costs, cost apportionment of light, power and other overheads.

The net proceeds were used for the following purposes:	$000
Purchase of Equipment	35
Held in Special Purpose & Trust Fund Pending Purchase	45
	80

The provision of the Charitable Fundraising Act 1991 and the regulations under that Act have been complied with and internal controls exercised by the South Western Sydney Area Health Service are considered appropriate and effective in accounting for all the income received in all material respects.

	parent		consolidated	
	2004 $000	2003 $000	2004 $000	2003 $000

32. reconciliation of net cost of services to net cash flows from operating activities

Net Cash Flows from Operating Activities	40,397	33,409	40,119	32,050
Depreciation	(34,397)	(34,920)	(34,399)	(34,921)
Provision for Doubtful Debts	(372)	(167)	(372)	(167)
Acceptance by the Crown Entity of Employee Superannuation Benefits	(37,900)	(34,300)	(37,921)	(34,318)
(Increase)/Decrease in Provisions	(10,700)	(23,719)	(10,701)	(23,718)
Increase/(Decrease) in Prepayments and Other Assets	5,201	924	5,201	928
(Increase)/Decrease in Creditors	(21,089)	3,645	(21,091)	3,645
Net Gain/(Loss) on Disposal of Property, Plant and Equipment	189	486	189	486
(NSW Health Department Recurrent Allocations)	(710,511)	(634,633)	(710,511)	(634,633)
(NSW Health Department Capital Allocations)	(29,044)	(22,362)	(29,044)	(22,362)
Net Cost of Services	**(798,226)**	**(711,637)**	**(798,530)**	**(713,010)**

33. non cash financing and investing activities

Assets Received by Donation	1,590	1,267	1,590	1,267
	1,590	**1,267**	**1,590**	**1,267**

for the year ended 30 june 2004

34. 2003/04 voluntary services

It is considered impracticable to quantify the monetary value of voluntary services provided to the health service. Services provided include:

- Chaplaincies and Pastoral Care – Patient & Family Support
- Pink Ladies/Hospital Auxiliaries – Patient Services, Fund Raising
- Patient Support Groups – Practical Support to Patients and Relatives
- Community Organisations – Counselling, Health Education, Transport, Home Help & Patient Activities

35. unclaimed moneys

Unclaimed salaries and wages are paid to the credit of the Department of Industrial Relations and Employment in accordance with the provisions of the Industrial Arbitration Act, 1940, as amended.

All money and personal effects of patients which are left in the custody of Health Services by any patient who is discharged or dies in the hospital and which are not claimed by the person lawfully entitled thereto within a period of twelve months are recognised as the property of health services.

All such money and the proceeds of the realisation of any personal effects are lodged to the credit of the Samaritan Fund, which is used specifically for the benefit of necessitous patients or necessitous outgoing patients.

36. health research foundation sydney south west

The Health Research Foundation Sydney South West (HRFSSW) is a company limited by guarantee, which was incorporated on 18 February 1997.

The objectives of the company are as follows:

- to raise and administer funding to promote, examine and evaluate research that will improve the health status and health outcomes for the population of South Western Sydney;
- to make grants to funds, authorities or institutions that will improve the health status and health outcomes for the population of South Western Sydney;
- to undertake and engage in health research;
- to disseminate information concerning the work of the company;
- to encourage the making of gifts and testamentary dispositions to the company to enable it to achieve its objectives; and,
- to perform acts that are incidental and conducive to the furtherance of the above.

The HRFSSW is a controlled entity of the Area Health Service as defined in Australian Accounting Standard AAS24 "Consolidated Financial Reports" and has been incorporated in the financial statements of the Area as at 30 June 2004 The amounts incorporated in the statement of financial position are as follows:

	2004 $000	2003 $000
Cash	823	2,232
Investments	2,332	1,201
Non Current Assets	7	8
Current Liabilities	(17)	(18)
Non Current Liabilities	(38)	(34)
Net Assets	**3,107**	**3,389**

37. budget review

Net Cost of Services

The actual Net Cost of Services was lower/higher than budget by $6.27M, this was primarily due to inpatients treated exceeding agreed performance levels by 1913 (1.37%) and special service issues in the Macarthur hospitals which were the subject to government reviews.

Assets and Liabilities

Total assets increased by $162.3M over budget mainly due to the revaluation of assets undertaken during the year ($154.1M); note 27 refers.

Total liabilities increased by $14.1M largely in increased Capital and Trade Creditors due to activity levels arising from additional patient throughput and the capital works of Campbelltown Redevelopment and electronic medical record project.

Cash Flows

The net cash flow from investing activity varied from budget by $3.8M due to higher than expected levels of asset acquisitions occasioned by a $7.1M Assett Acquisition Program annouced by the Minister for Health mid financial year.

Movements in the level of the NSW Health Department Recurrent Allocation that have occurred since the time of the initial allocation on 30 September 2003 are as follows:

	$000
Initial Allocation, 30 September 2003	606,176
Award Increases	3,870
Special Government Projects such as	12,332
Drug and Alchol	
Mental Health	
High Cost Drugs	
Aboriginal Health	
Clinical Service Development	
Nurse Recruitment	
Targeted Booked Surgery	
Patient Outflow to other Area Health Services	74,522
General Assistance	8,410
Other	5,201
Balance as per Statement of Financial Performance	**710,511**

for the year ended 30 june 2004

38. transition to australian equivalents to international financial reporting standards (aifrs)

1) Management of Transition

The South Western Sydney Area Health Service will apply the Australian Equivalents to International Financial Reporting Standards (AIFRS) from the reporting period beginning 1 July 2005.

The Department of Health is managing the transition to the new standards by allocating internal resources and/or engaging consultants to analyse the pending standards and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition.

As a result of this exercise, the Health Service has taken the following steps to manage the transition to the new standards:

- The Department of Health is oversighting the transition. The Department of Health is responsible for the project and will advise the Area Health Service on progress against the plan and any changes in reporting requirements mandated by NSW Health and the NSW Treasury.
- The following phases that need to be undertaken have been identified:
  - determination of opening values as at 1 July 2004 and full year comparatives for 2004/05
  - preparation of 2005/06 accounts in accordance with AIFRS
  - determination of specific policy changes and the accounting effect thereof

  Work in each of these phases will be progressed in accordance with timetables to be advised by NSW Health.

NSW Treasury is assisting agencies to manage the transition by developing policies, including mandates of options; presenting training seminars to all agencies; providing a website with up-to-date information to keep agencies informed of any new developments; and establishing an IAS Agency Reference Panel to facilitate a collaborative approach to manage the change.

2) Key Differences in Accounting Policies

The South Western Sydney Area Health Service is aware of a number of differences in accounting policies that may arise from adopting AIFRS. Some differences arise because AIFRS requirements are different from existing AASB requirements. Other differences could arise from options in AIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised the options it is likely to mandate, and will confirm these during 2004/05. This disclosure reflects these likely mandates.

The Health Service's accounting policies may also be affected by a proposed standard designed to harmonise accounting standards with Government Finance Statistics (GFS). This standard is likely to change the impact of AIFRS and significantly affect the presentation of the income statement. However, the impact is uncertain, because it depends on when this standard is finalised and whether it can be adopted in 2005/06.

Based on current information, the following key differences in accounting policies are expected to arise from adopting AIFRS:

- AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards requires retrospective application of the new AIFRS from 1 July 2004, with limited exemptions. Similarly, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors requires voluntary changes in accounting policy and correction of errors to be accounted for retrospectively by restating comparatives and adjusting the opening balance of accumulated funds. This differs from current Australian requirements, because such changes must be recognised in the current period through profit or loss, unless a new standard mandates otherwise.
- AASB 117 Leases requires operating lease contingent rentals to be recognised as an expense on a straight-line basis over the lease term rather than expensing in the financial year incurred.
- AASB 1004 Contributions applies to not-for-profit entities only. Entities will either continue to apply the current requirements in AASB 1004 where grants are normally recognised on receipt, or alternatively apply the proposals on grants included in ED 125 Financial Reporting by Local Governments. If the ED 125 approach is applied, revenue and/or expense recognition will be delayed until the agency supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied.

39. financial instruments

a) Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates.

South Western Sydney Area Health Service's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the Statement of Financial Position date are as follows:

financial instruments	floating interest rate		fixed interest rate maturing in: over 1 to 5 years		non-interest bearing		total carrying amount as per the statement of financial position		weighted average effective interest rate*	
	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000	2004 %	2003 %
parent										
Financial Assets										
Cash	7,686	5,870	0	0	31	1,095	7,717	6,965	5.21	4.25
Receivables	0	0	0	0	13,407	11,766	13,407	11,766		
Treasury Corp. Investments	25,188	22,540	3,136	8,850	0	0	28,324	31,390	10.35	3.28
Total Financial Assets	32,874	28,410	3,136	8,850	13,438	12,861	49,448	50,121		
Financial Liabilities										
Borrowings-Bank Overdraft	0	12,945	0	0	0	0	0	12,945	5.21	4.25
Payables	0	0	0	0	68,535	43,103	68,535	43,103		
Other	0	0	0	0	2,448	0	2,448	0		
Total Financial Liabilities	0	12,945	0	0	70,983	43,103	70,983	56,048		

** Weighted average effective interest rate was computed on a semi-annual basis.*

It is not applicable for non-interest bearing financial instruments.

consolidated

Financial Assets										
Cash	8,509	6,441	0	0	31	2,756	8,540	9,197	5.21	4.25
Receivables	0	0	0	0	13,407	11,766	13,407	11,766		
Treasury Corp. Investments	26,533	22,788	4,123	9,803	0	0	30,656	32,591	10.35	3.28
Total Financial Assets	35,042	29,229	4,123	9,803	13,438	14,522	52,603	53,554		
Financial Liabilities										
Borrowings-Bank Overdraft	0	12,945	0	0	0	0	0	12,945	5.21	4.25
Payables	0	0	0	0	68,542	43,108	68,542	43,108		
Other	0	0	0	0	2,448	0	2,448	0		
Total Financial Liabilities	0	12,945	0	0	70,990	43,108	70,990	56,053		

** Weighted average effective interest rate was computed on a semi-annual basis.*

It is not applicable for non-interest bearing financial instruments.

39. financial instruments continued

	parent		consolidated	
	2004	2003	2004	2003
	$000	$000	$000	$000

b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/ or financial position failing to discharge a financial obligation thereunder.

The South Western Sydney Area Health Service's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

Credit Risk by classification of counterparty.

	governments		banks		patients		other		total	
	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000	2004 $000	2003 $000
parent										
Financial Assets										
Cash	7,382	5,870	304	0	0	0	31	1,095	7,717	6,965
Receivables	4,869	4,698	0	0	4,957	4,753	3,581	2,315	13,407	11,766
Treasury Corp. Investments	28,324	31,390	0	0	0	0	0	0	28,324	31,390
Total Financial Assets	40,575	41,958	304	0	4,957	4,753	3,612	3,410	49,448	50,121

The only significant concentration of credit risk arises in respect of patients ineligible for free treatment under the Medicare provisions.

Receivables from these entities totalled $ 1,337,347 at balance date.

consolidated										
Financial Assets										
Cash	7,983	6,441	526	0	0	0	31	2,756	8,540	9,197
Receivables	4,869	4,698	0	0	4,957	4,753	3,581	2,315	13,407	11,766
Treasury Corp. Investments	30,656	32,591	0	0	0	0	0	0	30,656	32,591
Total Financial Assets	43,508	43,730	526	0	4,957	4,753	3,612	5,071	52,603	53,554

c) Net Fair Value

As stated in Note 2(p) financial instruments are carried at cost with the exception of T Corp Hour Glass Facilities and Managed Fund Investments which are measured at market value.

The resultant values are reported in the Statement of Financial Position and are deemed to constitute net fair value.

d) Derivative Financial Instruments

The South Western Sydney Area Health Service holds no Derivative Financial Instruments.

40. after balance date events

The Minister for Health announced changes to the health system on 27 July 2004 including a statewide restructure of health administration.

The restructure of health administration amalgamates the existing 17 Area Health Services into eight areas and dissolves the boards of each Area Health Service and the Children's Hospital at Westmead.

Under this restructure the South Western Sydney Area Health Service will merge with Central Sydney Area Health Service to create a new Health Service.

Future financial reporting will reflect the changes effected and will necessitate the aggregation of current balances with due eliminations effected prior to presentation of results.

End of Audited Financial Statements

facilities

bankstown health service

Bankstown-Lidcombe Hospital
Eldridge Road
Bankstown NSW 2200
Tel: (02) 9722 8000
Fax: (02) 9722 8570
Open: 24 hours every day

Bankstown Community Health Centre
36-38 Raymond Street
Bankstown NSW 2200
Tel: (02) 9780 2777
Fax: (02) 9780 2899
Open: 8.30am-5pm, Acute Care: 8.30am-10pm (Mon-Fri)

The Corner Youth Health Service
101 Restwell Street
Bankstown NSW 2200
Tel: (02) 9796 8633
Fax: (02) 9707 2344
Open: 8.30am-5pm (Mon-Fri)

Yagoona Adult Dental Clinic
425 Hume Highway
Yagoona NSW 2199
Tel: (02) 9708 6900
Fax: (02) 9708 6270
Open: 8.30am-5pm (Mon-Fri)

fairfield health service

Fairfield Hospital
Cnr Polding Street & Prairievale Road
Prairiewood NSW 2176
Tel: (02) 9616 8111
Fax: (02) 9616 8240
Open: 24 hours every day

Prairiewood Community Health Centre
Cnr Polding Street & Prairievale Road
Prairiewood NSW 2176
Tel: (02) 9616 8169
Fax: (02) 9616 8171
Open: 8.30am-5pm (Mon-Fri)

Fairfield Community Health Centre
53-65 Mitchell Street
Carramar NSW 2163
Tel: (02) 9794 1700
Fax: (02) 9794 1777
Open: 8.30am-5pm (Mon-Fri)

Cabramatta Community Health Centre
7 Levuka Street
Cabramatta NSW 2166
Tel: (02) 8717 4000
Fax: (02) 8717 4030
Open: 8.30am-5pm (Mon-Fri)

Fairfield/Liverpool Youth Health Team
53-65 Mitchell Street
Carramar NSW 2163
Tel: (02) 9794 1750
Fax: (02) 9794 1966
Open: 8.30am-5pm (Mon-Fri)

Aimees Place (Aged Care)
56 Campbell Street
Fairfield NSW 2165
Tel: (02) 9754 1188
Fax: (02) 9754 1803
Open: 8.30am-5pm (Mon-Fri)

Prairiewood Physical Disability Unit
Cnr Polding Street & Prairievale Road
Prairiewood NSW 2176
Tel: (02) 9616 8111
Fax: (02) 9616 8240
Open: 8.30am-5pm (Mon-Fri)

Fairfield Drug Treatment Service (Corella Lodge)
Prairievale Road
Prairiewood NSW 2176
Tel: (02) 9616 8800
Fax: (02) 9616 8803
Open: 24 hours every day

liverpool health service

Liverpool Hospital
Elizabeth Street
Liverpool NSW 2170
Tel: (02) 9828 3000
Fax: (02) 9828 6318/3307
Open: 24 hours every day

Liverpool Community Health Centre
Health Services Building
Cnr Campbell & Goulburn Streets
Liverpool NSW 2170
Tel: (02) 9828 4844
Fax: (02) 9828 4800
Open: 8.30am-5pm (Mon-Fri)

Cartwright Dental Clinic
Cnr Willan Drive & Cartwright Avenue
Cartwright NSW 2168
Tel: (02) 9607 7847
Fax: (02) 9607 5123
Open: 8am-4.30pm (Mon-Fri)

Hoxton Park Community Health Centre
596 Hoxton Park Road
Hoxton Park NSW 2171
Tel: (02) 9827 2222
Fax: (02) 9827 2200
Open: 8.30am-5pm (Mon-Fri)

Miller Community Health Centre
Woodward Crescent
Miller NSW 2168
Tel: (02) 9607 8112
Fax: (02) 9607 5250
Open: 8.30am-5pm (Mon-Fri)

Moorebank Community Health Centre
29 Stockton Avenue
Moorebank NSW 2170
Tel: (02) 9602 6419
Fax: (02) 9601 1147
Open: 8.30am-5pm (Mon-Fri)

macarthur health service

Camden Hospital
Menangle Road
Camden NSW 2570
Tel: (02) 4634 3000
Fax: (02) 4654 6240
Open: 24 hours every day

Campbelltown Hospital
Therry Road
Campbelltown NSW 2560
Tel: (02) 4634 3000
Fax: (02) 4634 3880
Open: 24 hours every day

Campbelltown Community Health Centre
Cnr Moore & Cordeaux Streets
Campbelltown NSW 2560
Tel: (02) 4629 2111
Fax: (02) 4629 2150
Open: 8.30am-5pm (Mon-Fri)

Campbelltown Mental Health Service
6 Browne Street
Campbelltown NSW 2560
Tel: (02) 4628 6099
Fax: (02) 4628 6101
Open: 8.30am-5pm (Mon-Fri)

Ingleburn Community Health Centre
57-59 Cumberland Road
Ingleburn NSW 2565
Tel: (02) 9605 8900
Fax: (02) 9618 2219
Open: 8.30am-5pm (Mon-Fri)

Jasmine Cottage
33 Hoddle Avenue
Campbelltown NSW 2560
Tel: (02) 4625 7436
Fax: (02) 4625 0892
Open: 8.30am-5pm (Mon-Fri)

Narellan Community Health Centre
14 Queen Street
Narellan NSW 2567
Tel: (02) 4640 3500
Fax: (02) 4640 3513
Open: 8.30am-5pm (Mon-Fri)

Rosemeadow Community Health Centre
5 Thomas Rose Drive
Rosemeadow NSW 2560
Tel: (02) 4633 4100
Fax: (02 4633 4111
Open: 8.30am-5pm (Mon-Fri)

Queen Victoria Memorial Home
Thirlmere Way
Picton NSW 2571
Tel: (02) 4683 6900
Fax: (02) 4683 6910
Open: 24 hours every day

Traxside Youth Health Service
4 Langdon Avenue
Campbelltown NSW 2560
Tel: (02) 4625 2525
Fax: (02) 4625 2547
Open: 9.30am-6pm (Mon-Wed)
10.30am-7pm (Thurs), 9.30am-5.30pm (Fri)

Wollondilly Health Centre
5-9 Harper Close
Tahmoor NSW 2573
Tel: (02) 4683 6000
Fax: (02) 4683 6032
Open: 8.30am-5pm (Mon-Fri)

wingecarribee health service

Bowral & District Hospital
Cnr Mona Road & Bowral Street
Bowral NSW 2576
Tel: (02) 4861 0200
Fax: (02) 4861 4511
Open: 24 hours every day

Wingecarribee Community Health Centre
Bendooley Street
Bowral NSW 2576
Tel: (02) 4861 8000
Fax: (02) 4861 4956
Open: 8.30am-5pm (Mon-Fri)

third schedule institutions

Carrington Centennial Hospital
Werombi Road
Camden NSW 2570
Tel: (02) 4659 0590
Fax: (02) 4655 1984
Open: 24 hours every day

Karitane
Cnr The Horsley Drive & Mitchell Street
Carramar NSW 2163
Tel: (02) 9794 1800
Fax: (02) 9794 1858
Open: 8.30am-5pm (Mon-Fri)

Braeside Hospital
340 Prairievale Road
Prairiewood NSW 2176
Tel: (02) 9616 8600
Fax: (02) 9616 8657
Open: 24 hours every day

index

Administrator's message	3
Area-wide clinical services	11
Bankstown Health Service	7, 72
Corporate governance	5
Divisional management	24
Division of corporate services	15
Division of Population Health	12
Donations and bequests	32
Engaging the community	31
Equal employment opportunity	27
Facilities	72
Fairfield Health Service	8, 72
Financial services	22
Financial statements	37
Freedom of information	34
Health Services	7
Human resources	23
Letter to the minister	1
Liverpool Health Service	8, 72
Macarthur Health Service	9, 73
Mental Health Services	12
Non-government organisations	33
Occupational health and safety	29
Organisational chart	25
Palliative Care Service	13
Performance indicators	20
Public affairs	36
Quality and teaching	17
Research	18
SES officers' report	26
Snapshot of area health service	7
South Western Sydney Cancer Services	11
Statement of purpose, values and goals	4
Teaching and training	28
Third schedule institutions	74
Volunteers	30
Wingecarribee Health Service	10, 74

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production

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