



ST JOHN OF GOD
Midland Public & Private
Hospitals

Annual Report 2016-17

Caring for the community



Fast facts



66,710 emergency presentations



30,725 public patient admissions



10,414 procedures performed



1886 births



111,281 outpatient attendances



1884 employees



307 public beds



60 private beds



80% single rooms



Nine theatres and three procedure rooms



Five birthing suites



11 chemotherapy chairs

Contents

Introduction

St John of God Health Care Group CEO Report	04
St John of God Midland Public Hospital CEO Report.....	05
St John of God Midland Private Hospital CEO Report.....	07
About Us	08
Key Personnel.....	09

Services

New Services to the Community.....	10
Admitted and Non-Admitted Services.....	11
Patient Support Services.....	12
Aboriginal Health Services	12
Private Hospital.....	13

Operational Report

Performance and Quality	14
Consumer Satisfaction.....	16
Compliments and Complaints.....	16
Nurses and Midwives Focus on Improving Patient Care	17
Innovation and Technology.....	18

People

Our People	20
Volunteers.....	20
Education, Training and Research.....	21

Community

Community	22
Links to Community Health and Social Services	22
Community Wellbeing Grants	22
Community Advisory Committee.....	23
Disability Action and Inclusion Plan.....	24
Aboriginal Engagement	24
Reconciliation Action Plan.....	25
Arts and Health.....	26
Engagement with General Practitioners.....	27

Appendices

WA Carers Recognition Act 2004 Compliance Report.....	28
Financial Report.....	32

Symbols used in this publication are the same as those displayed in the wayfinding signage throughout the hospital to guide patients and visitors around the hospital. Inspired by local landscape and flora, the colours and symbols give each floor of the hospital a distinctive character.

● Introduction

St John of God Health Care Group Chief Executive Officer Report

It gives me great pleasure to introduce the 2016-17 St John of God Midland Public and Private Hospital's Annual Report.

This marks the first full year of operations and has seen both hospitals become an integral part of the Perth east metropolitan and Wheatbelt regions.

St John of God Health Care has a long tradition of partnering with governments to provide health services to Australians and we believe that it is an important part of our ministry to help meet community need in this area.

As pressures on the health system continue in the face of an ageing population and finite funding, we believe that there is an ever-strengthening case for the public and private systems to continue to work closely together.

Our Midland Private Hospital is also taking pressure off the public health system as well as providing a new level of choice for patients in the region and minimal waiting times.

These efficiencies enable our healthcare system to be able to provide high quality health services to an increasing cohort, and provides good stewardship of taxpayer funds.



We value highly the opportunity to partner with the Western Australian State Government under a public private partnership at St John of God Midland Public Hospital and take seriously our responsibility to deliver good value and outstanding service to the people of Western Australia and, in particular, those in the catchment area we directly serve.

In March 2017, following the state election, we welcomed a new incoming State Labor Government. We are pleased to continue the public private partnership with the new administration and look forward to working together over the coming term to continue to address important healthcare needs in Western Australia.

I thank our outgoing CEO Dr Glen Power, all our doctors and caregivers, and our partners at East Metropolitan Health Service for their work in this first full year of operation.

Operating a public hospital is challenging but rewarding and we are delighted with the community response to the services at St John of God Midland Public Hospital and the role the hospital plays in the broader life of the community and look forward to deepening these ties.

Dr Michael Stanford
Group CEO

St John of God Midland Public Hospital CEO Report

We are pleased to report for the first time a full 12 months of operations, following last year's inaugural annual report, which included our initial seven months of activity.



St John of God Midland Public and Private Hospitals opened on 24 November 2015, with the objective of serving the health needs of 270,000 people in the East Metropolitan region and adjacent Wheatbelt communities.

St John of God Midland Public Hospital is operated by St John of God Health Care and provides public hospital services under the terms of a Service Agreement with the State Government. The delivery of services is undertaken within the framework of the East Metropolitan Health Service.

The hospital provides a comprehensive range of clinical services to the community, an expansion on those offered by the former Swan District Hospital – the facility that was closed with the opening of our hospital.

St John of God Midland Public Hospital has achieved significant milestones in its first 19 months of operations.

Since opening we have experienced a high demand for our services and it has been pleasing to see how quickly the local community has embraced the hospital.

This strong demand led the State Government to increase funding last financial year, enabling us to provide more care to the communities we serve.

The contractual arrangements we have with the State Government represent good value for money for taxpayers and ensure we deliver high standards of care consistent with other public hospitals.

We are regularly required to report to the Department of Health on a range of performance indicators to ensure the quality of our services is maintained and that we comply with our contract.

Year in review

During the year, there were 31,572 public admissions which generated 96,443 public patient days, demonstrating the high demand on our services.

Our public patient numbers were five percent higher for total separations and 10 per cent higher for public patient days than originally anticipated.

Over the past year, we had a total of 66,710 attendances to the Emergency Department – making us the fourth busiest department in the State.

With such a busy Emergency Department, we have implemented a number of strategies to keep waiting times and diversions to a minimum.

Our maternity services and outpatient clinics continue to be in high demand, with 1,886 deliveries at the hospital and 95,382 public outpatient visits last financial year.

Great focus has been placed on keeping waiting times for elective surgery to a minimum, which has led to 10,414 public patients having surgery at the hospital over the past 12 months.

These statistics show we are achieving our goal of providing more health care services to the local community than has been previously available in the area.

In addition, we are providing services that manage more complex clinical conditions, including treating more critically unwell patients at the Emergency Department, thus reducing the need to transfer patients to tertiary hospitals.

As part of our focus on medical training, we successfully received new or renewed accreditation with the Postgraduate Medical Council of Western

Australia and medical colleges for intern, resident medical officer and training registrar positions in emergency, anaesthetics, paediatrics, obstetrics and gynaecology and orthopaedic surgery departments.

An area of interest for our doctors in training is research. Last financial year we had 23 research projects approved and another 27 that are in the planning or implementation phase. Research is important to our organisation, as it enables us to provide patient care informed by the latest evidence.

In November we celebrated our first birthday and recognised the hospital's many achievements in its first 12 months of operations.

Accreditation and audits

Last year we received full accreditation by the Australian Council of Healthcare Standards against all National Standards and Mental Health Standards.

In addition, we were ranked at the 82nd percentile for all public facilities in Australia and at the 99th percentile for all public hospitals with more than 300 beds for inpatient satisfaction in the annual Press Ganey Survey of patients.

These wonderful results highlight the patient-focus and values-based care provided by our caregivers, and is commendable given we are a newly-opened facility.

The results also confirm we have implemented good processes from the start to support clinical practices and respond to clinical deterioration.

Over the past 12 months we have further developed our links to community health providers to support best practice and coordinated care for patients.

Last June we transitioned the public hospital's external governance from the North Metropolitan Health Service to the newly formed East Metropolitan Health Service, including service links to Royal Perth Hospital and other East Metropolitan Health Service facilities.

As part of our State Government contract, we successfully completed 19 external audits of clinical and non-clinical services. We also undertook a Gateway Review of the construction and commissioning of the hospital for the WA Department of Health.

Aboriginal health

With a large Aboriginal population in the community we have developed appropriate models of care with specialists in Aboriginal health and a strong relationship with local Aboriginal medical services and indigenous community groups.

As part of this, Director of Aboriginal Health, Dr Christine Clinch, was appointed to our senior management team last year – a first for a Western Australian hospital.

In addition, Moort Boodjari Mia relocated to the hospital. The maternity support program assists families having a baby that identify as Aboriginal or Torres Strait Islander.

The Lion's Eye Institute Midland Eye Service was established at the hospital this year, to assist Aboriginal people with their eye care. Thanks to St John of God Social Outreach funding of an optical coherence tomography unit, the service can provide an early assessment of eye conditions.

We also established initiatives and partnerships with education and training facilities, including scholarship support for two Aboriginal students undertaking TAFE studies. We have plans to further enhance our contribution in this area next year.

We will continue establishing a network of Aboriginal Elders and community leaders over the next year to augment our ability to have deep and authentic engagement with the Aboriginal community.

I extend my heartfelt appreciation to everyone who has contributed to the hospital's success over the past year. This includes the hospital's executive team, the wider St John of God Health Care group, East Metropolitan Health Service, the State Government, WA Department of Health, local health agencies, community service providers and patient support groups.

I also offer a special thanks to our committed hospital caregivers, who work diligently every day to ensure we deliver high quality care to patients and the best possible services and outcomes for our community.

Finally, we acknowledge the important and beneficial contribution that inaugural CEO Dr Glen Power has made to the development of our hospital.

Michael Hogan
CEO

St John of God Midland Private Hospital CEO Report

Over the past financial year we have experienced steady growth for St John of God Midland Private Hospital.

The 60-bed private hospital is co-located with St John of God Midland Public Hospital and is the only private hospital operating in the Midland area.

The hospital opened with the public hospital in November 2015 to offer a new level of choice for people in the region, with many specialists providing treatment across a range of medical specialties.

The facility includes 85 per cent single rooms and rapid access to some of Perth's leading specialists closer to home.

We offer patient-centred, compassionate care of the highest standard and additional patients benefits, including minimal waiting times and a range of private treatment and procedure options.

Being part of St John of God Health Care, which has been providing private health services to the community for almost 120 years, ensures our patients benefit from the processes, services and high quality care for which the organisation is renowned.

Over the past financial year we have focussed on expanding the number of medical and surgical services available at the hospital.

We have also reviewed our processes to provide patients with a more streamlined service.

Over the past year we continued building links with local community groups.

Nine local community groups were awarded the St John of God Midland Private Hospital Community

Wellbeing Grants last year, providing a total of \$20,000 for local initiatives, including a new community garden in Chidlow, girls' football jumpers for Midvale Junior Football Club and support of an Aboriginal youth council.

The Midland area continues to experience strong population growth and the need for quality health services close to home is expected to continue to increase in coming years.

In response to this growth, we have begun the planning process for the development of a new stand-alone private hospital nearby to the current facility.

The new hospital will be constructed on a three-hectare site within the historic Midland Workshops precinct.

The new standalone private hospital will provide high quality private care and significantly boost private hospital bed numbers in the city's eastern corridor.

Over the next financial year we will continue to expand our service offering at our current co-located private hospital to provide even more choice to the community.

I thank all caregivers and clinicians for their efforts over the past year and for the high quality care they provide to our patients.

Paul Dyer
CEO, Private



About Us

Our St John of God Midland Public and Private Hospitals are the two major hospitals serving Perth's east metropolitan and adjacent Wheatbelt regions.

We aim to provide exceptional care to public and private patients in the brand new facility, which includes a 307-bed public hospital and co-located 60-bed private hospital.

The hospitals were opened on 24 November 2015, when we welcomed 83 inpatients from the former Swan District Hospital, one of the biggest single transfers of patients for the Western Australian health system.

Around the same time, we transitioned about 5,500 outpatients and established a public outpatient service with more than 170 clinic types.

Since opening, we have worked hard to ensure we meet the health needs of the communities we serve. This includes providing culturally appropriate health care to Aboriginal people within the hospital's catchment area, which represents about 20 per cent of the total Perth Aboriginal population.

The public and private hospitals are managed by St John of God Health Care, Australia's largest not-for-profit private health care group, which operates public and private hospitals and mental health facilities as well as social outreach, home nursing and disability services.

St John of God Health Care has a 23-year contract with the State Government to build and operate the public hospital. The Commonwealth and State Governments jointly invested \$360 million to construct the hospital.

The contract is managed by the East Metropolitan Health Service, which sets an annual budget for activity and oversees our service compliance.

Our services are led by some of Perth's leading clinicians who are committed to providing exceptional health care to the region.

We work closely with other general and tertiary hospitals. We also provide telehealth to regional facilities, which enables our doctors to connect to regional-based patients by videoconferencing and other technology.

As a new health campus, we have worked hard to establish strong links with the community, particularly existing health service providers, to ensure seamless health care for local residents. This has included establishing relationships with other hospitals, general practitioners, mental health community providers and community care services.

We have also taken a leading role in undergraduate and postgraduate teaching and training and have established ties with WA universities and other training facilities.

Our co-located 60-bed private hospital offers private health services close to home for people living in the region. This gives patients the opportunity to select the doctor of their choice, reduce their waiting times for elective surgery and access a range of private treatment and procedure options.



Key Personnel

Executive Team

Michael Hogan
Chief Executive Officer,
SJG Midland Public Hospital*

Paul Dyer
Chief Executive Officer and Director
of Nursing, SJG Midland Private Hospital*

Tracey Piani
A/Director of Nursing and Clinical Governance

Dr Amanda Boudville
A/Director of Medical Services**

Tara Peters
Director of Mission Integration

Gareth Jones
Director of Finance and Contract Performance

Royce Vermeulen
Director of Corporate Services

Key Medical and Operational Caregivers

Dr Amanda Boudville
Head of Department Aged Care

Dr Amit Banerjee
Head of Department Psychiatry

Dr Gavin Clark
Head of Department Orthopaedics

Dr Helen Bell
Medical Co-Director, Medical Services,
Aged Care, Rehabilitation and Mental Health

Debra Goddard
Nurse Co Director, Perioperative,
Emergency Department and Perinatology

Dr Mary Theophilus
Head of Department General Surgery

Dr Matthew Summerscales
Co-Head of Department
Emergency Department

Dr Michele Genevieve
Co-Head of Department
Emergency Department

Dr Mike Babon
Head of Department Anaesthetics

Dr Peggie Nair
Head of Department Paediatrics

Dr Christine Clinch
Director of Aboriginal Health

Avril Fahey
Director of Allied Health and
Outpatient Services

*Appointed CEO in September 2017. Dr Glen Power was CEO of SJG Midland Public and Private Hospitals until July 2017.

**Dr Sayanta Jana will commence the role of Director of Medical Services in January 2018.



New Services to the Community



When St John of God Midland Public and Private Hospitals opened on 24 November 2015, a greater range of services became available to the region than previously provided at Swan District Hospital.

New and expanded services include:

- Intensive care and coronary care – including the ability to provide mechanical ventilation and simple invasive cardiovascular monitoring.
- Cancer care service and day chemotherapy unit – including shared care with tertiary hospitals for patients with common cancers and a visiting haematology outpatient service.
- Adult rehabilitation service – including rehabilitation programs for inpatients and outpatients with specialist services provided by registered nurses, physiotherapists, occupational therapists, speech pathologists and dietitians.

Admitted and Non-Admitted Services

We provide an extensive range of hospital services, in addition to the new and expanded services listed above, including:

- After hours general practitioner clinic
- Allied health:
 - Audiology
 - Clinical psychology
 - Dietetics and nutrition
 - Occupational therapy
 - Physiotherapy
 - Podiatry
 - Social work
 - Speech pathology
- General medicine (including specialist consultation by telehealth to rural sites)
- General paediatrics
- General surgery and the following surgical sub-specialties:
 - Gastroenterology
 - Ear nose and throat
 - Gynaecology
 - Ophthalmology
 - Orthopaedic
 - Urology
 - Vascular surgery
 - Plastic surgery
- Geriatric and aged care

- Maternity, including antenatal and postnatal care
- Medical specialties:
 - Cardiology
 - Respiratory
 - Endocrinology
 - Neurology
 - Renal
 - Palliative care
 - Immunology
 - Infectious diseases service

- Neonatology
- Outpatient clinics
- Pathology
- Pharmacy
- Radiology

Increased capacity services include:

- Emergency Department
- Stroke and adult/aged rehabilitation
- Mental health – adult and older adult inpatients and emergency presentations and emergency care provided for children and adolescents
- 24-hour anaesthetic cover
- Private hospital care



Patient Support Services

The hospital has formed a number of partnerships with community health, social services and support organisations to ensure patients have access to a range of services and appropriate accommodation before or after their hospital stay.

Key relationships built over the past year include:

- Establishing a memorandum of understanding with Mental Illness Fellowship of WA to provide peer to peer support services in our Mental Health Unit. It will also provide one to one support for patients in the community following discharge and participate in our mental health therapy programs.
- Developing links with Starick Safe at Home Project, a new pilot service that supports women and children at risk of domestic violence in their homes.
- Working with St Vincent de Paul in Midland to assist mental health patients in need of discharge accommodation support.

Ongoing community partnerships include:

- 'The Pursuit Group Aged Care' and 'White Oak Home Care' - to assist patients following discharge with access to short-term care support. As part of this we fund Interim Hospital Packages for patients needing assistance with personal care, medication prompts and meal assistance.
- Midland Women's Healthcare Place and Derbal Yerrigan Aboriginal Health Services - which provide community outreach services.
- Department of Communities, Child Protection and Family Support, Meerlinga Young Children's Foundation and Ngala Early Childhood and Early Parenting Services - to ensure appropriate care for patients.
- Local general practitioners and Community Midwifery Program - to provide shared care to maternity patients before and after the birth.
- St John of God Horizon House Young Mother and Baby Program - which provides accommodation and support to vulnerable young mothers aged between 16 and 22 years.
- Djinda Services Perth (an Aboriginal family violence prevention legal service) and Koolkuna's Domestic Violence Advocacy Service - to assist relevant patients.

Aboriginal Health Services

We place a strong focus on providing culturally appropriate care and improving health outcomes for Aboriginal people.

Under the hospital's Aboriginal health strategy, we have established a number of health services.

The strategy is led by our Director of Aboriginal Health, Dr Christine Clinch, a Yamatji woman and medical educator.

Aboriginal engagement and cultural advisors work across the hospital's wards to assist patients and their families, including post discharge planning.

The Lions Eye Institute Midland Eye Service, based at the hospital, provides the early assessment of a range of eye conditions enabling early referral and surgery.

PATCHES Paediatric service identifies children with early learning and developmental problems.

Moort Boodjari Mia is a maternity support program for families having a baby that identify as Aboriginal or Torres Strait Islander.

Hospital design

The hospital building was designed to utilise natural light from windows and courtyards to help Aboriginal patients feel connected to Country.

Local Aboriginal artists designed three shade canopies for the civic plaza in front of the hospital and decorative paving tiles in the main entrance that reflect culturally appropriate symbology.

The hospital includes:

- A Welcome to Country, written by Whadjuk Elder Uncle Ben Taylor, displayed on the front entrance and includes an artistic interpretation by Noongar artist Sandra Hill.
- Naming of a family room and meeting area in the Noongar language (Whadjuk Room) and meeting rooms named after the Noongar Six Seasons.
- Areas and wayfinding signage that is culturally appropriate.

Private Hospital

Since opening, the hospital's private services have continued to increase in variety and complexity. We have specialists working across the following medical specialties:

- Aged care medicine
- Bariatric surgery
- Cardiology
- Diabetology
- Ear nose and throat
- Gastroenterology
- General medicine
- General surgery
- Haematology
- Infectious disease
- Neurology
- Oncology
- Ophthalmology
- Orthopaedic surgery
- Paediatric gastroenterology and hepatology
- Paediatric surgery
- Pain management
- Plastic surgery
- Radiology
- Renal medicine
- Respiratory medicine
- Sleep medicine
- Stroke medicine
- Urology
- Vascular surgery

The private hospital also offers a range of allied health services including:

- Audiology
- Clinical psychology
- Dietetics and nutrition
- Occupational therapy
- Physiotherapy
- Podiatry
- Social work
- Speech pathology

Private Hospital Liaison Team

Giving patients the choice to be admitted to St John of God Midland Private Hospital is the key role of the hospital's Private Hospital Liaison Team.

When patients attend the Emergency Department they are treated without charge as a public patient. If they need to be admitted to hospital for further care, they can choose to stay in either the public hospital or elect to be admitted to the private hospital, if they have private health insurance or wish to self-fund a procedure.

The Private Hospital Liaison Team ensure patients attending the Emergency Department are aware of the choices available and are able to make an informed decision about their ongoing care.

Benefits for private patients include increased doctor choice, specialist care and rapid access to surgery and other procedures.



Operational Report

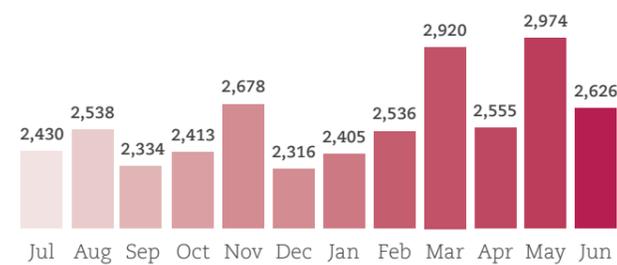
Performance and Quality

We undertake external assessments, known as accreditation, to make certain we are delivering safe and high quality standards of clinical care in line with best practice initiatives.

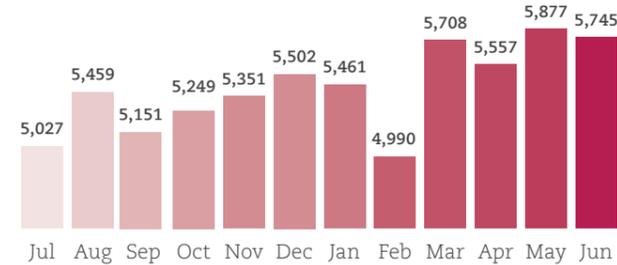
The hospital was awarded full accreditation by the Australian Council on Healthcare Standards against the National Safety and Quality Health Service Standards and the National Standards for Mental Health Services in the past financial year.

Public hospital patient activity from 2016/2017

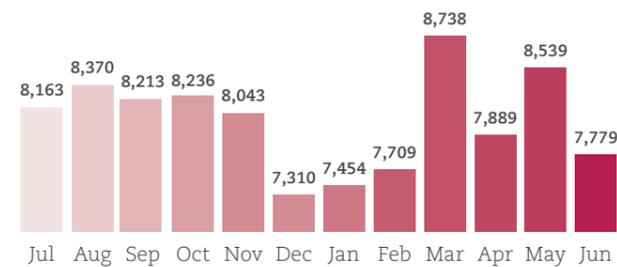
Patient Admissions



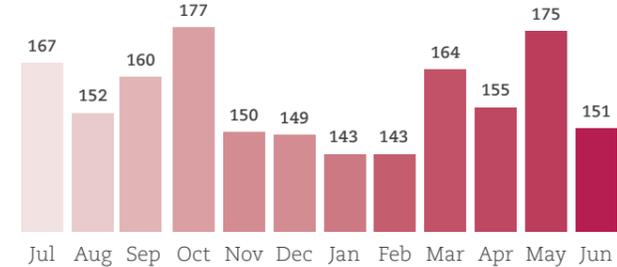
Emergency Department Presentations



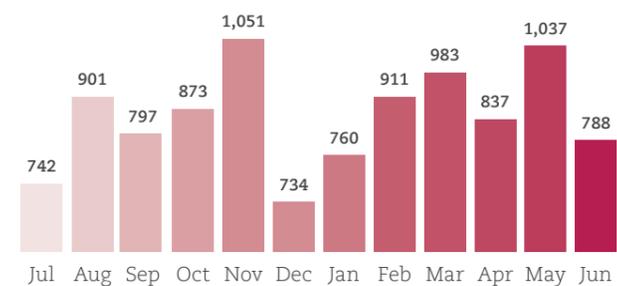
Patient Days



Births



Procedures



Outpatient Attendances



Emergency Department performance

Percentage of patients treated within nationally recognised timeframes as outlined in the service agreement (as of June 30 2017).



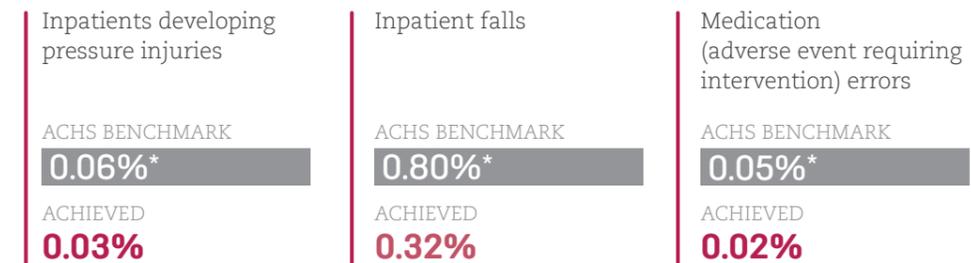
Elective surgery performance

Percentage of patients treated within recommended timeframes (as of June 30 2017):



Clinical indicators performance

Performance against Australian Council on Healthcare Standards (ACHS) Clinical Indicators benchmarked against national peer hospitals*:



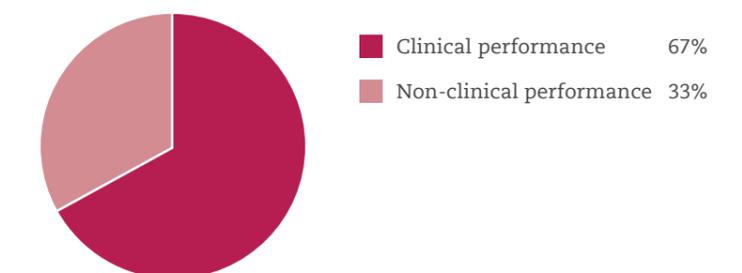
Note - we achieved better than the national benchmarks across all three areas of the clinical performances shown above.

*Indicators cover January to June 2016.

Key Performance Indicators

The hospital has a service agreement with the State Government to operate 307 beds within the facility as public patient beds. This agreement contains 216 Key Performance Indicators (KPIs) in six categories. It also provides a reporting mechanism to the State Government for contract management and benchmarking performance against national standards and peer hospitals.

KPIs by category



Consumer Satisfaction

We encourage feedback from patients, families and carers, as it assists with reviewing and enhancing our services.

Feedback can be provided in a number of ways by patients and their carers, including:

- In person
- Feedback cards (located across the hospital)
- Letter by mail
- Email
- Feedback form via our website

Our Consumer Liaison Manager can be contacted on (08) 9462 4901 to discuss any concerns patients, their families and carers may have about the care.

In addition, every patient room has a whiteboard showing our process for family, friends or carers to escalate their concerns through a clear pathway if they are worried about a patient's condition.

Compliments and Complaints

On average we received 18 formal complaints and 19 compliments each month last financial year, which is comparable with other public hospitals of a similar size.

The majority of customer complaints received were managed informally and resolved by caregivers at the point at which they were reported.

If the complainant was not satisfied with the response provided by the caregiver, the complaint is then managed as a formal complaint by our Consumer Liaison Manager.

Approximately 90 per cent of the formal complaints we received were resolved within 30 business days.

We take all complaints seriously and see them as an important part of our continuous improvement process. They also provide the opportunity for us to review our policies and procedures and enhance the services we provide to our patients.



Complaints by topic

■ Rights, respect and dignity	16%
■ Quality of clinical care	22%
■ Other	17%
■ Facility, security, admin and support	10%
■ Communication	19%
■ Access	16%

Nurses and Midwives Focus on Improving Patient Care

Our Nursing and Midwifery Practice Council provides a forum for nurses to discuss and devise improvements to patient care.

The council promotes shared governance between all levels of nursing to ensure the delivery of evidence-based practice.

Areas of focus include teamwork, problem-solving and accountability with the goal of improving patient satisfaction and outcomes, caregiver satisfaction and productivity.



Innovation and Technology

The hospital has a number of electronic information platforms, including an electronic medical record, a patient administration system, a scanned health record and mobile clinical information technology. Hospital-wide wireless access allows the easy integration of current and future technology.

These platforms enable the clinical team to have rapid access to patient information at the point of care, which assists patients, their family and carers to be informed and involved in their care.

Interoperability with the public health system

Interoperability between St John of God Midland Public Hospital and the Department of Health's technology systems enable electronic sharing of patients' clinical information to be readily available to clinicians across all public facilities.

Full connectivity has been achieved with key WA Health clinical systems, including Telehealth, State Trauma Registry, mental health clinical information system PSOLIS, Transitional Care Protocol and Emergency Department Statistical View.

A safe, standard paper-based system has been used in those few instances where interoperability is not yet available, as is the case with other providers of public and private health services that are external to WA Health.

Innovation in clinical systems

The electronic medical record enables the hospital to send electronic discharge summaries to general practitioners and to the Federal Government's My Health Record System.

In addition, clinicians can order pathology and radiology tests online giving them rapid access to patient results. It also enables them to instantly access a patient's scanned medical record from a previous hospital admission, eliminating the need to retrieve hard copy records.

Innovation in clinical equipment

Hospital wide innovations:

- The widespread use of electronic tablets and mobile "workstations on wheels", designed with flexibility and mobility in mind, gives clinical caregivers access to real time information at the patient's bedside.
- The patient monitoring system is integrated, ensuring important information stays with the patient as they move around the hospital, such as a transfer from the Emergency Department to the Intensive Care Unit.
- The nurse call system is integrated with mobile phone technology allowing messages, such as emergency calls, to reach the required clinical team members promptly, allowing for timely and appropriate clinical responses.



Above and bottom right:
Images courtesy of Maquet

Maternity

A foetal monitoring system provides obstetricians with remote access to real time information, such as a cardiotocograph, to measure an unborn baby's vital signs. This allows obstetricians to make prompt decisions that midwives can act upon to ensure mother and baby receive the best possible care.

Surgery

In the Operating Suite, a tracking system allows caregivers to monitor the use of surgical instruments and other equipment from the moment they arrive in theatre until they reach the Central Sterile Supply Department.

In the Central Sterile Supply Department, a single instrument sterilising system streamlines the process and ensures the highest standards of infection control.

Emergency Department

When the most seriously ill patients are treated in the Emergency Department's resuscitation area, several doctors and nurses need to attend to them simultaneously.

The three resuscitation bays have been designed to allow free movement of caregivers without being inhibited by equipment. This was achieved by installing specialised roof mounted pendants which allow medical gases, monitors, medical equipment and power to be brought closer to the patient. They also avoid clutter and keep power cords off the floor.

When the pendants are not required, they can be moved aside to create more space.



Our People

More than 1880 people were employed at the hospital at 30 June 2017, making us one of the largest employers in Perth's eastern metropolitan region.

Our staff are known as caregivers, as every person, regardless of whether they are involved in direct hands-on care, contributes to the wellbeing of patients.

Our caregivers cover a variety of occupations across nursing, midwifery, medicine, hospitality and corporate services.

As a value-driven organisation, great focus is placed on ensuring our Values influence how caregivers deliver services throughout the organisation.

Our Values include: Hospitality, Compassion, Respect, Justice and Excellence.

Caregivers are encouraged to promote behaviours that bring our Mission and Values to life.

Volunteers

Our volunteers play an important role in assisting patients and visitors at the hospital. We have approximately 45 volunteers, who assist patients and visitors in various roles, from greeting and escorting patients and visitors to providing companionship and support. They also support mothers and babies during hydrotherapy sessions.



Education, Training and Research

As part of our focus on providing the highest quality care to patients, we provide a number of learning opportunities for caregivers within a supportive environment.

In addition, we undertake a large number of research projects as they enable us to provide patient care that is informed by the latest evidence.

Our education and training programs for research cover key ethical, governance, regulatory and safety requirements that maintain the rights, safety and wellbeing of study participants and ensure research is scientifically sound and justified.

Key milestones in education, training and research over the past year include:

- Making a significant contribution to medical education with 75 FTE of resident medical officers and interns employed or seconded from other public hospitals and 79.5 FTE of registrars in training or service positions.
- Successfully received new or renewed accreditation with medical colleges for intern, resident medical officer training positions and training registrars in emergency, anaesthetics, paediatrics, obstetrics and gynaecology and orthopaedic surgery departments.
- Undertaking clinical placements for 323 medical students, 112 nursing students and 62 allied health students.
- Involvement in the planning or investigation of about 50 research projects, including 23 research projects approved over the past financial year. Research projects cover a range of specialties.



Community

In keeping with our core role to provide exceptional public health care, we regularly invite the community into the hospital for health education, tours and community events.

We also present to local community groups and services organisation and hold education sessions for carers.

In addition, children undergoing surgery can take a behind-the-scenes tour to help familiarise them with their procedure and the hospital.

Links to Community Health and Social Services

Our relationship with community groups continued to grow over the past year with the enhancement of linkages with health service providers.

In addition our Community Services and Conference Centre has been utilised by a number of local health agencies, community service providers and patient support groups, to provide a base for them to easily reach out to patient groups at the hospital.

Local aged care assessment teams use the hospital on a weekly basis with office space on site, working closely with geriatricians from the Aged Care and Rehabilitation Unit. A close relationship with these teams is essential for ensuring a strong connection with community aged care providers and families, supporting the hospital's discharge processes.

Desk space is provided to the CoNeCT team from East Metropolitan Health Service, who attend the hospital on a daily basis to coordinate care for medical patients with complex care needs. The CoNeCT team also participates in the long stay meeting for the coordination of care and discharge of patients who remain at the hospital for more than 21 days.

Community Wellbeing Grants

As a not-for-profit organisation, we aim to ensure our care goes beyond the hospital walls and we continuously seek out ways to support the communities we serve.

As part of this we run the St John of God Midland Private Hospital Community Wellbeing Grants program.

Nine local community groups were awarded grants last year, providing a total of \$20,000 for local initiatives. The grants supported a new community garden in Chidlow, girls' football jumpers for Midvale Junior Football Club and an Aboriginal youth council.

The Community Wellbeing Grants have supported more than 40 initiatives over the past four years.

Grants between \$500 and \$2500 are offered to community groups in the east metropolitan Perth and Wheatbelt region which focus on initiatives that keep people engaged and active in the community.



Community Advisory Committee

The independent Community Advisory Council represents the local community and provides us with input about service delivery and planning.

The Council meets bimonthly and community members volunteer their time to assist the hospital.

In its first full year as an operational advisory group, the Council has focused on reviewing its roles and responsibilities to ensure it is an effective body to oversee hospital activities.

It has also supported the National Safety and Quality Health Service Standards hospital committees to bring a consumer voice to aspects of clinical care.

The Council has also established relationships with East Metropolitan Health Service Community Advisory Councils to share information and best practice.

Community members:

Ian Wright – Chairperson
Ann Revell
John Aciek
Helen Dullard
Shirley Fitzthum
Sandra Miller
Julie Harty
Cheryl Kickett-Tucker
Daniel Parasiliti

Hospital representatives:

- Michael Hogan – Chief Executive Officer
- Tara Peters – Director of Mission Integration
- Tracey Piani – Acting Director of Nursing and Clinical Governance
- Alison Cox – Quality Manager



Disability Action and Inclusion Plan

St John of God Health Care's Disability Action and Inclusion Plan describes how we provide a positive working environment within our organisation for people with a disability. It signals our commitment to people with disabilities to access to services, and to gain employment and develop their careers with us.

Specifically, the plan sets out how, in line with our Values of Hospitality, Compassion, Respect, Justice and Excellence, we will develop and implement actions against our broad objectives and how we will evaluate and review our performance.

As part of this, during the design stage of the hospital, we ensured all the grounds, car parks and buildings complied with relevant disability and access requirements.

Aboriginal Engagement

In 2015 we launched the hospital's Aboriginal Health Strategy and Workforce Plan during NAIDOC Week.

With the east metropolitan region home to more than 20 per cent of all Aboriginal people living in Perth, the plan provides the structure to our engagement and helps ensure we provide culturally appropriate care with the Aboriginal community.

Our Aboriginal Quality Improvement Committee is a multi-disciplinary committee that advocates, promotes and contributes to quality improvements in Aboriginal health care and Reconciliation Action Plan initiatives throughout the hospital.

Our Aboriginal Health Team includes two Aboriginal Cultural Engagement and Patient Liaison Officers.

The team is led by our Director of Aboriginal Health, who drives our Aboriginal health strategy.

In addition, people who identify as Aboriginal or Torres Strait Islander work across the hospital in clinical, clerical and support roles.

Since pre-opening we have held events with the community to help develop our local networks.

Over the past financial year we hosted National Reconciliation Week events, Close the Gap day and attended NAIDOC Day celebrations.

Reconciliation Action Plan

Our vision for Reconciliation is that each person who identifies as Aboriginal and Torres Strait Islander is given the same respect and consideration as others in Australian society, with equal access to employment, health care and education.

We seek to play our part in creating a society where the dignity and worth of every person in Australia is seen as important, and that Aboriginal and Torres Strait Islander peoples are supported to make their unique contribution to a future that is full of hope.

We will continue to promote and celebrate Aboriginal and Torres Strait Islander cultures and the contribution they make to our organisation and society.

In keeping with our Values of Respect, Compassion and Justice, we partner with Aboriginal and Torres Strait Island people in the provision of services which will contribute to their health and wellbeing.

We believe that true Reconciliation includes overcoming the barriers that inhibit Aboriginal and Torres Strait Islander people from taking their rightful place as equal members in Australian society.

Its core principles are to work collaboratively and respectfully with Aboriginal people in the provision of support and services to improve health and wellbeing, break the poverty cycle and empower Aboriginal people to take their rightful place as equal members in Australian society.



In 2013, St John of God Health Care launched its first Reconciliation Action Plan and in 2017 developed its second Reconciliation Action Plan.

In creating the Innovate Reconciliation Action Plan we have reviewed our organisation's progress towards Reconciliation to identify ways we can build upon our successes by increasing our activities in already established areas including:

- employment
- internship
- community partnerships
- provision of health services



Arts and Health

We consider the arts to be an important component of holistic health care, including the healing and wellbeing of people in our care and the broader community.

Art has been seamlessly incorporated into the hospital through public artworks and donations from the community.

The hospital's 13 public artworks, were installed as a part of the State Government's Percent for Art initiative. The project was developed in partnership with not-for-profit cultural organisation FORM, to enhance the hospital and support local artists.

The pieces include a towering, illuminated sculpture at the hospital's entrance, murals in the antenatal waiting area and maternity ward, artworks in our courtyards and a tile mosaic connecting the hospital's foyer to level two.

The public artworks have been complemented by works from the St John of God Health Care art collection, which include a range of artworks created by local and Aboriginal artists.

Musical performances

Weekly lunch time piano performances are held in the hospital foyer for the enjoyment of patients, caregivers and visitors. This has been made possible through a generous donation of a Steinway piano to St John of God Health Care from Musica Viva through the Act-Belong-Commit New Life Instrument program sponsored by Healthway.

The weekly performances have been coordinated by Musica Viva and the Western Australian Academy of Performing Arts.

As well as enabling people to enjoy classical music when they might otherwise not have had the opportunity, they have also provided music students with access to perform to the public.

Engagement with General Practitioners

We regularly engage with general practitioners (GPs) to ensure continuity of patient care and work with many under shared care arrangements for maternity patients.

New services or change to hospital processes are communicated to GPs via letters, newsletters, flyers and service directories.

Discharge letters are provided after a hospital admission to ensure GPs are informed of their patient's ongoing care and progress.

Outpatient letters are also sent to GPs following a patient's appointment at the hospital's medical, nursing and allied health outpatient service.

GP events are regularly held at the hospital to assist GPs with professional development and provide them with information on the hospital's services.



Appendices

WA Carers Recognition Act 2004 Compliance Report

A summary of key initiatives and achievements supporting understanding, input, caregiver awareness and capacity building.

St John of God Midland Public Hospital is fully committed to supporting carers. Over the past financial year it has:

- Continued the focus on educating caregivers about the importance of ensuring carers are involved in patient care.
- Implemented and promoted the DASH initiative, which stands for:
 - Deterioration noted
 - Ask your nurse for a clinical review
 - Still concerned?
 - Help is on its way

This initiative encourages carers to escalate their concerns about a patient's condition through a clear pathway. All caregivers are educated about this initiative and it is promoted throughout the wards and in patient materials.

- Included carer information in patient education materials and invited carers to be involved in patient discharge plans.
- Held a number of education sessions for carers.
- The hospital includes areas for patients and their loved ones to meet beyond hospital rooms and provide places of reflection for carers. They include:
 - Nine internal courtyards, including seating.
 - 13 public artworks, including sculptures and large scale installations.
 - A railway themed children's playground.
 - The Retreat, which offers a place for peace and reflection, spiritual or religious.
- Volunteers are stationed at the main entrance and Emergency Department to assist patients and carers with navigating their way through the hospital.

Criteria 1: Caregivers understanding of the charter

Caregivers awareness and understanding of the Carers Charter is promoted through:

- Orientation programs, where all new caregivers are introduced to the organisation's five Values – Hospitality, Compassion, Excellence, Respect and Justice. These Values are applied to all interactions with carers, patients, families and visitors.
- Including carers in the planning and provision of treatment.
- Person-centred, compassionate care training for all caregivers, including the recognition of the role of carers.

Organisation self-rating compliance scale

Well developed

✓ Satisfactory

Commenced development

Criteria 2: Policy input from carers

Input from carers and representative bodies are sought through the hospital's Community Advisory Council, which:

- Reviews forms, discharge information, brochures and other forms of patient information.
- Provides recommendations on patient information and service delivery for patients with carers.

Organisation self-rating compliance scale

Well developed

✓ Satisfactory

Commenced development

Criteria 3: Carers views and needs considered

Carers' views and needs were considered in assessing, planning, delivering and reviewing services by:

- Including a carers' representative on the hospital's Consumer Advisory Council.
- Implementation of a structured bedside handover process which involves the patient's carer and/or family (when present).
- Including information in patient admission and welcome guides inviting carers to be involved in the patient's care while at hospital and when planning a discharge. Where appropriate, carers are invited to co-sign discharge plans.
- Information is provided to patients and carers, where available.
- Regular family meetings are set up in conjunction with carers to discuss goal setting, concerns and discharge planning.
- Carers or next of kin are usually present for the majority of our home visits and we ensure they are involved in the assessment process and that any education or advice given to the patient is also given to the carer.
- Carers of patients in the Mental Health Unit have ongoing access to mental health caregivers and carers are involved in a patient's hospital care plan. Where appropriate, carers are involved in discharge planning and when leave is granted to a patient. This is in line with the *WA Mental Health Act 2014 (WA)*.
- Carers, particularly of patients in the Mental Health Unit, are welcome to visit outside of regular visiting hours to enable them to maintain ongoing contact with the patient.
- Carers can list any questions or comments about the patient on a patient care boards located in every patient room. The care boards provide a tool for carers to communicate with hospital caregivers about any queries or concerns, especially when they are not in the patient's room.
- The development of the hospital's DASH initiative, which informs patients, carers and visitors about how to escalate any concerns.
- The stroke and rehabilitation wards have a Health Navigator, who acts as a point of contact for patients, their carer and family members, to help direct them through their hospital journey. The Health Navigator, who is an allied health practitioner or nursing caregiver member, maintains a relationship with the patient during their hospital stay.

- Pastoral care practitioners and social workers provide information, stroke packs and education to carers in the Stroke Unit.
- Therapists use communication books to note any questions and highlight progress of patients, particularly when visiting after hours.
- Stroke patients and their carers are encouraged to attend the Stroke Support Group which meets regularly at the hospital. This group provides support and information on care needs for people with stroke and their carers.
- Speech Pathology ran a very successful "Communication Partner Training" full day workshop to assist carers on how best to communicate with a person with Aphasia. This was very well received and allowed carers to communicate successfully with their loved ones who were unable to communicate normally as a result of a stroke.
- Carers are invited to attend outpatient appointments, including group therapy sessions, and are encouraged to engage as active participants in these sessions. For example, carers are invited to attend and participate in the Speech Pathology Parkinson's Voice and Communication Group and the "Movers and Shakers" Parkinson's Singing Group. These groups also provide the opportunity for carers to witness the abilities of patients who take part in the activities.
- Carers are included in rehabilitation programs for long stay patients and are educated about how to provide encouragement and motivation. Training is also provided to carers for patients with high care needs at home.
- Carers are asked to provide information about the patient they care for and how their condition is affecting their life, through the Caregiver Quality of Life Questionnaire. This information forms the basis for caregiver discussions on caring for the patient and enables us to gather information on carers' needs and queries.
- Carers WA referral forms are available within the hospital for carers to access support, counselling and respite.
- Alzheimer's Australia fact sheets are distributed to patients and carers, who are encouraged to contact the organisation for support and services.
- A falls prevention flyer is distributed to carers and families of patients who are at risk of falling to educate them about prevention and care.

- Carers of patients admitted to the mental health wards are encouraged to attend family meetings. Family counselling is offered on the ward by a clinical psychologist.
- An orange sticker stating “carer” is used to record carer’s contacts details within the medical file of patients in the mental health unit.
- Carer packs are provided to families of patients in the Mental Health Unit, which include information on community services and supports. In addition, families and carers are contacted regularly for treatment and discharge planning.
- A family room is provided in the Mental Health Unit to provide a safe and engaging space for carers and children outside of the ward environment.
- A carer’s group has been run by Helping Minds for patients in the Mental Health Unit and is expected to be expanded in the future.
- Pastoral Services support family and carers across a range of areas. This includes managing their grief, loss and feelings of guilt and changes in relationships when a spouse becomes a primary carer.
- The Occupational Therapy Home Visiting Service works closely with carers in the home to make practical adjustments to the home to assist carers in managing their loved ones in the domestic setting and to maximise patient safety and independence.
- Night and weekend maternity education classes are hosted to ensure carers can attend with patients.
- Education seminars are held across a variety of topics for carers.
- Carers are invited to attend therapeutic groups. For example we run Tai Chi classes for patients with Parkinson’s Disease to assist with therapeutic carry over and reduce carer stress.

- Memory clinic classes actively encourage carers to attend and participate in the classes.
- Carers actively encouraged to attend all one on one sessions within memory, Parkinson’s Disease and falls-based clinics where possible.
- Written documentation containing support, education, strategies and therapeutic techniques are provided to carers. For example, Alzheimer’s Australia information packs are provided to carers, which contain education, strategies and information on accessing support networks.
- The Parkinson’s Clinic provides education seminars for carers to learn about disease management. Evaluation forms are provided to participants so they can request future topics for seminars.
- Carers are invited to attend lymphedema outpatient sessions with patient consent and relevant information and tips are provided.
- Carers attend paediatric outpatient sessions and complete home programs and meal time plans with the patient. Carers are often asked to bring typical food items into the feeding clinics to recreate a standard mealtime scenario in the clinic for an individual assessment.
- Training to manage a hoist at home is provided to carers prior to discharge, if required. A second session can be provided by the Occupational Therapy Home Visiting Unit post discharge in the home environment.

Organisation self-rating compliance scale

✓ Well developed

Satisfactory

Commenced development

Criteria 4: Complaints and listening to carers

Carers’ rights to provide feedback, including complaints, and to have their feedback heard is promoted through a variety of channels, including:

- The hospital’s DASH initiative, which encourages carers to escalate their concerns through a clear pathway if they are worried about a patient’s condition. All caregivers are educated about this initiative and it is promoted throughout the hospital and in patient materials.
- Last year a review of the DASH initiative was undertaken, which included patient, carer and caregiver input and recommendations.
- Aboriginal Engagement and Cultural Advisors engage with carers and patients to help them adjust to the hospital environment, provide support and link with the hospital care team if they have any carer or patient concerns.
- Carers are encouraged to raise any concerns at family meeting forums provided for patients with complex care needs.
- Feedback provided by carers to the Mental Health Unit has resulted in meetings with carers to explore their concerns. This has resulted in change of practice in some instances.
- Feedback cards are located throughout the hospital and in patient rooms, with secure boxes for feedback forms located on each level of the hospital. Feedback can also be provided via the hospital website.
- Complaints and feedback reports are provided by the Consumer Liaison Manager to managers, executive and the Quality and Risk Department. This report includes any changes implemented as a result of feedback.

Organisation self-rating compliance scale

✓ Well developed

Satisfactory

Commenced development

Carers Initiatives Planned in the Next Financial Year

The following initiatives will be implemented to further involve carers:

- Commence an education group for carers on introduction of solids for babies and fussy eating.
- Create an education group for children with feeding difficulties and their carers to provide intervention in a group setting and enable parents to meet others with similar difficulties so they can support one another.
- Continue with electronic recording request to develop a mechanism to record carer interventions on the clinical intervention system.

Directors' Report

for year ended 30 June 2017

The directors of St John of God Midland Health Campus Ltd (Company) present their report on the Company for the year ended 30 June 2017.

Directors

The names of the Company's directors in office during the year ended 30 June 2017 and until the date of this report are as follows:

Mr B Pyne

Dr M Stanford

Ms L Johnstone

Mr J Fogarty (appointed 3 February 2017)

Dr L Henderson (resigned 28 October 2016)

No person who was an officer of the Company during the financial period was also a partner or director of the Company's auditor.

Company Secretary

The Company Secretary from 1 July 2016 to 30 June 2017 was Ms L Johnstone.

Directors Meetings

There was one meeting of directors held during the year.

Of the directors eligible to attend these meetings, the number of meetings attended is as follows:

Director	Meetings eligible to attend	Meetings attended
Mr B Pyne	1	-
Dr M Stanford	1	1
Ms L Johnstone	1	1
Mr J Fogarty	-	-
Dr L Henderson	1	1

Principal Activities and Review of Operations

The principal activity of the Company is to operate and maintain the St John of God Midland Public Hospital (**Hospital**). Detailed financial information is provided in the Company's Financial Report.

The Company passed through (without release from the primary obligation to perform) its obligations to St John of God Health Care Inc. (SJGHC) to operate and maintain the Hospital.

There were no other changes to the status of the company from the prior year and during the year.

Auditor's Declaration

A copy of the Auditor's Independence Declaration required under subdivision 60-C of the Australian Charities and Not-for profits Commission Act is attached to this Directors' Report.

Dividends and Options

The Company's Constitution prevents the declaration or payment of dividends. The Company does not have any options on issue, nor does it have any unissued shares.

Indemnification and Insurance of Directors and Officers

Indemnity

In accordance with the Company's Constitution, the Company has indemnified every past and present officer of the Company against all liability to another person or company as an officer of the Company unless the liability arises out of conduct involving a lack of good faith.

Insurance

The Company holds an insurance policy under which the insurer has agreed to indemnify the Company's directors and officers against personal liabilities from wrongful acts committed by those directors or officers in connection with their duties and responsibilities. Wrongful acts include breaches of trust, neglect, error, or misstatement. The insurer will reimburse all expenses incurred in defending these actions. The terms of the policy require the Company to keep details of the premium confidential.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Environmental Regulation

The Company is not subject to any significant environmental regulation under either Commonwealth or State legislation.

Subsequent Events

There are no subsequent events requiring disclosure in these financial statements.

Dated: 4 October 2017

Signed in accordance with a resolution of the directors:



Dr Michael Stanford
Director



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's Independence Declaration to the Directors of St John of God Midland Health Campus Ltd

In relation to our audit of the financial report of St John of God Midland Health Campus Ltd for the financial year ended 30 June 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

T G Dachs
Partner
4 October 2017

Statement of Comprehensive Income for year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue from ordinary activities	2(a)	242,182,257	146,221,261
Other expenses	2(b)	(242,182,257)	(146,221,261)
Surplus for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

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

Statement of Financial Position for year ended 30 June 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash and cash equivalents	3	6,164,816	8,743,674
Trade and other receivables	4	21,927,568	19,009,423
Total Current Assets		28,092,384	27,753,097
Total Assets		28,092,384	27,753,097
Current Liabilities			
Trade and other payables	5	6,217,521	8,663,954
Amount due to related entity	6	21,874,863	19,089,143
Total Current Liabilities		28,092,384	27,753,097
Total Liabilities		28,092,384	27,753,097
Net Liabilities		-	-
Equity			
Accumulated surplus	7	-	-
Total Equity		-	-

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

Statement of Changes in Equity for year ended 30 June 2017

	Accumulated Surplus \$	Total \$
At 1 July 2015	-	-
Total comprehensive income for the year	-	-
At 30 June 2016	-	-
At 1 July 2016	-	-
Total comprehensive income for the year	-	-
At 30 June 2017	-	-

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

Statement of Cash Flows for year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities			
Receipts from the Government of Western Australia		239,534,397	127,211,838
Payments to suppliers		(244,898,975)	(137,896,571)
Net cash flows used in operating activities	3	(5,364,578)	(10,684,733)
Cash Flows from Financing Activities			
Amounts advanced from related entity		2,785,720	2,880,469
Net cash flows from financing activities		2,785,720	2,880,469
Net decrease in cash and cash equivalents		(2,578,858)	(7,804,264)
Cash and cash equivalents at the beginning of the year		8,743,674	16,547,938
Cash and cash equivalents at end of the year	3	6,164,816	8,743,674

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

Notes to and Forming Part of the Financial Statements for year ended 30 June 2017

1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below.

This financial report of St John of God Midland Health Campus Ltd (Company) for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of directors' on 4 October 2017.

(a) Statement of compliance

The Company is not a reporting entity because in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, a special purpose financial report has been prepared to satisfy the directors' reporting requirements under the *Australian Charities and Not-for-profits Commission Act 2012*.

The special purpose financial report has been prepared in accordance with the basis of accounting specified by all the Accounting Standards and Interpretations, and the disclosure requirements of the following Standards:

AASB 101: Presentation of Financial Statements

AASB 107: Statement of Cash Flows

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048: Interpretation of Standards

AASB 1054: Australian Additional Disclosures

A number of Australian Accounting Standards and Interpretations have been issued or amended but are not yet effective. The impact of these new or amended Accounting Standards is not expected to give rise to material changes in the Company's financial statements.

(b) Basis of preparation

The special purpose financial report has been prepared on a historical basis. Cost is based on the fair values of the consideration given in exchange for assets. Unless otherwise indicated, all amounts are presented in Australian dollars.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transactions or other events is reported.

(c) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(d) Income tax

No provision has been made for income tax as the income of the Company is exempt from income tax under section 50-30 of the *Income Tax Assessment Act 1997* as amended.

(e) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Cash Flows Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(f) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(g) Trade and other receivables

Trade receivables, which generally have 14-30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(h) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of financial year that are unpaid and arise when the Company becomes obliged to make further payments in respect of the purchase of these goods and services. The amounts are unsecured, non interest bearing and usually paid within 30 to 60 days of recognition.

(i) Critical accounting estimates and judgements

There were no significant areas of estimation, uncertainty and critical judgements in applying the accounting policies for the preparation of the financial statements. In applying the Company's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Company. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions.

2. Revenue and Expenses from Continuing Operations

(a) Revenue from ordinary activities	2017	2016
Revenue from the State of Western Australia:	\$	\$
Construction of the Midland Public Hospital	-	22,846,268
Operation of the Midland Public Hospital	242,182,257	123,374,993
	242,182,257	146,221,261

(b) Other Expenses	2017	2016
	\$	\$
Costs associated with construction of the Midland Public Hospital	-	22,846,268
Costs associated with operation of Midland Public Hospital	242,182,257	123,374,993
	242,182,257	146,221,261

3. Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash at bank and in hand	6,164,816	8,743,674
	6,164,816	8,743,674

Reconciliation to Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise of the following at 30 June:

Cash at bank and in hand	6,164,816	8,743,674
--------------------------	-----------	-----------

Reconciliation of the surplus to the net cash flows from operating activities

Surplus from ordinary activities	-	-
----------------------------------	---	---

Change in assets and liabilities:

(Increase) / decrease in trade and other receivables	(2,918,145)	(19,009,423)
(Decrease) / increase in trade and other payables	(2,446,433)	8,324,690
Net cash flows (used in) / from operating activities	(5,364,578)	10,684,733

4. Trade and Other Receivables

	2017 \$	2016 \$
State of Western Australia	21,927,568	19,009,423
	21,927,568	19,009,423

The carrying value approximates the fair value.

5. Trade and Other Payables (Current)

	2017 \$	2016 \$
Income received in advance	6,212,660	8,640,948
Goods and services tax	4,861	1,619
Accruals	-	21,387
	6,217,521	8,663,954

The carrying value approximates the fair value.

6. Amounts Due to Related Entity

	2017 \$	2016 \$
Parent Entity : St John of God Health Care Inc.	21,874,863	19,089,143
	21,874,863	19,089,143

The amounts due to St John of God Health Care Inc. are interest-free and have no fixed terms of repayment.

7. Accumulated Surplus

	2017 \$	2016 \$
Accumulated surplus at the beginning of the year	-	-
Surplus for the year	-	-
Accumulated surplus at the end of the year	-	-

8. Commitments

(a) Commitment to manage and operate St John of God Midland Public Hospital

On 14 June 2012, the Company entered into a number of agreements (**Transaction Documents**) with the State of Western Australia (the **State**) to design, construct, operate and maintain the St John of God Midland Public Hospital (**Hospital**). The two primary contracts are the:

- Design & Construct (D&C) Agreement governing the design and construction of the St John of God Midland Public Hospital; and
- Services Agreement governing the operation and maintenance of the St John of God Midland Public Hospital during the Operational Phase.

The Company passed through (without release from the primary obligation to perform) its obligations under the D&C Agreement to Brookfield Multiplex Constructions Pty Ltd (**BMC**) under the terms of a D&C Subcontract. Construction of the Hospital commenced in July 2012 and was completed in November 2015.

The Company passed through (without release from the primary obligation to perform) its obligations under the Services Agreement to St John of God Health Care Inc (**SJGHC**) under the terms of a Key Services Subcontract. The term of the Services Agreement commenced on completion of the construction of the St John of God Midland Public Hospital and terminates 20 years thereafter. The State has the option to extend the term of the Services Agreement for a further period of two years.

As part of the transaction, the State requires the Company to provide security for its obligations to the State under the Transaction Documents. The State also requires SJGHC to provide security to further secure the company's obligations. In summary the security consists of:

- The Company providing a fixed and floating charge over its assets and undertakings (**General Security Agreement**).

- In respect of the D&C Agreement, the Company providing the State with a performance bond for \$8,493,134 being 2.5% of the contract sum for the public works (\$339,725,393) during the defects liability period.
- BMC in turn provided the Company with performance bonds of \$7,228,596 in respect of the St John of God Midland Public Hospital and \$1,449,908 in respect of the St John of God Midland Private Hospital.
- In respect of the Services Agreement, the Company providing the State with performance bonds initially in the amount of \$40 million, reducing to \$25 million after 12 months of operation and increasing back to \$40 million two years before the 20 year term of the Services Agreement expires (all amounts CPI indexed). SJGHC provided the \$25 million performance bond to the State on the Company's behalf on 10 November 2016.
- A parent guarantee provided by SJGHC in favour of the State securing the Company's obligations under the D&C Agreement and the Services Agreement. This parent guarantee is limited to 50% of the Contract Sum during the D&C Phase and to the equivalent of one year's revenue during the Operational Phase.
- The Australian holding company of BMC provided a parent company guarantee to the Company securing BMC's obligations to the Company under the D&C Subcontract noting that BMC's liability to the Company under this sub-contract will be limited to 50% of the contract sums under the D&C Subcontract.
- SJGHC providing the State with a charge over SJGHC's interest as a member in the Company.

Directors' Declaration

for year ended 30 June 2017

In accordance with a resolution of the directors of St John of God Midland Health Campus Ltd, I state that:

In the opinion of the directors:

- (a) the Company is not a reporting entity as detailed in Note 1;
- (b) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards to the extent described in Note 1(a) to the financial statements and complying with the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Dr Michael Stanford
Director

Perth, WA
4 October 2017



Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Independent auditor's report to the members of St John of God Midland Health Campus Ltd

Opinion

We have audited the financial report, being a special purpose financial report, of St John of God Midland Health Campus Ltd (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

T G Dachs
Partner
Perth
4 October 2017



1 Clayton Street, Midland, WA 6056
PO Box 1254, Midland, WA 6936
T. (08) 9462 4000 F. (08) 9462 4050
www.sjog.org.au/midland
Published November 2017

