

Better health, Better lifestyles, Stronger communities

Annual Report 2010



Vision

Better health, Better lifestyles, Stronger communities.

Purpose

To enable people to live healthier, live better, live longer.

Strategic directions

- 1 A healthy population
- 2 Quality services
- 3 Community – our greatest asset
- 4 Excellence in knowledge management

Values

Providing Excellent **Customer Service**

Actively assist our customers and clients to receive the quality services they require in a professional and courteous manner.

Creating a **Successful Environment**

Contribute to making Latrobe Community Health Service a positive, respectful, innovative and healthy place to be.

Always Providing a **Personal Best**

Embrace a 'can do' attitude and go the extra distance when required.

Acting with the **Utmost Integrity**

Practice the highest ethical standards at all times.

Contents

| | |
|--|----|
| Chairperson & Chief Executive Officer's Report | 4 |
| Financial Overview | 7 |
| Board & Governance | 10 |
| Organisational Chart | 15 |
| Ambulatory Care | 16 |
| Coordinated Care | 18 |
| Community Support | 20 |
| Primary Health | 22 |
| Corporate | 24 |
| Professional Development | 26 |
| Staff Recognition | 27 |
| Volunteer Recognition | 28 |
| Morwell & Traralgon Redevelopments | 29 |
| Financial Report | 30 |
| Services Provided | 59 |

Chairperson & Chief Executive Officer's Report



John Guy

*Board Chair
Grad Dip PA*

Ben Leigh

*Chief Executive Officer
BA AppSci, Master Public
Policy and Management,
AFACHSM, AIMM*

This year Latrobe Community Health Service (LCHS) delivered 118 health and community support programs from 14 facilities, into client homes or to other services across Gippsland. Services included medical, nursing, counselling, chronic disease, drug treatment, allied health, dental, aged and disability assessment, respite, service coordination, palliative care, emergency relief, and needle and syringe program and care packages.



Local primary school activities are part of the Latrobe Drug Action Plan

Governance

LCHS has strong governance and a strong financial position including a net increase in Cash and Cash Equivalents of \$0.5 million and a sound balance sheet. Operating revenue (excluding capital grants) increased by 8.9% to \$31.5 million in 2010. Operating surplus for the year is a healthy \$0.78 million.

We continue to implement our capital improvement program to ensure our ten centrally located Gippsland centres modern, comfortable and efficient. A \$2.5 million self-funded Traralgon refurbishment was opened in 2009. In 2010 the \$22.35 million joint-funded Morwell redevelopment and self-funded Bairnsdale relocation will open and a master plan for the staged redevelopment of our Moe centre has been approved by the Board.

Quality and Safety

LCHS has comprehensive safety and quality systems, is accredited with five external bodies and this year we focussed on infection control, implementing 73 initiatives within 12 months. These included sterilisation, hand hygiene, sterile storage, flow in clinical areas, cleaning specifications, linen contracts, equipment cleaning and sharps management.

Learning and Research

LCHS has introduced an inter-professional focus on learning and research and professional practice. Student placements have increased from 24 in 2008 to 143 in 2010, six staff are participating in research and five staff are receiving scholarships compared to zero in 2008. Sixteen managers undertook nine days of in-house management training in 2010.

Access

Client access has been improved and over three years we have introduced a 1800 phone service, staffed by 11 access officers, connected electronically across eight Gippsland sites. LCHS now receives approximately 100,000 inward phone calls and handles 27,000 electronic referrals (20,000 in 2009 and 961 in 2008) per year and is the largest user of S2S electronic referral in regional Victoria.

Waiting times have been reduced in key areas including Drug Treatment Services, where waiting times of five weeks for withdrawal have been eliminated with Fast Forward clinics.

The Aged Care Assessment Service has reduced the community wait time from 31 days in 2009 to 15 days in 2010, with pre-assessment prioritising, training and accreditation of locum assessors, and a roster to streamline the delegation process.

Our Dental Clinic has reduced its waiting time for restorative services from 60 months in 2007 to 11 months through increased recruitment of dental staff, from 28 in 2007 to 42 in 2010.

Services

LCHS is succeeding in chronic disease management and The Early Intervention in Chronic Disease (Stay Healthy Latrobe) Program is providing assistance to 100 new clients per month to self manage early diagnosis of cardiac, respiratory, diabetes and more complex chronic conditions.

Our District Nursing Services have been transformed into a contemporary model of interdisciplinary ambulatory care in order to provide an effective and timely response to the increasing complexity of caring for clients in our community. Palliative care changes, in particular, included training for all nurses in the palliative approach, establishing access to specialist palliative medicine physicians, eliminating waiting times.

We have implemented many evidence-based health promoting and community building programs aimed at improving the health of the Latrobe community in the areas of physical activity, nutrition, and social connectedness and mental wellbeing.

Programs for children have included the Smiles for Miles preschool oral health education program, and Kids Life which teaches children about nutrition, weight and the importance of physical activity.

Activity groups have been very popular with the adults and have included walking groups, Nordic walking, Life Ball, yoga and Heart Smart. Attendance has doubled during the past 12 months for most groups and there are now 11 Heart Foundation walking groups across the Latrobe Valley registered with LCHS.

Equity

Over the past three years, LCHS, in partnership with the Koorie community, has taken a comprehensive, integrated and ongoing approach to Koorie health, with the goal of closing the health gap. This involved 23 strategies implemented across the whole of LCHS. Koorie clients have increased from 195, or 2.6% of our clients, in 2007 to 610, or 4%, in 2010. Koorie specific events have risen from zero in 2007 to 12 in 2010 with up to 30 members from the Koorie community attending Koorie open days. The

number of Koorie employees has increased from one to 12 in areas including allied health, dental, drug treatment, family violence, counselling, respite and carer services. Koories make up 4.5% of LCHS EFT staff.

A Sudanese Service Access Officer was appointed who is a qualified interpreter and fluent in four of the dialects of the Sudanese community. This position has the time and ability to step Sudanese refugees through their issues, both health and welfare, and provide guidance and assistance. Refugee clients have increased from four in 2007 to 67 in 2010.

The Future

Federal Health Reform will remain an active issue for LCHS during the coming year and the Board and Executive continue to work for our communities to take advantage of the opportunities that will arise from this reform. Thank you to our partners, customers, volunteers and staff for another successful year.



John Guy
Board Chair
Grad. Dip. P.A.



Ben Leigh
Chief Executive Officer
BAppSci, MPPM, ACHSE CHE

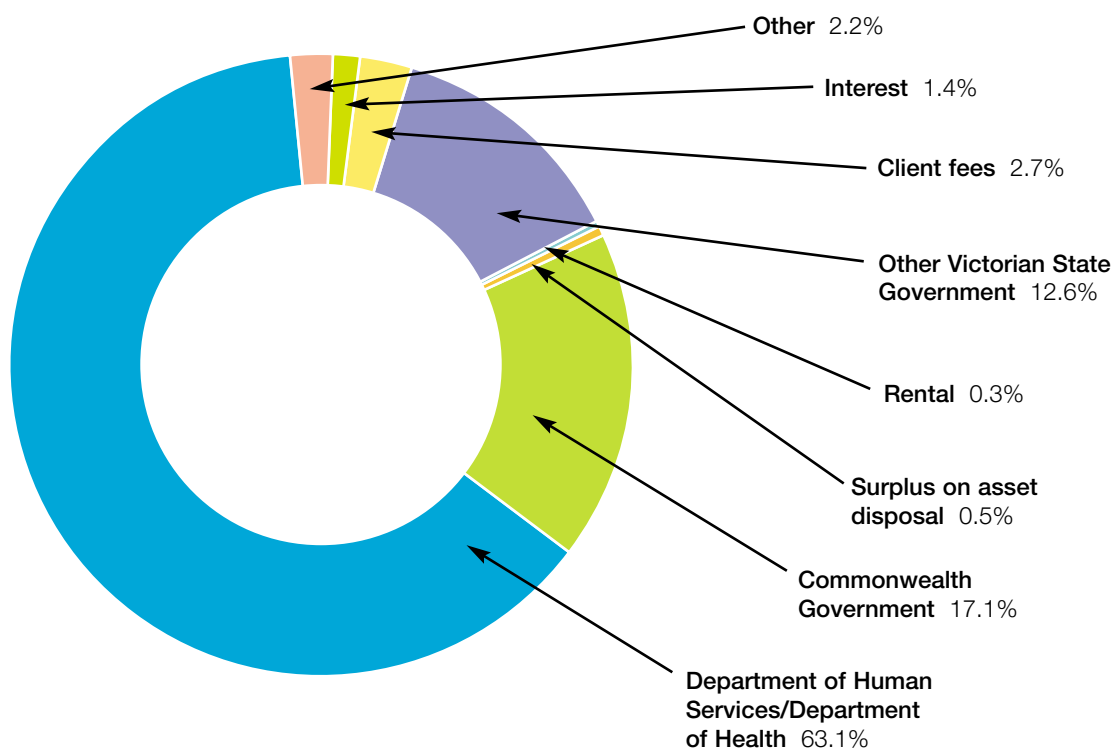
Financial Overview

Operating Results

LCHS's financial position continues to be strong with a net increase in Cash and Cash Equivalents of \$0.5 million and a sound balance sheet. Operating revenue (excluding capital grants) increased by 8.9% to \$31.5 million. Operating surplus for the year is a healthy \$0.78 million.

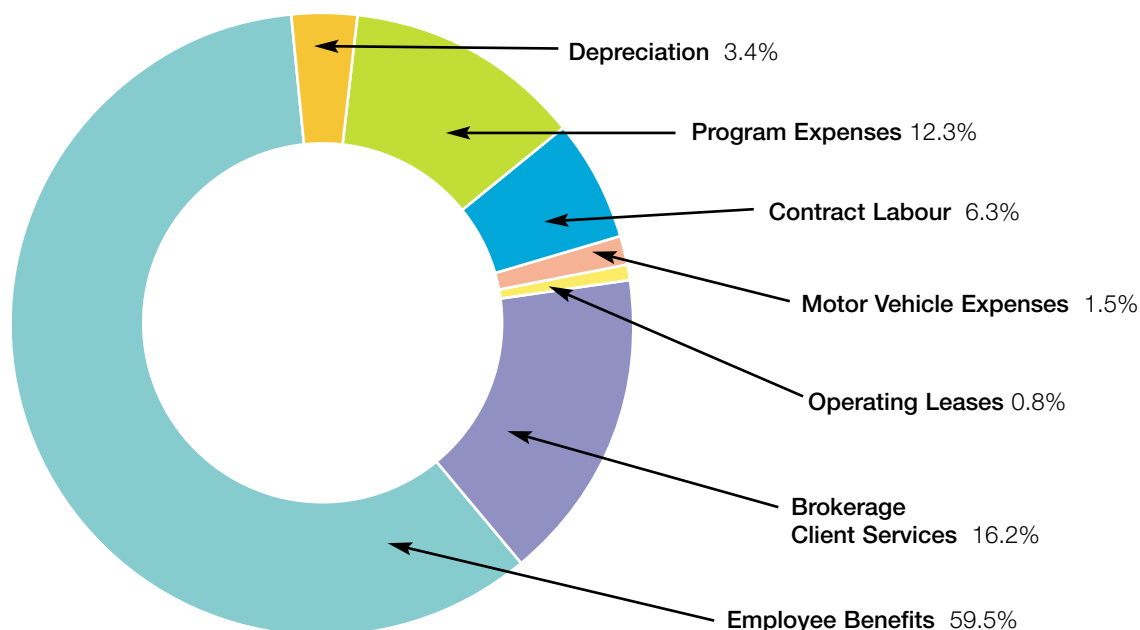
The Department of Health was again the major source of funding representing 63% of operating income. Victorian Government grants increased by 18.2% due mostly to increased dental funding. There were no other significant changes in all other income sources.

2009/10 Total Operating Revenue



The increase in revenue is accompanied by an 11.2% increase in operating expenditure. This is due mostly to an increase of \$0.6 million contract labour for dental services to reduce waiting lists and an increase of \$0.8 million in program-related expenses.

2009-10 Total Operating Expenses



Net Results

During the year advice was received from the Department of Health that the Morwell redevelopment, which commenced in 2008/09, would be owned by the department and leased back to LCHS. This required a change in the treatment of working capital and moneys received and spent during the year on this project:

- At 30 June 2009 there was capital work in progress of \$2.5 million and a further \$13.6 million to be expended in 2009/10. Based on the advice from the Department of Health, LCHS has now expended \$16.1 million. Capital grants received for the construction during 2009/10 totalled \$13.9 million.
- The demolition and subsequent write off of buildings to make way for the new Morwell site has also contributed to the loss in 2009/10 with \$0.84 million being recognised as a loss on disposal of assets.

The result is a net loss of \$2.28 million. The potential impact of reassessment of ownership of the Morwell redevelopment was noted in LCHS Annual Report 2009 (Note 14 After Balance Day events – Financial Report for the year ended 30 June 2009). Despite this, LCHS's financial position continued to be strong.

| | 2009/10 (\$M) | 2008/09 (\$M) | 2007/08 (\$M) | 2006/07 (\$M) |
|--------------------------------------|------------------|------------------|------------------|------------------|
| What we received - Revenue | 31.48 | 28.93 | 26.58 | 24.35 |
| What we spent - Expenses | 30.70 | 27.60 | 25.35 | 23.78 |
| Operating result for the year | 0.78 | 1.33 | 1.23 | 0.57 |
| Plus capital funding received | 13.95 | 3.82 | 0.09 | 0.51 |
| Less building contractor payments | 16.17 | - | - | - |
| Less loss on disposal of assets | 0.84 | - | - | - |
| Net result for the year | (2.28) | 5.15 | 1.31 | 1.08 |

Assets and Liabilities

With the transfer of Morwell buildings to the Department of Health assets have decreased by \$2.41 million to \$20.06 million as at 30 June 2010. Liabilities have increased only minimally resulting in net assets of \$14.64 million.

| | 2009/10 (\$M) | 2008/09 (\$M) | 2007/08 (\$M) | 2006/07 (\$M) |
|---------------------------|------------------|------------------|------------------|------------------|
| What we own - Assets | 20.06 | 22.47 | 17.15 | 15.90 |
| What we owe - Liabilities | 5.42 | 5.41 | 5.24 | 5.50 |
| NET ASSETS | 14.64 | 17.06 | 11.91 | 10.40 |

LCHS's working capital ratio, a measure of our ability to meet short-term debt continues to improve. The debt ratio also demonstrated our strong ability to service debt.

| | 2009/10 (\$M) | 2008/09 (\$M) | 2007/08 (\$M) | 2006/07 (\$M) |
|------------------------------------|------------------|------------------|------------------|------------------|
| Working Capital Ratio | | | | |
| Current Assets/Current Liabilities | 2.26 | 2.16 | 1.42 | 1.75 |
| Debt Ratio | | | | |
| Total Liabilities/Total Assets | 27.02% | 24.07% | 30.58% | 34.27% |

Cash Flow

LCHS's cash position continues to improve.

| | 2009/10 \$M | 2008/09 \$M | 2007/08 \$M | 2006/07 \$M |
|---|------------------|------------------|------------------|------------------|
| Cash Flow from Operating Activities | (1,725,712) | 5,921,205 | 1,909,059 | 2,911,775 |
| Cash Flow from Investing Activities | 2,225,919 | (2,489,118) | (3,981,835) | (1,315,008) |
| Cash and Cash Equivalents at Beginning of Period | 8,855,296 | 5,423,209 | 7,495,985 | 5,899,218 |
| Cash and Cash Equivalents at End of Period | 9,355,503 | 8,855,296 | 5,423,209 | 7,495,985 |

Board & Governance

LCHS is registered under the Corporations Act 2001 as a Company Limited by Guarantee. It is governed by a nine-member Board, of which five members are elected by the membership of the company and up to four members appointed by the Board.

The work of the Board is supported by Board Committees, including:

- audit
- quality and safety
- remuneration.

In addition the Board established two other committees to assist the Morwell redevelopment. The Art Committee was established to oversee the installation of public art and the History Committee to document and display the history of LCHS.

Board Audit Committee

The purpose of the Audit Committee is to assist the LCHS Board to discharge its responsibility to exercise due care, diligence and skill in relation to:

- Reporting financial information to users of financial reports
- Application of accounting policies
- Financial management
- Internal control systems
- Business policies and practices
- Protection of LCHS's assets
- Compliance with applicable laws, regulations, standards and best practice guidelines
- Monitor business risk
- Facilitating external and internal audit programs.

Board Quality and Safety Committee

The purpose of the Quality and Safety Committee is to assist the LCHS Board to maintain systems by which the Board, managers and clinicians share responsibility and are held accountable for patient or client care, for

minimising risk to consumers and for continuously monitoring and improving the quality of clinical care (Australian Council on Healthcare Standards).

The committee also ensures LCHS quality and safety systems will support the implementation of the five key principles of clinical governance, which are:

- Build a culture of trust and honesty through open disclosure in partnership with consumers and community
- Foster organisational commitment to continuous improvement
- Establish rigorous monitoring, reporting and response systems
- Evaluate and respond to key aspects of organisational performance
- Monitor clinical risk.

Board Remuneration Committee

The role of the Remuneration Committee is to provide advice and make recommendations to the Board on:

- Remuneration policy and any changes to remuneration policy and practices for all employees whose remuneration is not determined through awards or enterprise bargaining agreements
- The remuneration for the Chief Executive Officer and members of the executive group, being those executives reporting to the CEO
- The performance of the Chief Executive Officer
- The review and assessment of the effectiveness of the company's remuneration policy
- Corporate governance processes relating to remuneration
- Remuneration report and processes supporting its preparation.



LCHS Board Meeting



New LCHS Morwell Centre



Celebrating International Nurses Day



John V Guy
(Chairperson)
Board Director since
September 1997.

*Board Executive, CEO
Appraisal Committee,
Member Art Committee,
previous Board
Recruitment Selection
Panel, Chair Audit
Committee, Member of
Finance Sub Committee,
Policy and Procedure Sub
Committee.*

Grad Dip PA.
John spent thirty five years with SECV, six years on the Morwell Shire/City Council; (three consecutive years as Mayor), was Chairman of the Latrobe Regional Commission; and Chairman of Commissioners of Wellington Shire during the amalgamation process. Currently Chair "Advance Morwell Inc." and Chair Gippsland Regional Clinical School Community Support Group.



Peter Wallace
(Deputy Chairperson)
Board Director since
January 2007.

*Member Audit Committee,
Member Quality and Safety
Committee.*

Bachelor of Business (Marketing), Post Graduate Diploma in Health Services Management, Master of Administration. Retired from position of Director Corporate Services at Latrobe Regional Hospital. Previous appointments include Chief Executive Officer, Maroondah Hospital; Deputy and Acting Chief Executive Officer, Box Hill Hospital and Director of General Services at Monash Medical Centre. Has also undertaken project-consulting assignments at Mercy Health and Aged Care, Royal Children's Hospital and Barwon Health. Currently with Department of Health Gippsland.



Steven Porter
Board Director since
November 2004.

*Chair Audit Committee and
previous Audit Committee
Member, CEO Appraisal
Committee Member, Board
Treasurer.*

BA Eng (Civil). Previous alumni of Leadership Victoria and member of the Australian Institute of Company Directors. Completing Masters in Organisation Dynamics at RMIT. Experience in senior management positions in asset planning, capital works, communications/public relations, business processes and resource management.



Chris Devers
Board Director since
October 2001.

*Chair History Committee,
Previous Board Treasurer,
Board Executive, Member of
Audit Committee and Chair,
Board Recruitment
Selection Panel.*

Assoc Dip Mech Eng. Previous roles include eight years in power station operations with the SECV, power industry technical writing, Parliamentary electorate offices and community development worker positions. He currently works as a ministerial adviser within the Victorian State government. He is active in numerous community groups and has served on Disability Advisory, Advocacy and Resource Council Boards within the Gippsland region.



LCHS Board



Don Flanigan
Board Director since
June 1995.

*Member Audit Committee,
Member History Committee,
previous Board Chairperson
and Vice Chairperson,
member of Finance Sub
Committee and Policy and
Procedure Sub Committee,
Member of Audit
Committee.*

39 years with SECV in trade and middle management. Foundation member of Churchill Community Health Centre in 1974 serving until amalgamation in 1995 and later appointed on LCHS Board in June that year. Has served on a number of boards of management in the community. Has completed the Nous Group Rural Health Boards Management Development Program.



Dr Janice Chesters
Board Director since
June 2005.

*Chair Quality and Safety
Committee, Member of Art
Committee.*

BA Hons La Trobe and PhD Monash. Janice is currently Acting Director of the Monash University Department of Rural and Indigenous Health. Her primary research area is rural mental health services and interprofessional team based health care practice. Janice is also involved in Indigenous health. She is a core member of LRH Ethics Committee and is the Chair of SNAP Gippsland Inc.



Steven Elvy
Board Director since
November 2007.

*Member Quality and Safety
Committee.*

Bachelor of Science (Human Movement), Bachelor of Applied Science (Physiotherapy), and Masters of Health Services Management. Currently Director Primary Care at Yarram and District Health Service. Background in Allied Health industry as a qualified Physiotherapist, Allied Health Manager and current Chair of the Wellington Primary Care Partnership.



Carolyne Boothman
Board Director since
March 2010.

Bachelor of Education (Primary), Graduate Certificate of Religious Education, Level 1 Sports Trainer, Level 2 First Aid and CPR Instructor. Carolyne has been a Board Director for Gippsland Sports Academy for the past 11 years, Gippsport Board of Management for 15 years and member of the Gippsstar Awards Panel for 13 years, and Secretary of the Awards for the last 5 years. She is a member of the LRH Community Advisory Committee, LRH Foundation, and Minutes Secretary/Publicity Officer for the Gippsland Acoustic Music Club. Currently teaches at Newborough East Primary School, leads the Goal Setting/Time Management and Injury Management sessions for the Gippsland Sports Academy and has previously been a lecturer at Monash University.

Attendance at Board, Audit Committee and Quality & Safety Committee Meetings

Details of attendance by Board Directors of LCHS at Board, Audit Committee and Quality & Safety Committee meetings held during the period 1 July 2009 – 30 June 2010, are as follows:

| Board Director | | | Meetings | | | |
|---|-------|----|-----------------|---|----------------------------|---|
| | Board | | Audit Committee | | Quality & Safety Committee | |
| | A | B | A | B | A | B |
| John Guy (Board Chairperson) | 12 | 12 | - | 1 | - | 2 |
| Peter Wallace (Deputy Chairperson) | 12 | 11 | 4 | 4 | 6 | 3 |
| Margaret Peters* | 4 | 4 | - | - | - | - |
| Steven Porter | 12 | 9 | 4 | 4 | - | - |
| Janice Chesters | 12 | 12 | - | - | 6 | 4 |
| Don Flanigan | 12 | 10 | 4 | 3 | - | - |
| Chris Devers | 12 | 11 | - | - | - | - |
| Steven Elvy | 12 | 11 | - | - | 6 | 5 |
| Carolyn Boothman^ | 4 | 4 | - | - | - | - |

| Audit Committee Independent Representative | A | B |
|--|---|---|
| Liz Collins | 4 | 4 |
| John Anderson | 4 | 4 |

| Quality and Safety Committee Consumer Member | A | B |
|--|---|---|
| Allison Higgins | 6 | 5 |

Notes:

Column A – Indicates number of meetings held while Board Director/Committee Member was a member of the Board/Audit Committee/Quality & Safety Committee

Column B – Indicates number of meetings attended

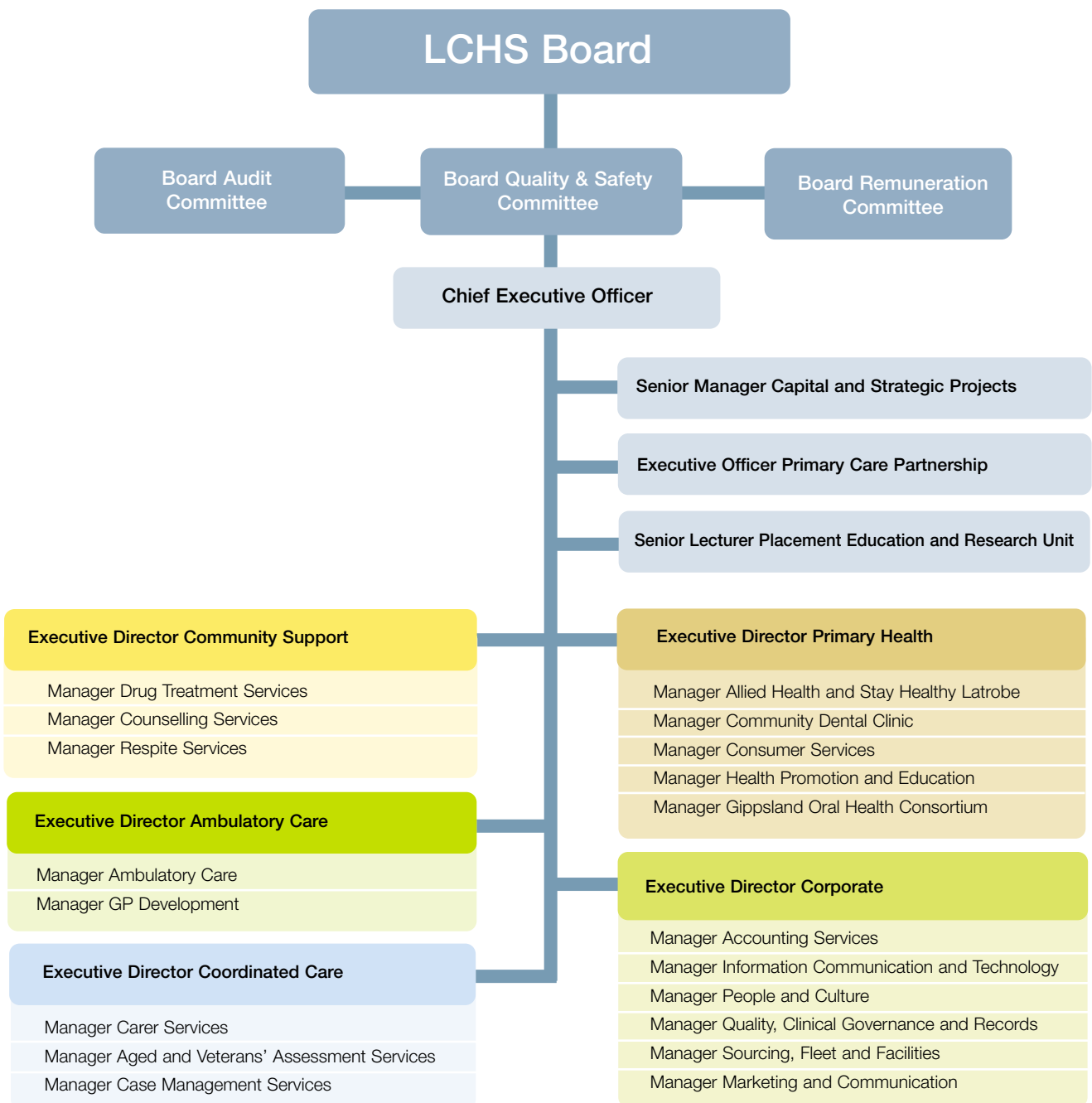
* Margaret Peters resigned (retired) effective 5 November 2009 AGM

^ Carolyn Boothman appointed March 2010



LCHS Executive Team

Organisational Chart





Nicole Steers

RN Div 1, Grad Cert Cancer Nursing, RN Critical Care, MRCNA, AFACHSM, AIMM

Ambulatory Care

The Ambulatory Care directorate is responsible for the areas of district nursing, palliative care, the Moe After Hours Medical Service (MAHMS), the Churchill Clinic, wound management and infection control.

Overall Ambulatory Care achieved a very healthy result during the year with significant improvements in many areas.

| Targets | | | | |
|--|---------------------------|---------------|------------------------|------------|
| Ambulatory Care | Key Performance Indicator | Annual Target | Achieved to 30/06/2010 | % Achieved |
| District Nursing - Community Health | Hrs by Staff | 2,936 | 2,647 | 90% |
| District Nursing - Home and Community Care | Hrs to Client | 23,551 | 22,487 | 95% |
| District Nursing - Full Cost Recovery | Hrs to Client | 4,200 | 4,154 | 99% |
| Palliative Care - Community (Sub Acute) | Contacts | 4,254 | 2,965 | 70% |
| Moe After Hours Medical Services (MAHMS) | Contacts | 8,000 | 8,466 | 106% |

Community health nursing increased activity by 48% and full cost recovery services realised a 7% improvement. HACC targets were met although with a slightly lower result than last year.

Palliative care targets were adjusted this year in preparation for the implementation of the service delivery framework and new state-wide funding model. The new targets have provided a challenge for staff requiring activity to be increased by almost 30%. However, we are pleased to report that we have a new structure in place and are on the way to meeting this targetted increase.

District Nursing and Palliative Care

The District Nursing and Palliative Care programs underwent a significant review this year, transforming the nursing structure into a contemporary model of interdisciplinary care and effectively responding to the increasing complexity of caring for clients in our community.

The new innovative structure includes:

- Client access to palliative medicine physicians
- Client access to an interdisciplinary team including a graduate occupational therapist (OT), Koorie allied health assistant, palliative care nurse practitioner and social worker
- Client and carer access to volunteer support
- Access to appointed senior clinical leaders with expertise in chronic disease management, palliative care and wound management
- Skilled nursing staff with a defined career pathway.

One of the significant achievements this year has been the development of two Palliative Care Client Information Booklets, which have been distributed to our clients, carers and general practitioners (GPs). Families and carers provided valuable input, allowing many of the issues to be presented in language that was easy for our clients to read.



Koorie Palliative Care Forum

Ambulatory Care staff joined with Central West Gippsland Division of General Practice (CWGDoGP) to promote palliative care services. Twenty-eight GP practices were visited with the aim of increasing GP knowledge of client palliative care services.

Contemporary assessment and care planning is now in place, which has helped reduce unnecessary after-hours service. In 2008/09 after-hours activity in palliative care was well above the state average. This year it was in line with the state average due to improved guidance to clients and carers on symptom management, and appropriate clinical leadership to reduce the requirement for unplanned after-hours response.

LCHS and Gippsland Regional Integrated Cancer Services collaborated to provide an opportunity to up-skill nurses in Central Venous Access Device care for cancer patients, including clinical placement for seven staff augmenting the training. This reduced unwanted variations in care, improving quality of care and allowing cancer clients with these devices to be managed in their homes.

In April 2010, a Koorie palliative care forum was held that featured local Koorie leaders sharing their stories about caring for a loved one. Seventy people attended including 30 Koorie community members discussing ways that palliative care services could be improved.

Significant investment was allocated to professional development, which achieved an 85% increase in capacity and scope for nurses when delivering palliative care. Three Ambulatory Care staff are also in receipt of scholarships, including post graduate courses in palliative care and wound management. Another staff member was awarded The Presenter's Award at the Third Annual Victorian Primary Health Care Research, Evaluation and Development Conference in November 2009.

Moe After Hours Medical Service

LCHS, in collaboration with local GPs and CWGDoGP, offer the MAHMS to meet community needs.

A plan for the introduction of SharePoint software to improve client management was developed following a review of the safe transfer of client information. Earlier in the year we achieved

compliance with the Department of Health's Poisons Control Plan and were issued a Health Services Permit.

Wound Management

LCHS is the lead agency for the Carepoint Mobile Wound Care Research Project. This is a 12 month collaborative project to provide a framework for research and a model of care for best practice wound management.

At the conclusion of the project it is anticipated that the regional baseline data collected will inform the development of clinical standards and will benchmark practice across the Gippsland region.

Infection Control

Following an independent Infection Control Audit in 2009, a working group was established that included members from the executive through to service delivery staff. The collaborative approach focussed on implementing 73 recommendations in a 12 month timeframe, including equipment cleaning processes and sterilisation, hand hygiene, sterile storage and sharps management.





Antoinette Mitchell
 Master of Business and Technology, BA, Grad Cert Management, Dip Community & Social Education, Dip Youth Leadership, AFACHSE
 Executive Director Coordinated Care (July 2010 – January 2010)

Anne-Maree Kaser
 RN Div 1, AFACHSM, AIMM
 Acting Executive Director Coordinated Care (February 2010 – June 2010)

Coordinated Care

The Coordinated Care directorate encompasses the Aged Care Assessment Service (ACAS), carer services, case management services and the Veterans' Home Care service (VHC).

| Targets | | | | |
|--|---------------------------|---------------|------------------------|----------------|
| Coordinated Care | Key Performance Indicator | Annual Target | Achieved to 30/06/2010 | % Achieved |
| Aged Care Assessment Service (ACAS) | Completed Assessments | 3,177 | 2,464 | 78% |
| Department of Veterans' Affairs Veterans' Home Care | Completed Assessments | Not set | 1,747 | Not applicable |
| Commonwealth Carer Respite Centre | Brokerage Value | \$376,137 | \$361,883 | 96% |
| Carers of Young People | No of Clients | 60 | 102 | 170% |
| Aged Carer Support Worker Respite | No of Hrs provided | 7,000 | 11,153 | 159% |
| In & Out of Home Respite | No of Hrs provided | 23,500 | 27,004 | 115% |
| Psychiatric Respite - In Home | Contact Hrs | 3,880 | 4,235 | 109% |
| Disability Respite (Including ACRI) | No of Episodes | 137 | 84 | 61% |
| Aged Flexible Respite | No of Hrs provided | 4,778 | 5,666 | 119% |
| Dementia Services | No of Carers assisted | 43 | 41 | 95% |
| Young Carer Program | No of Clients | 12 | 14 | 117% |
| National Respite for Carers Program Ongoing Respite | No of Clients | 45 | 66 | 147% |
| Mental Health Respite Program | Brokerage Value | \$185,139 | \$181,370 | 98% |
| Linkages | No of Clients | 183 | 180 | 98% |
| Community Aged Care Packages | Maximum Active Packages | 148 | 145 | 98% |
| Flexible Support Packages | No of Clients | 190 | 214 | 113% |
| Extended Aged at Home Packages | Maximum Active Packages | 10 | 10 | 100% |
| Individual Support Packages | No of Clients | 17 | 17 | 100% |
| Facilitation Project | No of Clients | 20 | 16 | 80% |
| Case Management | No of Clients | 37 | 14 | 38%* |
| Respite Individual Support Packages | No of Clients | 11 | 10 | 91% |
| Home & Community Care Response Service | No of Call Outs provided | Not set | 557 | Not applicable |
| Early Childhood Intervention Services (ECIS) | No of Clients | 12 | 39 | 325% |

*Program dependent upon referrals, which have been low.

Growth and Improvement

The Coordinated Care directorate continued a busy program in 2009/10 with a number of improvements in services and new initiatives.

The ACAS reduced waiting times for assessments in both the acute-care and community settings. Waiting times reduced from 8.2 days to 6 days for in-hospital assessments, and almost halved for community assessments, dropping from 31.5 days to 16.2 days in the January-March 2010 quarter.

The Veterans' Home Care program continues to deliver high quality services to veterans and war widows. Work is underway to develop a protocol for the completion of in-home assessments for clients with complex needs.



Creative Ways to Care workshop

Koorie Engagement

Carer Services along with Case Management Services have arranged several well-attended events for Elders. These events give carers a break and the chance to connect with the community. They involve the Elders' Camps at Wattle Point Retreat, attending 'Dreamtime at the G' (an AFL reconciliation event), and a Christmas celebration.

Case Managers visit the Lake Tyers Aboriginal Trust each week to provide support to the Koorie Community. The provision of split-system air conditioners at Lake Tyers reduced community reliance on firewood and improved the quality of life for the Lake Tyers community.

Carer Support

Carer Services received 1012 referrals this year, delivering brokered respite services to some 890 individual carers. Additional carers have used the service for information and support and participated in events and activities such as Carers' Week.

According to the annual carer satisfaction survey, carers reported increased satisfaction with our service delivery. Some 100 carers were surveyed. Overall 99% of carers indicated that they would recommend the service to others with similar needs (96% last survey).

The Carer Services team has been working to ensure a shared and consistent service delivery platform. All program guidelines have been reviewed in order to match the expectations of carers and funding bodies while ensuring the best service outcome for carers who need a break.

The Department of Health and Ageing provided funds to the Carer Services program to increase the capacity of LCHS and other agencies to provide respite opportunities for carers. The funding was used to run five focus groups with current carers to find out more about what it is like to be a carer: their frustrations, joys and needs. By listening to their stories we hoped to find ways to improve how we provide services to carers, and reach out to other 'hidden' carers in our community who could use some support. The Gippsland project was the first of the Victorian services to undertake this work and developed a small, simple directory of National Respite for Carers services in Gippsland as well as short advertisements to be screened at medical practices and pharmacies.

Service Improvements

The ACAS program has employed locum assessment clinicians to

facilitate a full complement of staff and improve performance outcomes both in ACAS and VHC.

We were funded for 10 Extended Aged Care at Home (EACH) packages in the 2009 funding round. EACH packages provide nursing-level care at home, and a more intensive service than the Community Aged Care Packages (CACP) can offer. EACH packages require an aged-care assessment to determine eligibility.

ACAS undertook a business process review and implemented a range of strategies aimed at improving responsiveness and reducing wait times. These changes, which include the introduction of a centralised appointment schedule, have been effective and wait times have reduced.

Working in Partnership

Staff from the Carer Services program are implementing the Creative Ways to Care information program for carers of people with dementia. A research project has been designed by Latrobe University to examine the impact of training carers of people with dementia.

Carer Services partners with many agencies across Gippsland. Some of the partnership activities and events held include Insight camp for people with mental illness, Interchange Central Gippsland Family Camp, Gippsland Carers Association Carer Forum, Headway Gippsland carers' pamper trip and Uniting Care Gippsland – PlayConnect (a playgroup for children with autism).

Sector Leadership

Three directorate staff members were awarded a Rotary Club Pride of Workmanship Award in Latrobe City (2009) and East Gippsland (2010). ACAS personnel presented a paper at the National Aged Care Program Conference titled *Delegation: Responsibility, Recognition and Respect – Duty or Pleasure?*.

LCHS supports the Acquired Brain Injury (ABI) network across Gippsland and provided 75 places for ABI training in the service sector.

Commonwealth Respite and Carelink Centre Gippsland (Carer Services) was well represented at the Victorian Carer Support Network Best Practice Forum this year. Two Koorie Liaison Officers and a Carer Support Coordinator made a presentation at this forum, outlining their project work on increasing the profile of carers in the Koorie community and linking them with respite services.



Anne-Maree Kaser
RN Div 1, AFACHSM, AIMM

Community Support

The Community Support directorate provides psychosocial and support services including counselling, drug treatment, and respite services.

New Initiatives

This year has seen a number of new program initiatives within the directorate as well as refinements to existing programs.

| Targets | | | | |
|---|---------------------------|---------------|------------------------|----------------|
| Community Support | Key Performance Indicator | Annual Target | Achieved to 30/06/2010 | % Achieved |
| Counselling | Hrs by Staff | 6,014 | 7,520 | 125% |
| Men's Behaviour Change Program (MBCP) | No of Clients | 70 | 191 | 273% |
| MBCP - Enhanced Access | No of Referrals | 120 | 215 | 179% |
| Family Violence | No of Clients | 29 | 120 | 414% |
| Child & Adolescent Sexual Assault Service | No of Clients | 96 | 87 | 91% |
| Regional Gambler's Help | Hrs of Service | 5,648 | 3,530 | 63% |
| Case Management for Indigenous Men who use Family Violence | No of Clients | 31 | 4 | 13%* |
| Gipps Withdrawal & Rehabilitation Service | Episodes of Care | 596 | 601 | 101% |
| Breaking the Cycle (drug strategy) | Episodes of Care | 50 | 42 | 84% |
| Counselling, Consultancy & Continuity of Care (CCCC) | Episodes of Care | 696 | 610 | 88% |
| Forensic Services | Episodes of Care | 319 | 330 | 103% |
| Supported Accommodation | Episodes of Care | 12 | 9 | 75% |
| Women's Supported Accommodation | Episodes of Care | 12 | 13 | 108% |
| Youth Outreach | Episodes of Care | 56 | 41 | 73% |
| Mobile Drug Worker | Contacts | 120 | 130 | 108% |
| Parent Support | Episodes of Care | 50 | 26 | 52% |
| Koorie CCCC | Episodes of Care | 50 | 50 | 100% |
| Acquired Brain Injury Forensic Counsellor | Episodes of Care | 22 | 22 | 100% |
| Needle & Syringe Program | 1 to 1 Client Contact | Not set | 9,345 | Not applicable |
| National Respite for Carers Program Overnight Respite (Mayfair House) | Hrs of Service | 6,994 | 8,702 | 124% |
| Creative House | Contact Hrs | 3,423 | 3,778 | 110% |
| Planned Activity Groups - Core | Hrs by Client | 31,712 | 31,990 | 101% |
| Planned Activity Groups - High | Hrs by Client | 7,505 | 7,826 | 104% |

* New program-part year performance only.



Creative House, Traralgon

A submission under the National Tobacco Control Initiative was successful, and the Koorie Mums and Bubs project will develop a culturally appropriate stop-smoking resource and training package. Funding secured through the Well for Life funding round was used to purchase specialist interactive IT equipment for the Planned Activity Groups (PAG). A submission to the Innovations for Flexible Respite Support funding round to establish a weekend gardening group in partnership with Gippsland Multicultural Services was also successful.

Creative House, which provides rehabilitation and support for people with an enduring mental illness, worked together with PAG to focus on activities that promote social inclusion and positive well-being for people with a mental illness and older people.

We successfully tendered for two new programs that commenced during the year: Case Management for Indigenous Men Who Use Violence; and Enhanced Access to Men's Behaviour Change Program. These programs will improve access to the suite of behaviour change services offered to men who use family violence.

Creating Awareness

A vigorous communication strategy to create awareness and promote services delivered through the Gambler's Help Program was implemented. The strategy included advertising, a number of media activities and promotional items.

Drug Treatment Services (DTS) staff provided information and education to Yallourn TAFE students during Drug Action Week. Sessions focussed on alcohol, drug and sexual health harm reduction and prevention strategies.

Gambler's Help has partnered with the Gippsland Trades and Labor Council (GTLCC) to raise awareness of gambling-related harm to employees across the major trade industries in Gippsland.

Increasing Demand

The volume of referrals to the Women's and Children's Family Violence program has increased, which has required the introduction of a waiting list.

Regular activity groups continue to operate at Mayfair House. These groups provide brief respite care and act as an initial step towards utilising overnight respite at Mayfair House.

Improving Services

DTS and the Creative House program have collaborated to provide an integrated service response to clients with co-occurring mental health and substance use disorders. Two DTS staff visit Creative House to offer counselling, education and support to clients wishing to address their substance use.

DTS Fast Forward clinics commenced in January at our Warragul, Moe, Morwell and Sale sites. Staffed by a withdrawal nurse and a DTS duty worker, the clinics have cut wait times for withdrawal services from up to five weeks to the same day or next day.

Creative House has identified social inclusion as a priority and in 2010 a variety of activities have been included in the program, such as expanded community-based activities, public music performances and education opportunities. In pursuit of social inclusion, a calendar of twilight social events has been established. A number of events have been held and attendances are increasing each month. Local musicians and bands have donated their time and several staff from LCHS, mental health services and the Department of Health have supported these events in their own time.

Koorie Engagement

Walking the Talk has been a LCHS-wide approach to working with the Koorie community to achieve improved health outcomes for Koorie people through identifying and reducing barriers to health care. LCHS Koorie client attendances have increased from 195 (or 2.6% of clients) in 2007 to 610 (or 4% of clients) in 2010. Koorie employees have increased from one to 12 or 4.5% (EFT) of LCHS employees. A cultural awareness program for all staff was introduced.



Sue Medson OAM
BA Education, Master of Health Administration, AFACHSM, AIMM

Primary Health

The Primary Health directorate provides regional intake/assessment, client reception, primary care, health promotion, and encourages client's active participation in their own health and welfare.

| Targets | | | | |
|---|---------------------------------|------------------|------------------------|------------|
| Primary Health | Key Performance Indicator | Annual Target | Achieved to 30/06/2010 | % Achieved |
| Allied Health - Community | Health Hrs by Staff | 2,657 | 2,766 | 104% |
| Allied Health - Home and Community Care | Hrs to Consumer | 11327 | 11901 | 105% |
| Stay Healthy Latrobe - Early intervention in Chronic Disease | Hrs by Staff | 5,062 | 5246 | 103% |
| Kids Life – Physical, social and emotional wellbeing of children and their families | Hrs by Consumer | 1000 | 1310 | 131% |
| On Call - Out of hours service (OOHS) | No of Hrs provided | 650 + 700 (OOHS) | 1,677 | 124% |
| Service Access | Hrs by Staff | 5,108 | 8371 | 164% |
| New Arrivals Service Access | No of Contacts | 36 | 43 | 119% |
| Commonwealth Carelink Centre | No of Contacts | Not set | 1702 | N/A |
| Emergency Relief | No of Consumers assisted | Not set | 1011 | N/A |
| Dental | No of Consumers seen | 8577 | 9177 | 107% |
| Dental | No of Treatments | Not set | 59344 | N/A |
| Dental | No of Emergency Vouchers Issued | Not set | 2958 | N/A |
| Community Nursing - Community Health | Hrs by Staff | 7,161 | 5991 | 84% |
| Community Nursing - HACC | Hrs to Consumer | 523 | 509 | 97% |
| Family Planning | Hrs by Staff | 251 | 243 | 97% |
| Refugee Health Nursing | Hrs by Staff | 661 | 528 | 80% |
| Innovative Health Services for Homeless Youth | Hrs by Staff | 920 | 812 | 88% |
| Work Health | No of checks conducted | Not set | 626 | N/A |

Promoting healthy lifestyles, preventing illness, rehabilitation and self management of health conditions all assist the community to achieve better health, better lifestyles and become a stronger community.

Broadening Services

The Allied Health and Stay Healthy Latrobe program developed a work plan with key tasks focusing on 12 outcomes to improve practice and increase services to the community including:

- The implementation of Medicare-funded services, which include diabetes nurse educator physiotherapy, podiatry and dietetics.

- A Kids Life two-year pilot provided a program of nutrition, physical activity and emotional support for families.
- Development of the Healthy Hearts program of information and exercise using interprofessional collaboration for people who have experienced a heart attack and have attended Phase 2 rehabilitation.
- A simulated case review session led by the Koorie Allied Health Assistant. Students commented this was the first time they had any emphasis on cultural diversity in a placement.



LCHS Warragul Dental Clinic

- A Diabetes Basics program to give people some understanding of diabetes and the effects of diet and exercise as well as self-management strategies. This was developed to assist in the reduction of the waiting list for initial appointments with a diabetes nurse educator.

Waiting time for restorative and prosthetic (denture) dental treatment was reduced from 22 months to 11 months for restorative work and from 30 months to 11 months for prosthetic work (dentures).

Paediatric Koorie and Sudanese Dental clinics were established and now work with local school staff, who bring children to the clinic for comfortable and flexible group sessions.

The Innovative Health Services for Homeless Youth (IHSY) community health nurse facilitates a proactive approach to dental care for this vulnerable group. We provide both treatment and preventative care at no cost to the young person.

A Refugee Service Access Officer was appointed to the Consumer Services team during the year. The position assists new arrivals to access appropriate services at LCHS and other health and welfare services in Gippsland.

In the last 12 months four Life! taking action on Diabetes programs have been provided. The Life! program participants work towards a body weight loss of at least 5% as well as 30 minutes moderate-intensity physical activity per day.

The WorkHealth Check program developed by Work Safe provides workplaces with an affordable, standardised health check. We provided 626 health checks to employees from a diverse range of industries.

Recruitment of suitably qualified staff remains a challenge across the directorate. This has been evident in physiotherapy, speech pathology, continence advice and Auslan interpreting. Emphasis, however, remains on ensuring all clients receive services within a satisfactory timeframe.

Partnerships

Partnerships have played a significant role in the success of programs in the past year and have included the following:

- Pit Stop men's health check at Farm World 2010 with Central West Gippsland Division of General Practitioners, Central West Gippsland Primary Care Partnership, Relationships

Australia Victoria (RAV) and the Department of Veterans' Affairs.

- Twenty two local pre-schools and the Special Developmental School enrolled in Smiles 4 Miles in the Latrobe Valley. This program promotes oral health through drinking water, eating fruit, brushing and flossing of teeth.
- The Integrated Health Promotion Plan, developed with Department of Health and members of the Central West Gippsland Primary Care Partnership is based on local data and Community Indicators. Priorities are physical activity and active communities, promoting accessible and nutritious food, and promoting mental wellbeing. We have also participated in the development of the Gippsland Sexual and Reproductive Health Strategy for Schools and Communities.
- For 'Make your Mark on the Skate Park' Health Promotion staff worked with Latrobe City Council, Yallourn North Action Group, Primary School, and local youth to spray paint their new skate park.
- Latrobe Valley Sudanese Women's Group, with Gippsland Multi-Cultural Service and GippsTAFE, is now screen printing and producing it's own tea towels with hopes of starting their own business locally.
- The Sudanese Professionals Association hosted a dinner with support from a range of community agencies including LCHS. This was to assist community leaders to have a better understanding of the Sudanese community and the challenges it faces.
- The Allied Health team has worked with West Gippsland Healthcare Group and Latrobe Regional Hospital to develop additional resources and care pathways to enhance treatment options.

Our work with the Koorie community has been greatly enhanced by partnerships throughout the Latrobe Valley. This has enabled us to participate positively in:

- Bragun Men's Group, to improve the health and wellbeing of indigenous men
- Victorian Aboriginal Child Care Agency, in case conferencing and care planning with homeless youth
- Budjeri Napan (Koorie Sports Committee), in providing health sporting activity, carnivals and expos throughout the year
- Ramahyuck, in working with Aboriginal Health Workers to address the complex needs of homeless youth and elders.



Anubis Pacifico

MBA, Grad Dip Applied Finance, B Bus (Accountancy),
Dip Fin Serv, FCPA, AFAIM, AFACHSM

Corporate

The Corporate Directorate is responsible for accounting and finance, sourcing, facilities, motor vehicles, information and communication technology, corporate communication, personnel and industrial relations, quality as well as organisation - wide support for quality and clinical governance programs. The Executive Director, Corporate is the company's chief financial officer.

Improving Controls

Our company has continued to strengthen control systems.

LCHS internal auditors, Pitcher Partners, have reviewed four key areas - corporate governance, accounts payable, procurement and payment, and the budget process. Their recommendations for further improving controls and processes were adopted and are being implemented. The implementation of these recommendations is now closely monitored and progress is being reviewed by the Board Audit Committee.

Controls on contract administration have been tightened to include the monitoring and negotiation of prices and analysis of service performance. Tender and expression of interest processes have been reviewed and adjusted in line with best business practice.

Managing Risk, Strengthening Clinical Governance, Assuring Quality

We have adopted a systematic and centralised approach to identifying and managing risks, incidents and community feedback. This approach is supported by a software tool incorporating a Risk Register. This has enabled improved communication and more robust recording of actions and outcomes.

Reserve funds are now spread over nine banking institutions so as to leverage on the protection offered by the Government Guarantee Scheme. The Clinical Governance Advisory Committee has undertaken a significant review of its terms of reference. This Committee now reviews all client-related incidents and complaints (de-identified) to monitor trends and improve response. Areas of potential clinical risk are identified, controls developed and these are then recorded in the Risk Register.

A Quality Implementation and Advisory Committee focuses on the implementation of the Quality Work Plan resulting from Quality Improvement Council Standards and Accreditation (QICSA) accreditation in 2009: the Quality of Care Report and in-house continuous improvement activities.

Information and Communication Systems

As the organisation scale and complexity continues to grow with increased demand for access to business applications, network reliability and user support is critical.

New network monitoring software enables close monitoring of network performance. A re-focused Help Desk now supports 400 users and annually deals with over 7000 service requests.

Information Technology initiatives included:

- A comprehensive disaster recovery plan is now in place including secure off-site storage of system backups.
- A new electronic document management system was launched allowing information within LCHS records to be quickly and reliably located.
- An upgraded set of servers has provided increased tolerance of equipment failures and improved response times to users.
- New uninterruptable power supply units now provide more than three hours capacity to run network servers and the phone system during power failures at Morwell.
- Three client-facing business applications were upgraded.
- New software was introduced to enable remote distribution of IT applications and system upgrades.

Facilities and Fleet

All our sites now comply with the updated Building Safety Standards.

Relocation of staff into the new Traralgon and Morwell sites was successfully completed.

Third party casual room hire and tenancy procedures in LCHS premises were updated. Cleaning, linen and waste management contracts were updated to reflect new infection control standards.

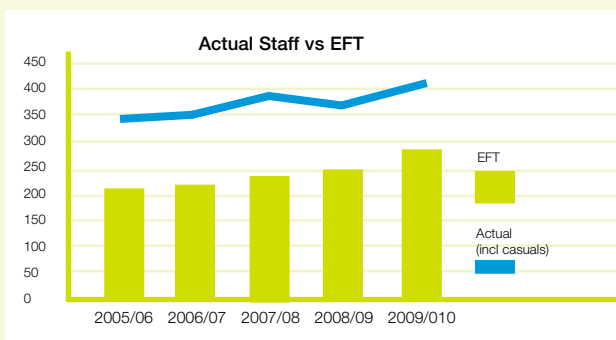
The directorate has taken over the end-to-end processing of all facility related insurance claims to ensure policy compliance and cost recovery.

A new web-based Vehicle Management System will enable optimum use of vehicles and simplify FBT calculation.



New Signage at the LCHS Sale Centre

Supporting all our People including our valued volunteers



LCHS continues to grow. Total staff rose by 8.6% to 405 by year end.

| Staff | 2009/10 | 2008/09 | Change |
|--------------|------------|------------|-----------|
| Full time | 152 | 133 | 19 |
| Part time | 205 | 204 | 1 |
| Casuals | 48 | 36 | 12 |
| TOTAL | 405 | 373 | 32 |

The full time staff equivalent measure reached 283, up 8.0% over the year, with women comprising 85% of total staff.

Emphasis on staff training continued with expenditure being significantly increased.

Mandatory training on privacy and confidentiality was reviewed to reflect changes in legislation, and rolled out to all staff.

Internal initiatives included the upgrade of the Performance Review and Development Plan framework and the inclusion of new salary packaging benefits.

Emphasis on the contribution of volunteers and the importance of having a coordinated approach across the organisation has delivered positive results. Our volunteer numbers increased by 32% to 75 across five program areas and four sites.

Activities to attract and support volunteers have included:

- Aligning procedures with the National and Compulsory Volunteer Standards
- Improved volunteer contracts, role descriptions and a Volunteers handbook
- Increased awareness of the role volunteers can play at LCHS.

Supporting External Agencies

LCHS is the lead agency for Home and Community Care (HACC) training throughout Gippsland. Sixty one HACC training programs were provided with 854 regional participants.

LCHS received special purpose funding to provide continence education to HACC and Residential Aged Care staff. The program attracted over 130 participants.

In collaboration with the Gippsland Oral Health Consortium, an on-line system was introduced to attract locum dentists and dental assistants into the region.

We partnered with other agencies to deliver a range of programs including:

- Falls Prevention with East Gippsland Primary Care Partnership.
- Mental Health First Aid with Latrobe Regional Hospital Primary Mental Health.
- Team leadership programs with Chisholm Institute.
- A Diversity forum launch in Mirboo North in collaboration with Gippsland Multicultural Service.

Relating to the Community

Launch of the new LCHS logo was accompanied by changes to our website, stationery and promotional material – over 100 promotional items were updated. The 'new look' for LCHS includes changes to building signage to better identify services offered to the community.

A community focus group helped develop the *Your Rights and Responsibilities* client brochure. The brochure, based on the Australian Charter of Healthcare Rights, encompasses our compliance with relevant legislation.

LCHS produces a monthly newspaper advertorial in the region and media releases communicating services offered to the community.

LCHS supported community events such as Reconciliation Week, the Gamblers Help program and a Koorie Palliative Care Forum.

Thirty four requests for personal health information were received under the Health Records Act.

Professional Development

Staff Development

LCCHS continued during the year to support staff to develop their skills and knowledge through professional development and skills training. The key tool used by LCCHS to determine individual development needs is the Performance Review and Development Plan (PRDP). The PRDP aims to improve organisational performance by interlinking organisational, directorate and program goals with individual objectives. Staff and their manager identify and prioritise training needs based on the staff member's key responsibilities for the year.

In addition to the PRDP, LCCHS identifies and supports the development of its staff through organisation-wide development initiatives. This year the focus has been on InterProfessional Collaborative Practice (IPCP) and further developing the skills of the LCCHS management team. IPCP is about professional staff working collaboratively to improve the quality of care for our clients. A number of IPCP forums have been held throughout the year. A small number of staff have also undertaken InterProfessional Facilitator (IPF) training. This will enable them to assist students on placement in planned interprofessional activities.

A successful VHA grant received in cooperation with Yarram & District Health Service and Gippsland Lakes Community Health will assist with student supervision during clinical placements. Additional training will be offered to expand the number of LCCHS staff trained in student supervision to accommodate our increasing student placement requests. Several staff members have undertaken basic or advanced (Train-the-Trainer) programs.

LCCHS entered into a partnership with the Australian Institute of Management (AIM) to provide managers with skills-development training in three key areas. The program involved six full days of training over five months covering topics such as:

- Appraising and managing performance
- Business writing
- Engaging and retaining employees.

In addition to the above, the LCCHS management team, including the executive directors and CEO, undertook LEAN Management training. LEAN is a framework aimed at reducing or eliminating waste, including resources and time wastage.

Other organisational development undertaken during 2009/10 included:

- Project management training
- Service coordination – development of a self-paced learning tool
- TCM (care management) and SWITCH client application training
- Cultural awareness training
- Defensive driver training.

LCCHS also continues to support staff members who wish to undertake studies to gain a tertiary qualification. Many staff members have received support (financial or other incentives) to assist them in their studies, which in turn develops skills and knowledge and has workplace applications. Support has also been provided for short-term courses and other activities in professional development. Typical activities have included:

- Staff completing a range of courses including Certificate IV studies in Mental Health (non-clinical), Palliative Care, Allied Health, Continence and Urology, Diploma AOD/Mental Health; and a Master of Human Services Management.
- In addition four staff supported by the CEO Scholarship training program have been undertaking courses in Graduate Diploma in Family Therapy, Master of Nurse Practitioner, Graduate Certificate in Health Promotion, and Graduate Certificate in Alcohol and Other Drug Studies.
- Staff undertaking the equivalent of a 90-day placement within Mental Health and the Psychiatric and Rehabilitation Support Service sectors.
- Using InterProfessional Learning (IPL) to engage five students.
- A mentoring framework to employ graduate occupational therapists.



LCHS Churchill Centre

Staff Recognition

LCHS recognises outstanding performance through a number of different mechanisms. These include annual staff and volunteer awards, Service Recognition Awards and Monthly Achievement Awards.

This year LCHS introduced a second-tier level to its annual staff awards. In addition to the Employee of the Year Award, LCHS recognises outstanding performance and commitment from teams and individuals from each directorate.

In addition, a Service Excellence Award will be presented each year from 2010. This award will be determined by the executive team at the commencement of each year and will focus on a key element of the business which strengthens relationships or processes. The Service Excellence Award for 2010 is based on service coordination.

Details of all award winners are listed below.

Annual Staff Awards

| Employee of the Year |
|----------------------|
| Nishka Refausse |

| Annual Achievement Awards | |
|---------------------------|--------------------|
| Ambulatory Care | Helen Whitby |
| Corporate | Michael Woodbridge |
| Community Support | Pat Trotman |
| CEO | Natasha Hammond |
| Coordinated Care | Leonie Schaefer |
| Primary Health | Nishka Refausse |

| Staff Monthly Achievement Awards | |
|----------------------------------|-----------------------------|
| July 2009 | Anita Harnden |
| August 2009 | Planned Activity Group Team |
| September 2009 | Lisa Stothers |
| October 2009 | Meagan Teague |
| November 2009 | Ann Marie Bye |
| December-February | No award |
| March 2010 | Louise Morley |
| April 2010 | Sharyn Thompson |
| May 2010 | Lloyd Davies |
| June 2010 | Ryan Luxford |

Service Recognition Awards

| 10 Years Service | |
|-------------------|-------------------|
| Lorraine Boyle | Suzanne Sterrick |
| Margaret Johnson | Leanne Maskiell |
| Wayne Atkinson | Trent Kooyman |
| Maureen Burns | Margaret Schubert |
| Sheridan McDonald | Amba Winsor |
| Kim Longin | Julia Churches |
| Peetika Hobson | |
| 15 Years Service | |
| Betty Beacham | |
| Julie Wells | |
| 25 Years Service | |
| William Hamilton | |
| Denise Bromiley | |



Employee of the Year Presentation

Volunteer Recognition

Annual Volunteer Awards

A volunteer recognition day was held in May during Volunteer Week. Celebrations included Service Recognition Awards and Volunteer of the Year Award.

Volunteer of the Year Winner

Alan Dingwell

Service Recognition Awards*

5 Years Service

Des Adair
Maxeen Lea-Smith

10 Years Service

Marie Ditterich
Maureen Donnison
Graeme McIntyre
Mary Williams

20 Years Service

Pauline Prowse
Judy Tewierik

25 Years Service

Kathy Ljubinkovic

**Several other volunteers also achieved service milestones during the year and will be recognised in a future award presentation.*

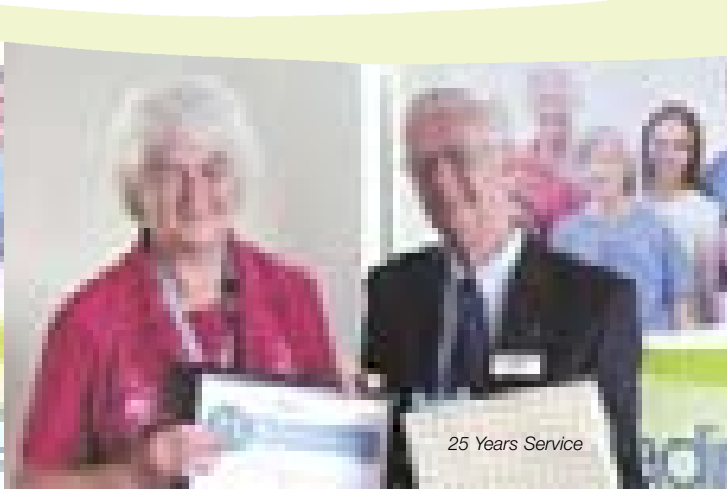
Donations

LCHS would like to sincerely thank all community members and organisations for their generous donations throughout the year. In particular the Ambulatory Care directorate continues to receive enormous support from both the community and the Latrobe Valley Palliative Care Fundraisers Association Inc.

Unfortunately, names of donors can not be published due to the Privacy Act.



Volunteer of the Year



25 Years Service



Completed LCHS Traralgon Centre

Morwell & Traralgon Redevelopments

Traralgon

A significant milestone was reached when the Minister for Health, Daniel Andrews, officially launched the refurbished Traralgon centre on 18 December 2009. The building, located on the corner of Princes Highway and Seymour Street, was purchased by LCHS in early 2008 and then underwent a complete refurbishment prior to the staff relocating in June 2009.

The upgrade was designed to provide the highest quality services to the community and included the provision of seven consulting rooms, four clinical rooms, a treatment room and physio room. The building has two meeting rooms and a large community room suitable for exercise programs or larger, conference-type forums. There are open-plan work stations for the staff. The range of services now offered from the site include physiotherapy, dietetics, occupational therapy, podiatry, diabetic education, lymphoedema management, counselling services for families and children, drug and alcohol assistance, community health nursing, education, women's health, health promotion and education program activities.

Morwell

Stage one of the \$22.35 million Morwell centre redevelopment was officially handed over to LCHS on 7 June 2010. Work on the new building commenced in September 2008 with the demolition of buildings on the site. The construction of the building commenced in January 2009. The 2400m², two-storey building is the largest and most modern community health service built in Victoria.

The building has been designed to be bright, comfortable, efficient, flexible and environmentally responsible. The building includes facilities for clinical, consulting and dental services. The dental suite has six dental chairs, four of which will be used for training. The 14-room consulting suite is designed to provide a range of activities such as speech therapy, dietetics, family and children counselling, gambling, drug and alcohol counselling, intake, assessment and care planning. The clinical suite has been divided into two areas: the mobility centre, for activities such as physiotherapy, occupational therapy and exercise sessions; and the treatment and clinical rooms, for services including consultation, diabetes education, podiatry, foot care and

other health-related procedures. Both floors of the building offer public activity, conference facilities, toilets and kitchens. The facilities for staff are state of the art and include open-plan, modern work stations, all with natural light. In addition to a well-equipped staff room there are three breakout kitchenette areas, staff showers and bike racks.

Environmental Features

Environmental features of the building include zoned air conditioning systems with individual controls in each room, and a night purge mode that allows outside air to cool the building overnight, and opening windows to enable fresh air to enter the building. These also automatically shut the air conditioning off when opened. All north, east and west facing windows are shaded. Lights automatically turn on and off when a room is occupied or vacant and automatically turn off when natural daylight levels are sufficient. Double glazed windows have also been used to improve heat retention. Water saving is another major feature of the building with the installation of two 110,000 litre underground rainwater tanks estimated to reduce our reliance on mains water by 80%. Rainwater is used for toilet flushing and garden irrigation. Sensor taps have also been included in the clinic areas.

Art Works

In January 2010 the Board of LCHS agreed to commission two pieces of art work for the building. The pieces included a sculpture for the front entrance called *Vital Signs*. The sculpture, made from stainless steel, takes the form of an abstract representation of plants found in and around fertile wetlands - the stem leaf and seed head shapes of reeds and rushes. It comprises eight major elements ranging in height from 3.5m to 5m, which rise from the ground and are structured in intertwining groups.

The second artwork commissioned was *Lifecycles* and takes the form of panels inserted in a fence across the front of the building. The artwork sections incorporate a transition from the timber pickets through to laser-cut corten steel with copper detailing and represent a harmonious relationship between land, water and the built environment. The artwork provides visual interest and variation, with a mix of materials and transparency along the length of the fence, whilst maintaining a coherent nature-based design.

Financial Report

Latrobe Community Health Service

ABN: 74 136 502 022

Financial Report for the Year Ended

30 June 2010

Contents

| | |
|------------------------------------|----|
| Directors' Report | 31 |
| Auditor's Independence Declaration | 33 |
| Income Statement | 34 |
| Statement of Comprehensive Income | 35 |
| Statement of Financial Position | 36 |
| Statement of Changes in Equity | 37 |
| Statement of Cash Flows | 38 |
| Notes to the Financial Statements | 39 |
| Directors' Declaration | 63 |
| Independent Audit Report | 64 |

LATROBE COMMUNITY HEALTH SERVICE
ABN: 74 136 502 022
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2010.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Margaret Peters resigned (5/10/2009)
John Guy
Peter Wallace
Steven Porter
Janice Chesters
Don Flanigan
Chris Devers
Steven Elvy
Carolyne Boothman appointed (1/03/2010)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of entity secretary at the end of the financial year:

Ben Leigh

Principal Activities

The principal activity of the entity during the financial year was:

Provision of Community Health Service

No significant changes in the nature of the entity's activity occurred during the financial year.

Operating Results

The profit of the entity amounted to \$-2,279,490 (2009: \$5,151,657).

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

After Balance Date Events

After 30 June 2010 LCHS received advice from the Department of Health confirming that the Department would purchase land and buildings attached to the new Buckley st building from LCHS for \$505,000.

Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Environmental Issues

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Information on Directors

| | | |
|-------------------|---|------------------------------|
| Margaret Peters | — | Director - Resigned(Retired) |
| John Guy | — | Chairperson |
| Peter Wallace | — | Deputy Chairperson |
| Steven Porter | — | Director |
| Janice Chesters | — | Director |
| Don Flanigan | — | Director |
| Chris Devers | — | Director |
| Steven Elvy | — | Director |
| Carolyne Boothman | — | Director |

Meetings of Directors

During the financial year, 22 meetings of directors (including committees of directors) were held. Attendees by each director were as follows:

Financial Report for the year ended 30 June 2010

**LATROBE COMMUNITY HEALTH SERVICE
ABN: 74 136 502 022
DIRECTORS' REPORT**

| | Directors' Meetings | | Finance Committee | | Quality & Safety Committee | |
|-------------------|------------------------|--------------|------------------------|--------------|----------------------------|--------------|
| | No. eligible to attend | No. attended | No. eligible to attend | No. attended | No. eligible to attend | No. attended |
| Margaret Peters | 4 | 4 | - | - | - | - |
| John Guy | 12 | 12 | - | 1 | - | 2 |
| Peter Wallace | 12 | 11 | 4 | 4 | 6 | 3 |
| Steven Porter | 12 | 9 | 4 | 4 | - | - |
| Janice Chesters | 12 | 12 | - | - | 6 | 4 |
| Don Flanigan | 12 | 10 | 4 | 3 | - | - |
| Chris Devers | 12 | 11 | - | - | - | - |
| Steven Elvy | 12 | 11 | - | - | 6 | 6 |
| Carolyne Boothman | 4 | 4 | - | - | - | - |

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.


The entity was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2010 has been received and can be found on page 3 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.

Director



John Guy

Dated this

30th

day of

September

2010

LEA Accounting

Accounting
Accounting
Accounting
Accounting

Leads to Community Health Services (CHS)
with its various units

Public Information Department (PID)
of the University of LA (UCLA)

Leads to a number of by-products and leads to the new product (CHS)
with its various units

- 1. An incorporation of the public information department (PID) of the University of LA (UCLA) to create a new product
- 2. An incorporation of the various units of professional services to create a new product

LEA - Health

Leads to Health

Accounting
Accounting
Accounting

CHS - Health Services (CHS)
with its various units

Latrobe Community Health Service ABN: 74 136 502 022
Income Statement
 for the year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|---|------|--------------------|------------------|
| Revenue | 2 | 29,653,133 | 27,063,567 |
| Other income | 2 | 15,776,309 | 5,690,899 |
| Employee benefits expense | 3 | (18,264,685) | (16,508,570) |
| Depreciation and amortisation expense | 3 | (1,029,320) | (979,079) |
| Doubtful debts expense | 3 | (14,531) | (17,326) |
| Repairs, maintenance and vehicle running expense | | (466,924) | (465,282) |
| Fuel, light and power expense | | (186,267) | (183,998) |
| Rental expense | 3 | (249,006) | (286,604) |
| Training expense | | (241,347) | (137,214) |
| Audit, legal and consultancy expense | | (469,742) | (264,494) |
| Marketing expenses | | (25,493) | (29,008) |
| Contract Labour | | (1,533,152) | (1,328,923) |
| Brokerage Client Services | | (4,965,515) | (5,050,423) |
| Loss on uncompensated transfer of building | 3 | (16,171,535) | - |
| Other expenses | | (4,091,416) | (2,351,889) |
| Profit/(Loss) before income tax | | (2,279,490) | 5,151,657 |
| Income tax expense | | | |
| Profit/(Loss) for the year | | (2,279,490) | 5,151,657 |
| Profit/(Loss) attributable to members of the entity | | (2,279,490) | 5,151,657 |

The accompanying notes form part of these financial statements.



Latrobe Community Health Service ABN: 74 136 502 022

Statement of Comprehensive Income

for the year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|--|------|--------------------|------------------|
| Profit/(Loss) for the year | | (2,279,490) | 5,151,657 |
| Other comprehensive income: | | | |
| Net (loss) on revaluation of non-current assets | 8 | (141,256) | - |
| Other comprehensive income for the year, net of tax | | (141,256) | - |
| Total comprehensive income for the year | | <u>(2,420,746)</u> | <u>5,151,657</u> |
| Total comprehensive income attributable to members of the entity | | <u>(2,420,746)</u> | <u>5,151,657</u> |

The accompanying notes form part of these financial statements.

Latrobe Community Health Service ABN: 74 136 502 022
Statement of Financial Position
 as at 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|--------------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 9,355,502 | 8,855,295 |
| Trade and other receivables | 5 | 263,636 | 178,240 |
| Inventories | 6 | 73,030 | 141,642 |
| Other assets | 7 | 922,843 | 761,363 |
| TOTAL CURRENT ASSETS | | 10,615,011 | 9,936,541 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 8 | 9,370,293 | 10,020,583 |
| Capital WIP | | 71,424 | 2,510,037 |
| TOTAL NON-CURRENT ASSETS | | 9,441,717 | 12,530,620 |
| TOTAL ASSETS | | 20,056,728 | 22,467,161 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 2,627,020 | 2,470,596 |
| Short term provisions | 10 | 2,069,220 | 2,123,025 |
| TOTAL CURRENT LIABILITIES | | 4,696,240 | 4,593,620 |
| NON-CURRENT LIABILITIES | | | |
| Long term provisions | 10 | 723,824 | 816,132 |
| TOTAL NON-CURRENT LIABILITIES | | 723,824 | 816,132 |
| TOTAL LIABILITIES | | 5,420,064 | 5,409,752 |
| NET ASSETS | | 14,636,663 | 17,057,409 |
| EQUITY | | | |
| Retained earnings | | 11,960,294 | 9,679,647 |
| Reserves | | 2,676,369 | 7,377,761 |
| TOTAL EQUITY | | 14,636,663 | 17,057,409 |

The accompanying notes form part of these financial statements.



Latrobe Community Health Service ABN: 74 136 502 022

Statement of Change in Equity

for the year ended 30 June 2010

| | Retained Earnings \$ | Asset Revaluation Reserve \$ | Capital Improvements Reserve \$ | Community Projects Reserve \$ | General Reserve \$ | Total \$ |
|---|-------------------------|---------------------------------|------------------------------------|----------------------------------|-----------------------|-------------|
| Balance at 1 July 2008 | 10,332,151 | 1,573,602 | | | | 11,905,753 |
| Profit/(Loss) attributable to the entity | 5,151,657 | | | | | 5,151,657 |
| Transfer to Capital Improvements Reserve | (4,624,138) | | 4,624,138 | | | - |
| Transfer to Community Projects Reserve | (815,521) | | | 815,521 | | - |
| Transfer to General Reserve | (364,501) | | | | 364,501 | - |
| Balance at 30 June 2009 | 9,679,648 | 1,573,602 | 4,624,138 | 815,521 | 364,501 | 17,057,409 |
| Profit/(Loss) attributable to the entity | (2,279,490) | | | | | (2,279,490) |
| Transfer to/(from) Capital Improvements Reserve | 4,283,339 | | (4,283,339) | | | - |
| Transfer to/(from) Community Projects Reserve | 445,797 | | | (445,797) | | - |
| Transfer to/(from) General Reserve | (168,999) | | | | 168,999 | - |
| Total other comprehensive income for the year | | (141,256) | | | | (141,256) |
| Balance at 30 June 2010 | 11,960,294 | 1,432,346 | 340,799 | 369,724 | 533,500 | 14,636,663 |

For a description of each reserve, refer to Note 18.

Latrobe Community Health Service ABN: 74 136 502 022
Statement of Cash Flows
 for the year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|--|-------|--------------|--------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipt of Grants | | 44,557,573 | 32,347,378 |
| Other receipts | | - | - |
| Payments to suppliers and employees | | (46,669,300) | (26,866,628) |
| Interest received | | 386,015 | 440,455 |
| Net cash provided by/(used in) operating activities | 15(b) | (1,725,712) | 5,921,205 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | 685,191 | 2,064,199 |
| Payment for property, plant and equipment | | - | (4,553,317) |
| Proceeds from sale of available-for-sale investments | | 1,540,728 | - |
| Net cash provided by/(used in) investing activities | | 2,225,919 | (2,489,118) |
| Net increase/(decrease) in cash held | | 500,207 | 3,432,087 |
| Cash & cash equivalents at the beginning of the financial year | | 8,855,296 | 5,423,209 |
| Cash & cash equivalents at the end of the financial year | 4 | 9,355,502 | 8,855,296 |



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

The financial statements are for Latrobe Community Health Service as an individual entity, incorporated and domiciled in Australia. Latrobe Community Health Service is a company limited by guarantee.

Note 1 Statement of Significant Accounting Policies

Basis of Preparation

The financial statements are a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Latrobe Community Health Service receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

Latrobe Community Health Service ABN: 74 136 502 022 Notes to the Financial Statements for the year ended 30 June 2010

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

As the revalued buildings are depreciated the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued recognised at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|----------------------------|-------------------|
| Buildings | 3% |
| Plant and equipment | 20 to 33% |
| Leased plant and equipment | 20 to 33% |
| Motor Vehicles | 18% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as

- (i) the amount at which the financial asset or financial liability is measured at initial recognition
- (ii) less principal repayments
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
for the year ended 30 June 2010

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

If during the period the company sold or reclassified more than an insignificant amount of held-to-maturity investments before maturity, the entire category of held-to-maturity investment would be tainted and would be reclassified as available-for-sale.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investment would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(k) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(l) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year. When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
for the year ended 30 June 2010

(m) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The freehold land and buildings were independently valued at 21 May 2010 by CJALee Property Valuers and Consultants. The valuation was based on the fair value less cost to sell.

The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties. The valuation resulted in a revaluation decrement of \$141,256 being recognised for the year ended 30 June 2010.

At 26 August 2010 the directors reviewed the key assumptions made by the valuers at 21 May 2010. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying value does not exceed the recoverable amount of land and buildings at 30 June 2010.

(o) Economic Dependence

Latrobe Community Health Service is dependent on the Department of Health for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Department of Health will not continue to support Latrobe Community Health Service.

(p) Adoption of New and Revised Accounting Standards

During the current year the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Latrobe Community Health Service.

AASB 101 Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

The company's financial statements now contain a statement of comprehensive income.

Other comprehensive income – The revised version of AASB 101 introduces the concept of "other comprehensive income" which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(q) New Accounting Standards for application in future periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

- **AASB 9:** Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013)

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has not yet determined any potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value
- simplifying the requirements for embedded derivatives
- removing the tainting rules associated with held-to-maturity assets
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.

- **AASB 124:** Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard removes the requirement for government related entities to disclose details of all transaction with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard. No changes are expected to materially affect the company.

- **AASB 2009-4:** Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.

- **AASB 2009-8:** Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions [AASB 2] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments clarify the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when the entity has no obligation to settle the share-based payment transaction. The amendments incorporate the requirements previously included in Interpretation 8 and Interpretation 11 and as a consequence these two Interpretations are superseded by the amendments. These amendments are not expected to impact the company.

- **AASB 2009-9:** Amendments to Australian Accounting Standards - Additional Exemptions for First-time Adopters [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
for the year ended 30 June 2010

These amendments specify requirements for entities using the full cost method in place of retrospective application of Australian Accounting Standards for oil and gas assets and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome. These amendments are not expected to impact the company.

• **AASB 2009-10:** Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132] (applicable for annual reporting periods commencing on or after 1 February 2010).

The amendments clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. The amendments are not expected to impact the Company.

• **AASB 2009-12:** Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the company.

• **AASB 2009-13:** Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010).

This standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This Interpretation is not expected to impact the company.

• **AASB 2009-14:** Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

• **AASB Interpretation 19:** Extinguishing Financial Liabilities with Equity Instruments (applicable for annual reporting periods commencing from 1 July 2010).

This Interpretation deals with how a debtor would account for the extinguishment of a liability through the issue of equity instruments. The Interpretation states that the issue of equity should be treated as the consideration paid to extinguish the liability, and the equity instruments issued should be recognised at their fair value unless fair value cannot be measured reliably in which case they shall be measured at the fair value of the liability extinguished. The Interpretation deals with situations where either partial or full settlement of the liability has occurred. This Interpretation is not expected to impact the company.

The company does not anticipate early adoption of any of the above Australian Accounting Standards.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

| Note 2 Revenue and Other Income | Note | 2010 \$ | 2009 \$ |
|--|------|------------|------------|
| Revenue from Government Grants and Other Grants | | | |
| — State/federal government grants | | 25,244,010 | 23,280,133 |
| — Other government grants | | 3,968,160 | 3,356,601 |
| | | 29,212,170 | 26,636,734 |
| Other Revenue | | | |
| — Interest received on financial assets not at fair value through profit or loss | | 440,963 | 426,834 |
| | | 440,963 | 426,834 |
| Total Revenue | | 29,653,133 | 27,063,567 |
| Other Income | | | |
| Gain on disposal of property, plant and equipment | | 166,337 | 171,531 |
| Charitable income and fundraising | | 12,140 | 43,757 |
| Capital grants | | 13,947,886 | 3,822,687 |
| Rental income | | 109,618 | 142,958 |
| Other | | 660,262 | 663,110 |
| Client fees | | 880,066 | 846,856 |
| Total Other Income | | 15,776,309 | 5,690,899 |
| Total Revenue and Other Income | | 45,429,442 | 32,754,466 |
| Note 3 Profit/(Loss) for the Year | | | |
| | | 2010 \$ | 2009 \$ |
| (a) Expenses | | | |
| Employee benefits expense | | 18,264,265 | 16,508,570 |
| Depreciation and Amortisation | | | |
| - land and buildings | | 142,265 | 127,010 |
| - motor vehicle | | 419,219 | 479,340 |
| - furniture and equipment | | 467,836 | 372,729 |
| Total Depreciation and Amortisation | | 1,029,320 | 979,079 |
| Doubtful debts expense | | 14,531 | 17,326 |
| Loss on disposal of non-current assets | | 836,402 | - |
| Rental expense on operating leases | | | |
| - minimum lease payments | | 249,006 | 286,604 |
| Total rental expense | | 249,006 | 286,604 |
| Auditor Remuneration | | | |
| - audit services | | 11,750 | 12,665 |
| Total Audit Remuneration | | 11,750 | 12,665 |

Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

Note 3 Profit/(Loss) for the Year continued

| | 2010 \$ | 2009 \$ |
|--|--------------------------|--------------------------|
| b) Significant Revenue and Expenses | | |
| Loss on uncompensated transfer of building | 16,171,535 | - |
| | <u>16,171,535</u> | <u>-</u> |
| Other Expenses | 11,132,124 | 9,798,566 |
| | <u>11,132,124</u> | <u>9,798,566</u> |
| Total Expenses | <u><u>47,708,933</u></u> | <u><u>27,602,810</u></u> |

During the year advice was received from the Department of Health that the Morwell redevelopment project which commenced in 2008/09 would be owned by the department and leased back to LCHS. At 30 June 2009 there was Capital work in progress of \$2.5 million and a further \$13.6 million expended in 2009/10. Based on the advice from the Department of Health LCHS have now expended the total expenditure to date of \$16.1 million.

Note 4 Cash and Cash Equivalents

| | 2010 \$ | 2009 \$ |
|-----------------|------------------|------------------|
| CURRENT | | |
| Cash at bank | (285,343) | 577,302 |
| Cash on hand | 5,430 | 4,940 |
| Cash at Deposit | 9,635,415 | 8,273,053 |
| | <u>9,355,502</u> | <u>8,855,295</u> |

Note 5 Trade and Other Receivables

| | Note | 2010 \$ | 2009 \$ |
|---|------|-----------------------|-----------------------|
| CURRENT | | | |
| Trade receivables | | 256,291 | 172,106 |
| Provision for impairment | 5(i) | (17,395) | (11,530) |
| | | <u>238,896</u> | <u>160,576</u> |
| Other receivables | | - | - |
| Consumer Fees | | 24,740 | 17,665 |
| Total current trade and other receivables | 16 | <u><u>263,636</u></u> | <u><u>178,240</u></u> |



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

(i) Provision for Impairment of Receivables

Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items. Movement in the provision for impairment of receivables is as follows:

| | \$ |
|---|----------------------|
| Provision for impairment as at 30 June 2008 | 6,118 |
| - Charge for year | 17,326 |
| - Written off | <u>(11,914)</u> |
| Provision for impairment as at 30 June 2009 | 11,530 |
| - Charge for year | 14,531 |
| - Written off | <u>(8,666)</u> |
| Provision for impairment as at 30 June 2010 | <u><u>17,395</u></u> |

Credit risk - Trade and Other Receivables

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

| | Gross Amount | Past due & impaired | Past due but not impaired (days overdue) | | | | Within initial trade terms |
|----------------------------|----------------|---------------------|--|---------------|--------------|------------|----------------------------|
| | | | <30 | 31 – 60 | 61 – 90 | >90 | |
| 2009 | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade and term receivables | 172,106 | 11,530 | 136,433 | 12,139 | 1,088 | 451 | 10,465 |
| Other receivables | | | | | | | |
| Total | <u>172,106</u> | <u>11,530</u> | <u>136,433</u> | <u>12,139</u> | <u>1,088</u> | <u>451</u> | <u>10,465</u> |

| | Gross Amount | Past due & impaired | Past due but not impaired (days overdue) | | | | Within initial trade terms |
|----------------------------|----------------|---------------------|--|--------------|---------------|---------------|----------------------------|
| | | | <30 | 31 – 60 | 61 – 90 | >90 | |
| 2010 | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade and term receivables | 256,291 | 17,395 | 177,578 | 7,606 | 11,000 | 11,000 | 31,712 |
| Other receivables | | | | | | | |
| Total | <u>256,291</u> | <u>17,395</u> | <u>177,578</u> | <u>7,606</u> | <u>11,000</u> | <u>11,000</u> | <u>31,712</u> |

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

| Note 6 Inventories | 2010 \$ | 2009 \$ |
|---|--------------------|--------------------|
| CURRENT | | |
| At cost Inventory | 73,030 | 141,642 |
| | <u>73,030</u> | <u>141,642</u> |
| Note 7 Other Assets | 2010 \$ | 2009 \$ |
| CURRENT | | |
| Accrued Income | 894,747 | 608,210 |
| Prepayments | 28,096 | 153,152 |
| | <u>922,843</u> | <u>761,363</u> |
| Note 8 Property, Plant and Equipment | 2010 \$ | 2009 \$ |
| LAND AND BUILDINGS | | |
| Freehold land at fair value: | | |
| - Directors valuation 2010 | 2,054,840 | |
| - Independent valuation 2009 | | 2,068,546 |
| Total Land | <u>2,054,840</u> | <u>2,068,546</u> |
| Buildings at fair value: | | |
| - Directors valuation 2010 | 3,878,328 | |
| - Independent valuation 2009 | | 5,295,170 |
| Less accumulated depreciation | (16,496) | (327,125) |
| Total buildings | <u>3,861,831</u> | <u>4,968,045</u> |
| Total land and buildings | <u>5,916,671</u> | <u>7,036,592</u> |
| PLANT AND EQUIPMENT | | |
| Furniture and Equipment | | |
| Furniture and Equipment at cost | 4,819,265 | 3,714,298 |
| (Accumulated Depreciation) | (3,050,926) | (2,583,088) |
| | <u>1,768,339</u> | <u>1,131,210</u> |
| Motor Vehicles | | |
| Motor Vehicles at cost | 2,311,271 | 2,514,667 |
| (Accumulated Depreciation) | (625,989) | (661,886) |
| | <u>1,685,282</u> | <u>1,852,781</u> |
| Total plant and equipment | <u>3,453,622</u> | <u>2,983,991</u> |
| Total property, plant and equipment | <u>9,370,293</u> | <u>10,020,583</u> |

Notes to the Financial Statements

for the year ended 30 June 2010

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

| | Land and Buildings \$ | Motor Vehicles \$ | Furniture and Equipment \$ | Total \$ |
|--------------------------------------|-----------------------------|----------------------|----------------------------------|-------------------|
| 2009 | | | | |
| Balance at the beginning of the year | 7,684,661 | 2,181,807 | 982,582 | 10,849,050 |
| Additions at cost | 737,084 | 792,982 | 521,357 | 2,051,423 |
| Additions at fair value | | | | - |
| Disposals | (1,250,000) | (642,668) | | (1,892,668) |
| Revaluation increment | | | | - |
| Depreciation expense | (135,154) | (479,340) | (372,729) | (987,223) |
| Carrying amount at end of year | <u>7,036,591</u> | <u>1,852,781</u> | <u>1,131,210</u> | <u>10,020,583</u> |
| 2010 | | | | |
| Balance at the beginning of the year | 7,036,591 | 1,852,781 | 1,131,210 | 10,020,583 |
| Additions at cost | | 770,575 | 1,127,785 | 1,898,360 |
| Revaluation decrement | (520,765) | | | (520,765) |
| Disposals | (456,892) | (518,854) | (22,817) | (998,563) |
| Depreciation expense | (142,265) | (419,219) | (467,838) | (1,029,322) |
| Carrying amount at end of year | <u>5,916,669</u> | <u>1,685,283</u> | <u>1,768,340</u> | <u>9,370,293</u> |

Asset revaluations

The freehold land and buildings were independently valued at 21 May 2010 by CJALee Property Valuers and Consultants. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties. The valuation resulted in a revaluation decrement of \$141,256 being recognised in the Revaluation Surplus for the year ended 30 June 2010.

At 26 August 2010 the directors reviewed the key assumptions made by the valuers at 21 May 2010. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying value does not exceed the recoverable amount of land and buildings at 30 June 2010.

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
 for the year ended 30 June 2010

| Note 9 Trade and Other Payables | Note | 2010 \$ | 2009 \$ |
|---------------------------------|------|------------|------------|
| CURRENT | | | |
| Trade payables | | 295,545 | 409,118 |
| Deferred income | | 1,232,714 | 1,268,542 |
| Other current payables | | 172,132 | 231,490 |
| Employee benefits | | 325,020 | 126,890 |
| Accrued Expenses | | 601,609 | 434,556 |
| | 9(a) | 2,627,020 | 2,470,596 |

(a) Financial liabilities at amortised cost classified as trade and other payables

| | | | |
|---|----|-----------|-----------|
| Trade and other payables | | 2,627,020 | 2,470,596 |
| -Total Current | | 2,627,020 | 2,470,596 |
| Less deferred income | | | |
| Less annual leave entitlements | | | |
| Financial liabilities as trade and other payables | 16 | 2,627,020 | 2,470,596 |

| Note 10 Provisions | | 2010 \$ | 2009 \$ |
|--|--|-------------|-------------|
| CURRENT | | | |
| Short-term Employee Benefits | | | |
| Opening balance at 1 July 2009 | | 2,123,025 | 1,965,841 |
| Additional provisions raised during year | | 1,432,039 | 1,567,343 |
| Amounts used | | (1,485,844) | (1,410,159) |
| Balance at 30 June 2010 | | 2,069,220 | 2,123,025 |
| NON-CURRENT | | | |
| Long-term Employee Benefits | | | |
| Opening balance at 1 July 2009 | | 816,132 | 806,042 |
| Additional provisions raised during year | | 12,121 | 10,090 |
| Amounts used | | (104,429) | - |
| Balance at 30 June 2010 | | 723,824 | 816,132 |
| Analysis of Total Provisions | | | |
| Current | | 2,069,220 | 2,123,025 |
| Non-current | | 723,824 | 816,132 |
| | | 2,793,044 | 2,939,157 |

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

Note 11 Capital and Leasing Commitments

2010
\$ **2009**
\$

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable - minimum lease payments

| | | |
|---|---------|---------|
| - not later than 12 months | 162,912 | 185,333 |
| - later than 12 months but not later than 5 years | 127,015 | 227,769 |
| - greater than 5 years | | |
| | 289,927 | 413,102 |

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a five-year term. Increase in lease commitment may occur in line with CPI.

The company has capital commitments with contractors for the development of the new Buckley St building. As of 30 June 2010 the company is committed to contribute \$625,000 from reserves and a further \$4.9 million to be funded by the Department of Health.

Note 12 Contingent Liabilities and Assets

As at the 30 June there were unresolved court proceedings against the company. It is likely that these proceedings will be settled within 12 months.

Note 13 Events After the Reporting Period

After 30 June 2010 LCHS received advice from the Department of Health confirming that the Department would purchase land and buildings attached to the new Buckley st building from LCHS for \$505,000.

Note 14 Key Management Personnel Compensation

| | Short-term benefits \$ | Post employment benefits \$ | Other long-term benefits \$ | Total \$ |
|--------------------|------------------------------|--------------------------------------|--------------------------------------|-------------|
| 2010 | | | | |
| Total compensation | 460,901 | 41,481 | - | 502,382 |
| 2009 | | | | |
| Total compensation | 496,055 | 44,645 | - | 540,700 |

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
 for the year ended 30 June 2010

| Note 15 Cash Flow Information | Note | 2010 \$ | 2009 \$ |
|---|------|-------------|------------|
| (a) Reconciliation of cash | | | |
| Cash at bank | | (285,343) | 577,302 |
| Other cash | | 9,640,845 | 8,277,993 |
| | 4 | 9,355,502 | 8,855,295 |
| (b) Reconciliation of cash flow from operations with profit after income tax | | | |
| Profit after income tax | | (2,279,490) | 5,151,657 |
| Non cash flows | | | |
| Depreciation and amortisation | | 1,029,321 | 987,222 |
| Unrealised gain on fair value through profit and loss financial assets | | | |
| Profit on sale of property, plant and equipment | | (166,337) | (179,674) |
| Furniture and equipment written off | | | |
| Loss on sale of investments | | | |
| Gain on assets contributed | | | |
| Change in assets and liabilities | | | |
| (Increase)/decrease in trade and other receivables | | (78,320) | (56,150) |
| Increase/(decrease) in trade and other payables | | 156,425 | (1,470) |
| Decrease in other assets | | (434,867) | (54,362) |
| Increase in provisions | | (146,113) | 167,273 |
| Decrease in inventories | | 68,613 | (34,324) |
| Decrease in prepayments | | 125,056 | (58,968) |
| | | (1,725,712) | 5,921,204 |

Note 16 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

| | Note | 2010 \$ | 2009 \$ |
|--|------|------------------|------------------|
| Financial Assets | | | |
| Cash and cash equivalents | 4 | 9,355,502 | 8,855,295 |
| Loans and receivables | 5 | 263,636 | 178,240 |
| Total Financial Assets | | 9,619,138 | 9,033,536 |
| Financial Liabilities | | | |
| Financial liabilities at amortised cost -Trade and other payables | 9(a) | 2,627,020 | 2,470,596 |
| Total Financial Liabilities | | 2,627,020 | 2,470,596 |

Financial Risk Management Policies

Consisting of Directors and independent members, the audit committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the audit committee and Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

The company does not have any material credit risk exposure as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 65% of the grants being received from state and federal governments are in accordance with funding agreements which ensure regular funding for a period of 2 years.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5.

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
 for the year ended 30 June 2010

The Company has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables is provided in Note 5.

Credit risk related to balances with banks and other financial institutions is managed by the audit committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA- or are an authorised investment under the current Australian Government Guarantee. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard and Poor's counterparty credit ratings.

| | Note | 2010 \$ | 2009 \$ |
|---------------------------|------|------------|------------|
| Cash and cash equivalents | | 9,355,502 | 8,855,296 |
| - AA Rated | 4 | 9,355,502 | 8,855,296 |

b. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

Financial liability and financial asset maturity analysis

| | Within 1 Year | | 1 to 5 years | | Over 5 years | | Total | |
|--|---------------|------------|--------------|------------|--------------|------------|------------|------------|
| | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ |
| Financial liabilities due for payment | | | | | | | | |
| Trade and other payables (excl. est. annual leave and deferred income) | 2,627,020 | 2,662,610 | | | | | 2,627,020 | 2,662,610 |
| Total expected outflows | 2,627,020 | 2,662,610 | - | - | - | - | 2,627,020 | 2,662,610 |

| | Within 1 Year | | 1 to 5 years | | Over 5 years | | Total | |
|--|---------------|------------|--------------|------------|--------------|------------|------------|------------|
| | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ | 2010 \$ | 2009 \$ |
| Financial Assets - cash flows realisable | | | | | | | | |
| Cash and cash equivalents | 9,355,502 | 8,855,295 | | | | | 9,355,502 | 8,855,295 |
| Trade, term and loans receivables | 1,158,382 | 786,451 | | | | | 1,158,382 | 786,451 |
| Other investments | | | | | | | - | - |
| Total anticipated inflows | 10,513,884 | 9,641,746 | - | - | - | - | 10,513,884 | 9,641,746 |
| Net (outflow) / inflow on financial instruments | 7,886,864 | 6,979,136 | - | - | - | - | 7,886,864 | 6,979,136 |

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
 for the year ended 30 June 2010

c. Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

ii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The company is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

The Company's investments are held in the following sectors at reporting date:

| | 2010 | 2009 |
|---------------------|------|------|
| Banking and finance | 100% | 100% |
| Telecommunications | | |
| Materials | | |
| Consumer - Staples | | |
| Healthcare | | |
| | 100% | 100% |

Sensitivity Analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

| Year ended 30 June 2010 | Profit \$ | Equity \$ |
|---------------------------|--------------|--------------|
| 2% in interest rates | 187,110 | 187,110 |
| -2% in listed investments | (187,110) | (187,110) |
| Year ended 30 June 2009 | Profit \$ | Equity \$ |
| 2% in interest rates | 177,077 | 177,007 |
| -2% in listed investments | (177,077) | (117,007) |

No sensitivity analysis has been performed on foreign exchange risk as the company is not exposed to foreign currency fluctuations.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Company. Most of these instruments which are carried at amortised cost (i.e. trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

| | Footnote | 2010 | | 2009 | |
|------------------------------------|----------|--------------------------|----------------------|--------------------------|----------------------|
| | | Net Carrying Value \$ | Net Fair Value \$ | Net Carrying Value \$ | Net Fair Value \$ |
| Financial assets | | | | | |
| Cash and cash equivalents | (i) | 9,355,502 | 9,355,502 | 8,855,295 | 8,855,295 |
| Trade and other receivables | (i) | 1,158,382 | 1,158,382 | 786,451 | 786,451 |
| Total financial assets | | 10,513,884 | 10,513,884 | 9,641,746 | 9,641,746 |
| Financial liabilities | | | | | |
| Trade and other payables | (i) | 2,627,020 | 2,627,020 | 2,662,610 | 2,662,610 |
| Total financial liabilities | | 2,627,020 | 2,627,020 | 2,662,610 | 2,662,610 |

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is not considered a financial instrument.
- (ii) For listed available-for-sale and held-for-trading financial assets, closing quoted bid prices at the end of the reporting period are used. In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).
- (iii) Fair values of held-to-maturity investments are based on quoted market prices at the end of the reporting period.
- (iv) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair value of fixed rate debt will differ to carrying values.

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
 for the year ended 30 June 2010

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1)
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|-------------------|---------|---------|-------------------|
| 2010 | | | | |
| Financial assets | | | | |
| Available-for-sale financial assets | | | | - |
| Held-for-trading financial assets | | | | - |
| Held-to-maturity financial assets | 10,513,884 | | | 10,513,884 |
| | <u>10,513,884</u> | - | - | <u>10,513,884</u> |

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|------------------|---------|---------|------------------|
| 2009 | | | | |
| Financial assets | | | | |
| Available-for-sale financial assets | | | | - |
| Held-for-trading financial assets | | | | - |
| Held-to-maturity financial assets | 9,641,746 | | | 9,641,746 |
| | <u>9,641,746</u> | - | - | <u>9,641,746</u> |

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available have been adopted to determine the fair values of these investments.



Latrobe Community Health Service ABN: 74 136 502 022

Notes to the Financial Statements

for the year ended 30 June 2010

Note 17 Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The audit committee ensures that the overall risk management strategy is in line with this objective.

The audit committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

| | Note | 2010 \$ | 2009 \$ |
|---|------|------------------|------------------|
| Total borrowings | | - | - |
| Less cash and cash equivalents | 4 | (9,355,502) | (8,855,295) |
| Net debt | | (9,355,502) | (8,855,295) |
| Total equity (reserves + retained earnings) | | 14,636,663 | 17,057,409 |
| Total capital | | 5,281,161 | 8,202,113 |

Latrobe Community Health Service ABN: 74 136 502 022
Notes to the Financial Statements
for the year ended 30 June 2010

Note 18 Reserves

- a. Asset Revaluation Reserve**
The Asset Revaluation Reserve records the revaluations of non-current assets
- b. Capital Improvements Reserve**
The Capital Improvements Reserve records funds allocated to Capital projects.
- c. Community Projects Reserve**
The Community Projects Reserve records funds allocated to future Board initiatives and community Projects.
- d. General Reserve**
The General Reserve records funds allocated to the replacement of IT equipment and other Fixed Assets.

Note 19 Entity Details

The registered office of the entity is:
Latrobe Community Health Service
Corner Buckley & Church St
Morwell 3840
Victoria

The principal place of business is:
Latrobe Community Health Service
Corner Buckley & Church St
Morwell 3840
Victoria

Note 20 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the entity. At 30 June 2010 the number of members was 31.

LATROBE COMMUNITY HEALTH SERVICE
ABN: 74 136 502 022
DIRECTORS' DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 3 to 22, are in accordance with the Corporations Act 2001:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



John Guy

Dated this

30th

day of

September

2010

LSH Accounting

Chartered Accountants

11/11/10
11/11/10
11/11/10
11/11/10
11/11/10

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LATROBE COMMUNITY HEALTH SERVICE**

Report on the financial report

We have audited the accompanying financial statements of Latrobe Community Health Service (the company), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report


The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independence

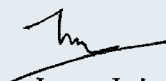
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Latrobe Community Health Service on 30th September 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Latrobe Community Health Service as of 30 June 2010, and its financial performance and cash flows for the year then ended in accordance with the *Corporations Act 2001* and the Australian Accounting Standards (including Australian Accounting Interpretations).

LSH Accounty

LSH Accounting



Joanne Loh
Morwell

30th September 2010

Services Provided

- Aged Care Assessment Service
- Alcohol and Drug Treatment Service
- Ambulatory Care
 - District Nursing Service
 - Palliative Care
 - Wound Management
- Better Health Self Management
- Carer Services – Commonwealth Respite and Carelink Centre
- Case Management
- Children’s Sexual Assault Counselling
- Chronic Disease Management Care Coordination
- Community Health Nursing
- Community Support – Emergency Relief
- Continence Program
- Counselling and Support Services
- Creative House
- Dementia Education and Training for Carers
- Dental Services
- Diabetes Education and Prevention
- Early Parenting Day Stay Program
- Physical Activity/Exercise Programs
- Falls Prevention Program
- Gambler’s Help Service
- Gippsland Auslan Interpreter Service
- Gippsland Withdrawal and Rehabilitation Service
- Home & Community Care Response Service
- Health Promotion
- Health Hearts Cardiac Exercise and Education Program

- 
- Health Services for Homeless Youth
 - Hydrotherapy
 - Kids Life! MEND Program
 - Life Skills Group
 - Lymphoedema Clinic
 - Mayfair House Overnight Respite
 - Mental Health Assistance
 - Men's Health Clinics
 - Moe After Hours Medical Service (MAHMS)
 - Men's Behaviour Change Program
 - Needle and Syringe Program
 - Non Case Managed Packages/Early Intervention
 - Nutrition and Dietetics
 - Occupational Therapy
 - Parent Support Program
 - Physiotherapy
 - Planned Activity Groups
 - Podiatry and Foot Care
 - Refugee Health Services
 - Latrobe Valley Sudanese Women's Group
 - Relaxation and Stress Management Group
 - Support Groups
 - Supported Accommodation Program
 - Veteran's Home Care
 - Women and Children's Family Violence Counselling
 - Women's Health Clinics
 - Work Health

Better health, Better lifestyles, Stronger communities

Bairnsdale

5/111 Main Street

Churchill

11 Philip Parade

Cowes

164 Thompson Avenue

Korumburra

Gordon Street at Gippsland Southern Health Service

Moe

42-44 Fowler Street

Morwell

81-87 Buckley Street

Sale

52 MacArthur Street

Traralgon

Cnr. Princes Hwy & Seymour Street

Warragul

122 Albert Street



www.lchs.com.au
Freecall: 1800 242 696

