



Annual Report

2017-18

Serving the community



Fast facts



97,816
public patient
bed days



33,477 public
patient admissions



1,811
births



13
twins



71,181 total emergency
presentations

77 
volunteers



104 years
oldest inpatient



97,415
outpatient
appointments



mental health
admissions
1,295



213
accredited
doctors

105 years
oldest outpatient



14,668
procedures



1,983
caregivers



busiest
24 hours
in 2017/18

141 admissions
61 procedures
11 babies born

234 Emergency Department presentations

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Introduction



St John of God Health Care Group CEO Dr Shane Kelly

I am delighted to be providing this introduction to the 2017-18 St John of God Midland Public and Private Hospital's annual report.

The hospital is now well and truly integrated into the community as it approaches its third birthday.

Over the past financial year, the hospital has continued to strengthen and enhance its service delivery and processes to optimise patient care.

It has also continued to experience a year on year increase in the demand for both public and private services.

As the population in the East Metropolitan region grows, the impact of the population ageing and increases in chronic diseases rates (such as heart disease and diabetes), will together increase the need for our hospital inpatient and ambulatory services.

We will continue to identify ways we can prepare the hospital for this increased need for our services over the next 12 months, including public and private options.

These strategies will assist with enabling our health care system to be able to provide high quality health services to a growing community, and to continue to deliver these services efficiently by ensuring good stewardship of taxpayer funds.

St John of God Midland Private Hospital strongly complements the public health system and its finite capacity, as well as provides a new level of choice for patients in the region and minimal waiting times.

We are currently in the planning stage with respect to increasing private inpatients beds and extending the speciality service options to provide even greater benefits for the local community.

We value highly our partnership with the Western Australian Government through the East Metropolitan Health Service, under a public private partnership at St John of God Midland Public Hospital.

We place great focus on delivering outstanding service to the people of Western Australia who, for the most part, live in the catchment area we directly serve.

The recent independent Inquiry into Government Programs and Projects noted how well the hospital was managed during its construction phase and provided good value for money for the State.

The continued success and growth of the hospital in its first few years of operations is testament to the dedication and expertise of its caregivers and those involved in its operations, including the East Metropolitan Health Service.

Dr Shane Kelly
Group CEO

St John of God Health Care



SJG Midland Public CEO Michael Hogan

We are proud to partner with the State Government, WA Health and the East Metropolitan Health Service (EMHS) to provide high quality health care and improved health outcomes to the communities we serve.

The 307-bed St John of God Midland Public Hospital (SJGMPH) provides medical and surgical care for public patients in the East Metropolitan and Wheatbelt regions.

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 EMHS network of hospitals.

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

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

Year in review

Since opening we have experienced a high demand for our services, which has continued over the past financial year.

In the **2017/2018** financial year, there were **97,816** patient bed days, **33,477** admissions, **97,415** outpatient visits, **71,181** ED presentations, **9,872** public procedures and **1,811** births.

The number of babies delivered at the hospital, whilst dipping slightly from last year, remains significantly higher than when the previous Swan District Hospital provided maternity services to the region.

In addition, total separations (episodes of care) were seven per cent higher than the previous year and emergency presentations were seven per cent higher than the previous year.

We continue to implement a range of reform projects to increase the sustainability of service delivery and to maintain excellent standards of safety, quality and patient care.

These projects include initiatives to better manage patient length of stay, enhancements to patient flow processes, reforming outpatient clinic processes, streamlining the private admission process and identifying a variety of cost saving initiatives to enhance financial stewardship.

I thank all our hospital caregivers for their dedication to provide the highest possible care to patients as well as their commitment to improve health outcomes for the local community.

I also extend my 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 Health, local health agencies, community service providers and patient support groups.

Michael Hogan
GEO

St John of God Midland Public Hospital



SJG Midland Private CEO Paul Dyer

St John of God Midland Private Hospital continued to experience growth over the past financial year. As the only private hospital providing medical and surgical care to Perth's East Metropolitan and Wheatbelt regions, we take great pride in delivering outstanding services closer to home and with minimal waiting times.

Over the past year, we continued to expand the number of medical and surgical services available at the hospital to provide improved access to private health care for the local community. This has included the commencement of bariatric surgery and the introduction of a state of the art orthopaedic robot for full and partial knee replacement surgeries.

The provision of out of hospital services also continues to grow, with our private allied health and home nursing services expanding.

In response to strong population growth in the area and the need for high quality private health services close to home, St John of God Health Care has commenced the planning process to build additional Midland Private Hospital capacity.

"I thank all caregivers for their professionalism and commitment to providing high quality care to our patients."

I thank all caregivers for their professionalism and commitment to providing high quality care to our patients.

Paul Dyer
CEO and Director of Nursing

St John of God Midland Private Hospital

About St John of God Health Care

St John of God Health Care is a leading Catholic not for profit health care group, serving communities across Australia, New Zealand and the wider Asia-pacific region.

We strive to serve the common good by providing holistic, ethical and person-centred care and support.

We aim to go beyond quality care to provide an experience for people that honours their dignity, is compassionate and affirming, and leaves them with a reason to hope.

Our Mission and Values reflect our heritage and guide our service delivery and behaviour.

Our Values are Hospitality, Compassion, Respect, Justice and Excellence.



ST JOHN OF G

Midland Private H





About us

We aim to provide exceptional care to patients at our facility, which includes a 307-bed public hospital and co-located 60-bed private hospital.

The public and private hospitals are managed by St John of God Health Care, Australia's largest not-for-profit private hospital care group.

St John of God Health Care has a 20-year contract with the State Government to operate the public hospital. The Commonwealth and State Governments jointly invested a total of \$340 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.

Services and health links

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

Since opening in November 2015, we have placed great focus on establishing 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, community mental health providers and other community services.

We have also taken a leading role in undergraduate and postgraduate teaching and training and established strong ties with WA universities and other medical, nursing and allied health 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



**Chief Executive Officer,
SJG Midland Public Hospital**
Michael Hogan
(appointed September 2017)



**Chief Executive Officer and
Director of Nursing,
SJG Midland Private Hospital**
Paul Dyer
(commenced August 2017)



**Director of Nursing, Midwifery
and Clinical Governance**
Janet Jones
(commenced January 2018)



Director of Medical Services
Dr Sayanta Jana
(commenced January 2018)



**Director of Finance and
Contract Performance**
Gareth Jones
(commenced September 2017)



Director of Corporate Services
Royce Vermeulen
(commenced September 2017)



Director of Mission Integration
Tara Peters
(appointed July 2017)

Key clinical caregivers

Dr Amit Banerjee
Head of Department Psychiatry

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

Dr Amanda Boudville
Head of Department Aged Care and Rehabilitation

Dr Gavin Clark
Head of Department Orthopaedics

Dr Shedleyah Dhuny (appointed May 2018)
Head of Department Anaesthetics

Avril Fahey (commenced August 2017)
Director of Allied Health and Outpatient Services

Dr Noel Friesen (commenced April 2018)
Head of Department Paediatrics

Dr Matthew Summerscales
Co-Head of Department, Emergency Department

Dr Michele Genevieve
Co-Head of Department, Emergency Department

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

Dr Neill Kling (commenced July 2018)
Medical Co-Director Perioperative, Perinatology and
Emergency

Dr Premala Paramanathan (commenced April 2018)
Head of Department for Obstetrics and Gynaecology

Tracey Piani
Nurse Co-Director, Medical, Aged Care, Rehabilitation,
Critical Care and Mental Health

Dr Mary Theophilus
Head of Department General Surgery



Hospital services

We provide an extensive range of services and clinics for inpatients and outpatients, including:

- **Allied health:**
 - Audiology
 - Clinical psychology
 - Dietetics and nutrition
 - Occupational therapy
 - Physiotherapy
 - Podiatry
 - Social work
 - Speech pathology
- **Emergency Care**
- **General medicine**
(including specialist consultation by telehealth to rural sites)
- **General surgery:**
 - 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
- **Mental health**
 - Adult and older adult inpatients
 - Adult and older adult emergency presentations
 - Emergency care for children and adolescents
- **Neonatology**
- **Outpatient clinics**
- **Pathology**
- **Paediatrics**
- **Pharmacy**
- **Radiology**
- **Stroke and adult/aged rehabilitation**

Community

The hospital has 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.

Examples of key relationships include:

- Mental Illness Fellowship of WA – providing peer to peer support services in our Mental Health Unit. It also provides one to one support for patients in the community following discharge and participates in our mental health therapy programs.
- Starick Safe at Home Project – a pilot service that supports women and children at risk of domestic violence in their homes.
- St Vincent de Paul (Midland) – assists mental health patients in need of discharge accommodation support.
- Pursuit Group Aged Care and White Oak Home Care – both assist patients with access to short-term care support following discharge. As part of this, we fund Interim Hospital Packages for patients needing assistance with personal care, medication prompts and meal assistance.
- Derbal Yerrigan Aboriginal Health Services and Wheatbelt Aboriginal Health Service – both provide links with general practitioners as well as access to health services.
- Moorditj Koort – provides chronic disease coordination.
- Wungening Aboriginal Corporation – provides drug and alcohol support.
- 360 Community and Health – provides Aboriginal support with the National Disability Insurance Scheme.
- Department of Health's Aboriginal Mental Health Service and Wheatbelt Mental Health Service – provide Aboriginal mental health support.
- Department of Human Services (Indigenous Services Officer) – provides Centrelink support.
- Department of Communities – assists with housing support for Aboriginal people.
- Department of Communities, Child Protection and Family Support, Meerlinga Young Children's Foundation and Ngala Early Childhood and Early Parenting Services – all assist with ensuring appropriate care for patients.
- Local general practitioners and Community Midwifery Program – provide shared care to maternity patients before and after birth.
- St John of God Horizon House Young Mother and Baby Program – provide accommodation and support to vulnerable young mothers aged between 16 and 22 years.
- Edith Cowan University – speech pathology students run a weekly clinic at the hospital, which is supervised by our speech pathology team and is the only such hospital-based clinic in WA.
- Communicate WA – supports people living with aphasia and recently established a volunteer-led South Guildford Aphasia Group, which is facilitated by our speech pathology team.
- Wunjening Aboriginal Corporation – provides a confidential, free and culturally sensitive counselling service for Aboriginal people.
- Neurological Council of WA – attend a weekly rehabilitation and stroke multidiscipline meeting at our hospital, to provide post discharge support to patients with a neurological diagnosis.
- Parkinson's WA – attends regular multidiscipline team meetings at the hospital and provides community nursing support to Parkinson's patients.
- My Aged Care Regional Assessment Service – assists older people, their families, and carers to access aged care information and services.

Community support groups

- A number of community support services host meetings, appointments and workshops at the hospital, including Lions Eye Institute's Midland Eye Service, Perth Children's Hospital's audiology and endocrinology outreach services, Midland Aged Care Assessment Team and East Metropolitan Health Service's CoNeCT team.

In addition, our conference centre is utilised by a number of community and patient support groups for meetings and workshops.



Special visits to paediatric ward

We were fortunate to have a number of high profile performers and activities at our paediatric ward over the past year. This included a special visit of the Queen's Baton Relay for the Gold Coast 2018 Commonwealth Games in the lead up to the event.



PARTY program

The hospital continued its involvement in Royal Perth Hospital's Prevent Alcohol and Risk-related Trauma in Youth (PARTY) program. Coordinated by the Emergency Department, the injury prevention program is based on secondary school groups visiting the hospital to learn about trauma and help young people recognise potential injury-causing situations and make informed prevention-oriented choices about activities.

Aboriginal engagement

With the support of hospital caregivers, the Aboriginal Health Team plays an integral role in the patient journey for Aboriginal and Torres Strait Islander patients and their families.

The team is committed to improving the health outcomes of patients by providing a culturally safe experience whilst in hospital and ensuring culturally appropriate referral pathways are completed, if required.

As part of this, the Aboriginal Health Team also place a strong focus on supporting patients with outpatient clinics and other appointments, to assist in their transition back to the community.

The team engages with a range of key services to coordinate care for patients, including Moorditj Koort (chronic disease coordination), Wungening Aboriginal Corporation (drug and alcohol support), Wheatbelt Mental Health Service (Aboriginal mental health team), Wheatbelt Aboriginal health service (GP links), Derbarl Yerrigan Health Service Midland (GP links) and 360 Community and Health (support with National Disability Insurance Scheme).

These relationships greatly assist with providing positive health outcomes for patients.

In addition, the team supports patients attending the Lions Eye Institute's eye clinic at the hospital for Aboriginal people and other community members. This arrangement has demonstrated a high volume of appointments from the Aboriginal community and is assisting with improving ongoing eye care. As a result of the high demand for appointments over the past year, the eye clinic has grown from a monthly to weekly eye clinic.

Thanks to a grant from the WA Primary Health Alliance, the team developed a comprehensive discharge kit for Aboriginal people living in the Wheatbelt.

The team provided support to research partners on a number of projects that aim to enhance health outcomes for Aboriginal people. These include Healing Right Way (enhancing rehabilitation after brain injury project) and Looking Forward, Moving Forward project, (deals with mental health, drug and alcohol issues), which are both coordinated by Curtin University.



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 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 people are supported to make their unique contribution to a future that is full of hope.

Cultural awareness

The Aboriginal Health Team promotes and celebrates Aboriginal cultural days and the contribution our Aboriginal community make to our organisation and society.

In recognition of this, a range of activities were held over the past year to enhance the cultural awareness of our caregivers. Celebrations included National Close the Gap Day, National Reconciliation Week and NAIDOC Week.

These celebrations were well received by caregivers and helped them to learn more about Aboriginal culture and their local community as well as assisting them with considering how they can contribute toward closing the life expectancy gap between Aboriginal and non-Aboriginal Australians.

The core principles of our Reconciliation Action Plan (RAP) 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.

Our RAP identifies ways we can build upon our successes by increasing our activities in already established areas, including employment, internship, community partnerships and provision of health services.

As part of this we have an agreement with CareerTrackers, who coordinates an indigenous internship program at the hospital.



Moort Boodjari Mia

Our dedicated maternity healthcare and education service, Moort Boodjari Mia, assists families who identify as Aboriginal or Torres Strait Islander and live in Perth's east metropolitan region.

The program aims to help women to stay healthy during pregnancy and give their babies the best possible start in life by providing advice and support in the lead up to the birth and up to four weeks afterwards.

It includes a home visiting service, dedicated antenatal clinic, external community clinics and a "drop in" service for patients.

Private hospital services

St John of God Midland Private Hospital expanded its services and number of specialists working at the hospital over the past year.

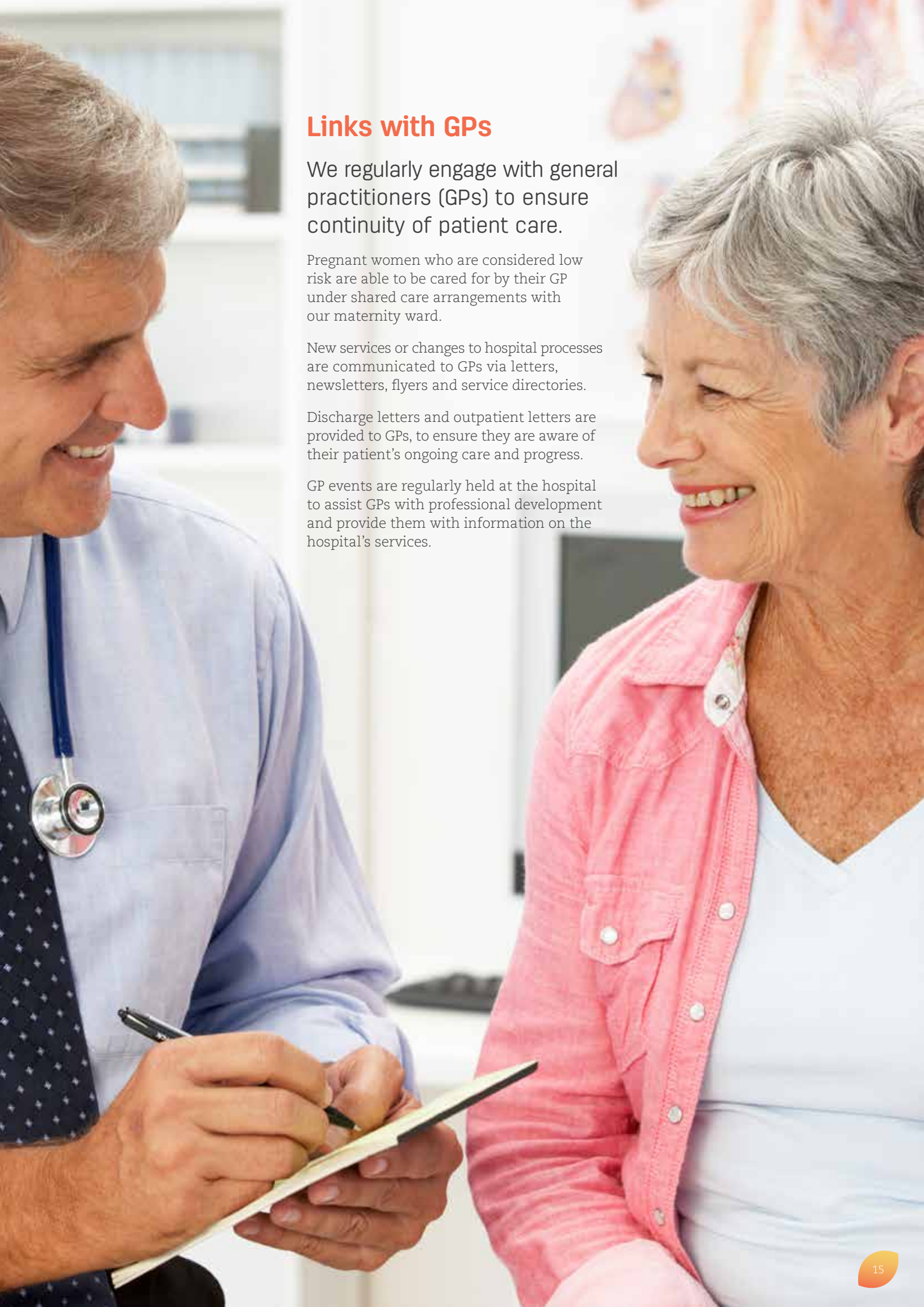
Specialists work across the following medical specialties:

- Aged care medicine
- Bariatric surgery
- Cardiology
- Diabetology
- Ear nose and throat
- Endocrinology
- Gastroenterology
- General medicine
- General surgery
- Gynaecology
- Haematology
- Infectious disease
- Neurology
- Oncology
- Ophthalmology
- Oral Maxillofacial Surgery
- 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 offers a range of allied health services including:

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





Links with GPs

We regularly engage with general practitioners (GPs) to ensure continuity of patient care.

Pregnant women who are considered low risk are able to be cared for by their GP under shared care arrangements with our maternity ward.

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

Discharge letters and outpatient letters are provided to GPs, to ensure they are aware of their patient's ongoing care and progress.

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

1. Protocols/Policy updated
2. Risk assessment done in clinical practice
3. Safety assessment, every day 0-4000
4. Staff in working condition with safety in mind
5. Safety in mind 24/7

ns 6 - 22
Room 23 - 26 →

FIRE
EXTINGUISHER

Operational Report



Performance and quality

We place great focus on providing high quality standards of clinical care in line with best practice initiatives that reflect our Mission and Values.

Patient care is supported by an integrated quality and risk management framework within a culture of open communication, transparency, responsibility and awareness.

The Quality and Risk Team assists and supports caregivers in their patient safety and quality initiatives.

Assessments, accreditations and audits

Over the past financial year we have undertaken a number of external performance and quality assessments, accreditations and audits.

The Australian Council on Healthcare Standards undertook an interim review and confirmed ongoing accreditation against all National Standards and Mental Health Standards.

In May 2018, the hospital successfully underwent inspection for private licensing by the WA Department of Health's Licensing, Accreditation and Regulatory Unit.

Three patient surveys were undertaken by Press Ganey on admitted adults, admitted paediatrics and outpatients about the quality of care they received at our hospital.

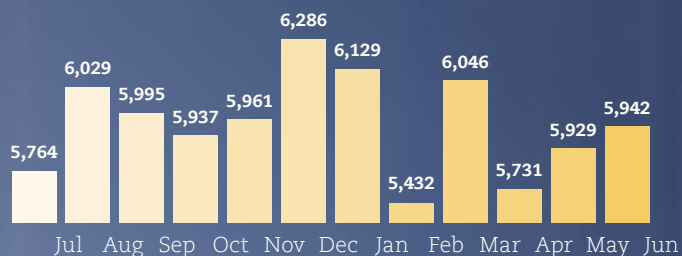
Over the past year, we began collecting real-time feedback from newly-discharged patients that provides timely feedback from patients on the care they receive at our hospital to help us enhance the patient experience.

The hospital also participated in 29 audits with the Department of Health.

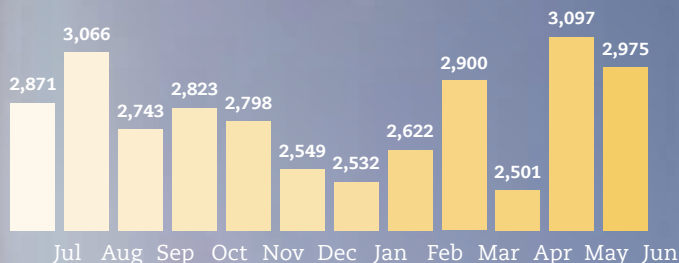
In addition, a new web-based incident and risk management system, known as Riskman, was implemented across the hospital to provide a more simple and efficient reporting of clinical incidents.

Public hospital patient activity 2017/2018

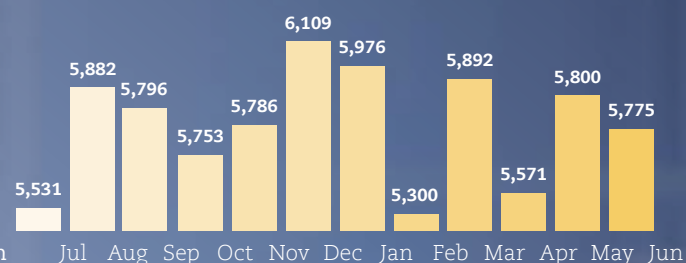
Emergency Department Presentations - All



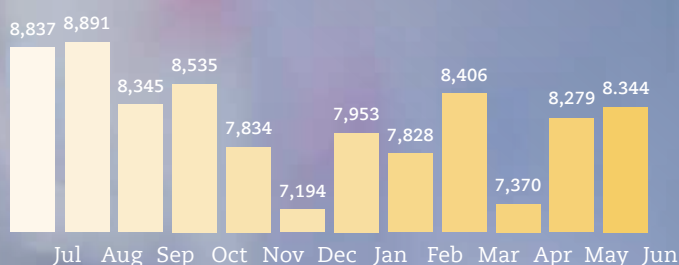
Patient Admissions



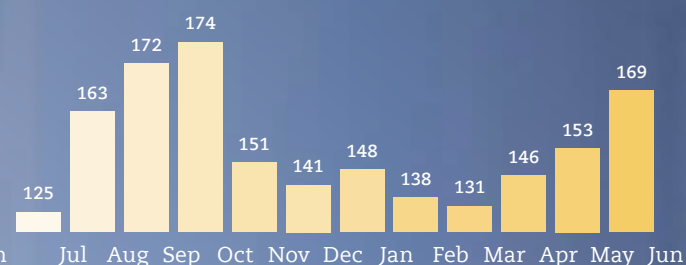
Emergency Department Presentations - Public



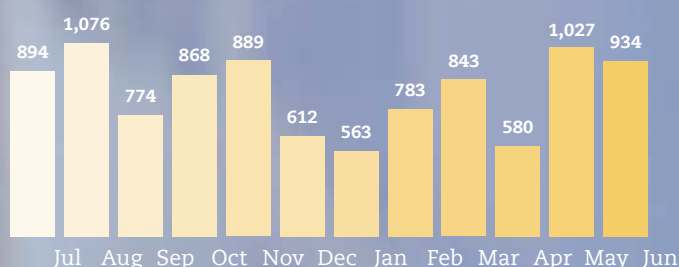
Patient Days



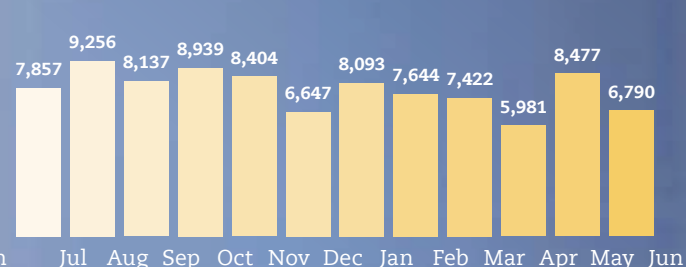
Deliveries



Procedures



Outpatient Visits



Emergency Department performance

Percentage of patients treated within nationally recognised timeframes as outlined in the service agreement (as of June 30 2018).

Resuscitation (immediately)	Critical (within 10 minutes)	Urgent (within 30 minutes)	Semi-urgent (within 60 minutes)	Less urgent (within 120 minutes)
THRESHOLD	THRESHOLD	THRESHOLD	THRESHOLD	THRESHOLD
>= 98%	>= 70%	>= 50%	>= 50%	>= 70%
ACHIEVED	ACHIEVED	ACHIEVED	ACHIEVED	ACHIEVED
100%	83.4%	52.0%	61.3%	93.6%

Elective surgery performance

Percentage of patients treated within recommended timeframes (as of June 30 2018):

Category 1 – Urgent (within 30 days)	Category 2 – Semi Urgent (within 90 days)	Category 3 – Non Urgent (within 365 days)
96.80%	96.92%	99.98%

Clinical indicators performance

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

June to December 2017

Inpatients developing pressure injuries	Inpatient falls	Medication errors (adverse event requiring intervention)
ACHS BENCHMARK	ACHS BENCHMARK	ACHS BENCHMARK
0.056%	0.641%	0.020%
ACHIEVED	ACHIEVED	ACHIEVED
0.055%	0.420%	0.018%

January to June, 2018

Inpatients developing pressure injuries	Inpatient falls	Medication errors (adverse event requiring intervention)
ACHS BENCHMARK	ACHS BENCHMARK	ACHS BENCHMARK
0.073%	0.379%	0.015%
ACHIEVED	ACHIEVED	ACHIEVED
0.029%	0.504%	0.024%



We will continue to focus our efforts to strengthen and enhance the patient experience over the coming year.

We recognise that nurses and midwives hold an important role in preventing falls and pressure injuries and effectively administering medications.

As part of this, we have introduced screening tools for patients that include timeframes set by best practice guidelines.

In addition we implemented a new falls management strategy across the organisation from April 2018, given a small increase in rates of falls over the past six months.

The strategy addresses contributing factors to falls management and scenario-based education and training has been developed. The training covers the identification of potential environmental factors and development of interventions to ensure a structured approach to treating and preventing falls.

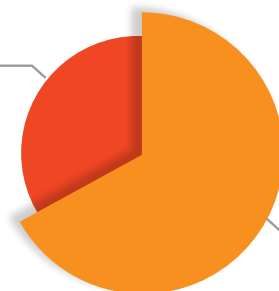
Key Performance Indicators

The hospital's Service Agreement with the State Government contains 219 key performance indicators (KPIs). 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

33%

Non-clinical performance



67%

Clinical performance

Patient and consumer satisfaction

As part of our focus on continuous improvement, we welcome feedback from patients, families and carers.

Feedback can be provided to the hospital via a number of formats, including:

- Our caregivers
- Patient feedback forms
- Our web site (sjog.org.au/Midland)
- Email (info.midland@sjog.org.au)
- Consumer Liaison Coordinator
- Patient Opinion web site (www.patientopinion.org.au)
- Post discharge survey, sent via text

Our Consumer Liaison Coordinator is available to discuss any concerns that patients, their families and carers may have about the care as well as reviews formal complaints.

In addition, every patient room has a whiteboard and information to inform family, friends and carers about our process to escalate their concerns about a patient's condition.

Compliments and complaints

On average we received 10 formal complaints and 30 compliments per month, which is comparable with other public hospitals of a similar size.

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

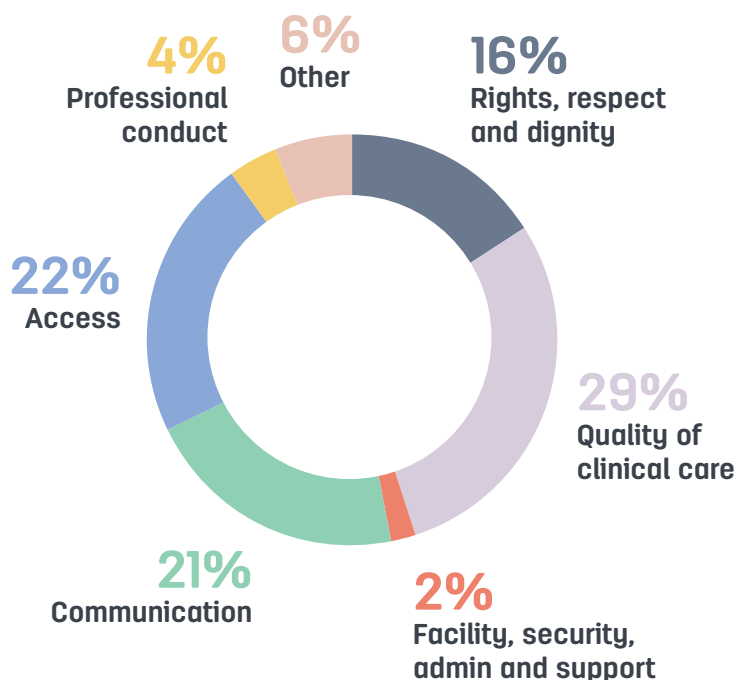
If the complainant was not satisfied with the response provided by the caregiver, the matter was then managed as a formal complaint by our Consumer Liaison Coordinator.

Approximately 95 per cent of the formal complaints we received were resolved within 30 business days.

We take all complaints seriously and see them as an opportunity for us to review our policies and procedures and enhance the services we provide to our patients.

We also ensure compliments reach caregivers who were recognised for providing excellent care and making a positive contribution to a patient's experience.

Complaints by topic



Community and Consumer Advisory Council

Our Community and Consumer Advisory Council forms part of our commitment to deliver excellent health care.

The Council provides a forum for community input into the provision of our services and activities.

Its role is to represent a consumer voice and enhance the patient experience at the hospital by providing input into our service delivery and planning.

Council members have a variety of backgrounds and experience. Many are heavily involved in the community, including representation on other boards, councils and committees.

Hospital representatives:

Michael Hogan
CEO, St John of Midland Public Hospital

Paul Dyer
CEO and Director of Nursing,
St John of God Midland Private Hospital

Tara Peters
Director of Mission Integration

Janet Jones
Director of Nursing, Midwifery
and Clinical Governance

Kristie Popkiss
Quality and Risk Manager

East Metropolitan Health Service representative:

Sandra Miller
Executive Director Safety Quality
and Consumer Engagement

Community members:

- Ian Wright – Chairperson
- Helen Dullard
- Maxine Martin
- Karen Wickjam
- Jean Applin
- Shirley Fitzthum
- Mike Rennie
- Emma Wignell
- Therese Chitty
- Sandy McKieman
- Daniel Parasiliti



Innovation and technology

The hospital has a number of electronic information platforms to assist with patient care, including a clinical information system, 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.





Innovation in clinical systems and equipment

Over the past year our Information and Communications Technology Governance Committee has been examining a number of innovative options to enhance the delivery of our services and patient flow, especially during the busy winter period.

As part of this, we plan to pilot a number of projects in the Emergency Department next financial year, including an electronic ticketing system for triaging patients, clinical and non-clinical tasking software, instant patient labelling and an electronic patient flow and information system for the emergency waiting room area and patient cubicles.

We are also in the initial stages of implementing an electronic prescribing system for chemotherapy drugs to enhance patient safety.

Virtual reality goggles

Virtual reality goggles are helping to ease children's anxiety when undergoing blood tests and other procedures at the hospital.

A pilot program for the goggles was launched at the hospital in September 2017, which was the first of its kind in Western Australia.

Following the pilot's success, the goggles were rolled out to other St John of God hospitals.

"Virtual reality goggles are helping to ease children's anxiety when undergoing blood tests and other procedures at the hospital."

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 public facilities.

Over the past financial year we continued our focus on achieving full connectivity with key Department of Health clinical systems.

Currently the hospital has full connectivity with Telehealth, State Trauma Registry, mental health clinical information system PSOLIS, Transitional Care Protocol and Emergency Department Statistical View.

Our people

We are one of the largest employers in Perth's Eastern Metropolitan region, with 1,983 people employed at the hospital at 30 June 2018.

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, allied health, engineering, hospitality and corporate services.

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

Caregivers are encouraged to promote behaviours that bring to life our Mission and Values of Hospitality, Compassion, Respect, Justice and Excellence.

Volunteers

Our volunteers play an important role in assisting patients and visitors at the hospital.

We have approximately 77 volunteers, who assist patients and visitors in various roles, from greeting and escorting patients and visitors to providing assistance, companionship and support. They also support mothers and babies during hydrotherapy sessions.





Education, training and research

We provide a number of learning opportunities for caregivers within a supportive environment, as part of our focus on providing high quality care to patients.

A large number of research projects are undertaken at the hospital, as they enable us to provide patient care that is informed by the latest evidence.

Last year 37 research projects were approved and 10 studies were completed.

Our education and training programs for research cover key ethical, governance, regulatory and safety requirements to ensure the effectiveness of research projects and maintain the rights, safety and wellbeing of study participants.

In addition, a Leadership Development Program was established for senior doctors and nurses, which is being delivered by the Australian Institute of Management on site.

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

- Three hundred and nine resident medical officers and interns employed or seconded from other public hospitals and 303 registrars in training or service positions.
- Clinical placements were undertaken by 115 medical students, 128 nursing students and 76 allied health students.
- Accreditation was received from the Postgraduate Medical Council of Western Australia, Royal Australasian College of Surgeons, Royal Australasian College of Physicians and Royal Australasian College of Medical Administrators for junior doctors to work at the hospital as part of their training.
- The third graduate nurse program was completed, which involved 16 participants in the registered nurse and enrolled nurse graduate programs.

In addition an agreement was signed between Curtin University and St John of God Health Care for medical students to gain high quality clinical experience at the hospital from 2019.

A number of our caregivers were recognised for their professional, education and research work over the past year, including:

- Binsu Varghese, Clinical Nurse on Ward 3B, was named the 2018 St John of God Midland Public and Private Hospital Caregiver of the Year.
- Dr Sayanta Jana, Director of Medical Services, was appointed to the Royal Australasian College of Medical Administrator's Curriculum Steering Committee.
- Dr Tim Bates, General Medicine and Stroke Consultant and Director of Postgraduate Medicine, was appointed Chair of the National General and Acute Medicine Advanced Training Committee for the Royal Australasian College of Physicians.
- Jo Scheepers, Senior Podiatrist, received an international research award for her research on pressure injuries.
- Kenny Kessler, Senior Physiotherapist, was part of a research team awarded the Mona Twomey prize for highest overall research project grade, while undertaking their Masters of Clinical Physiotherapy (Musculoskeletal Major) at Curtin University.
- Kerri Colegate, Aboriginal Engagement and Cultural Advisor, was a finalist for the Compassionate Care Award for the Health Consumer Excellence Awards by the Health Consumers' Council WA.
- Simone Uetake, Stroke Liaison Nurse, was awarded the Rotary Club of Swan Valley stroke scholarship.
- Dr Ross Littlewood, Midland ophthalmologist, was awarded the Member of the Order of Australia (AM) for his dedication to restore eyesight to people in Timor-Leste and his contribution to the Royal Australian and New Zealand College of Ophthalmologists.



Disability Action and Inclusion Plan

Our Disability Access and Inclusion Plan provides the framework to improve our ability to include and respond to the needs of people with disability, whether they are caregivers, patients, clients, volunteers or the general public.

The latest version of our plan is currently being finalised. It presents three areas of engagement under the headings of “Our Caregivers”, “Our Services Users” and “Our Community”.

We continue to support the opportunity for people with a disability to gain employment.

As part of this, we signed a collaboration agreement with a number of disability employment service providers in December 2017, including EDGE Employment Solutions and WorkPower, who provide managers and caregivers with expert advice and support as new caregivers develop their careers.

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.

In addition, arts has been seamlessly incorporated into the hospital through public artworks and donations from the community.

Musical performances were held regularly in the public foyer for the enjoyment of patients, visitors and caregivers over the past year, which included Western Australian Academy of Performing Arts, Guildford Grammar students as well as local performers.

In addition, arts and music programs are provided for mental health and rehabilitation patients to assist with their recovery.

Appendices

WA Carers Recognition Act 2004 Compliance Report

1. Provide a brief overview of key initiatives and achievements undertaken during the year, including reference to any highlights and challenges.

The following activities were initiated in 2017-2018 and offer opportunities to further support carers at St John of God Midland Public and Private Hospitals.

- Introduction of Net Promoter Score and Patient Opinion platforms as means of receiving feedback regarding patients and carers views and experience of the hospital.
- Development of a bereavement booklet to provide relevant and easily accessible information for family and carers regarding end of life care for patients. The booklet includes specific support options for carers.
- Restructure of the hospital's Aboriginal Health Team to provide additional resources to assist and engage with family and carers in their support of Aboriginal patients.
- Facilitated education sessions to equip and support carers in their roles, including Aphasia Communication Partner Training workshops and Parkinsons' Disease Support Group.

2. Understanding the Carers Charter

Activities and strategies for ensuring that staff are aware of and understand the Carers Charter and carers are treated with dignity and respect

Organisational Self Rating Compliance Scale (please tick)

Commenced development

Satisfactory progress

Well developed

3. Policies and plans relating to receiving input from carers

Activities demonstrating the inclusion of carers/ representative bodies in the development of policies and organisational plans that affect carers and their caring role.

Organisational Self Rating Compliance Scale (please tick)

Commenced development

Satisfactory progress

Well developed

4. Carers' views

Activities illustrating inclusion of the views and needs of carers when assessing, planning, delivering and reviewing services that impact on them and their caring role.

Organisational Self Rating Compliance Scale (please tick)

Commenced development

Satisfactory progress

Well developed

5. Complaints and listening to carers

Processes available for carers to enable them to make complaints about services that affect them and their role as carers, and have their complaints heard.

Organisational Self Rating Compliance Scale

Commenced development

Satisfactory progress

Well developed

6. If applicable, please provide a statement relating to the level of compliance with the Carers Charter by services funded by your organisation. Please include an explanation of how you came to this decision.

Not applicable

7. Please provide any additional supporting information you consider relevant

St John of God Health Care website page describing patients and visitors rights and responsibilities.

“We also recognise the role of carers and commit to a collaborative, inclusive approach in the planning and delivery of patient care.”

<https://sjog.org.au/patients-and-visitors/rights-and-responsibilities>

8. If desired, briefly indicate any significant planned initiatives to be undertaken for the next reporting period.

Not applicable

Directors' Report

for year ended 30 June 2018

The directors of St John of God Midland Health Campus Ltd (Company) present their report on the Company for the year ended 30 June 2018.

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	(Resigned 22 March 2018)
Dr M Stanford	(Resigned 22 March 2018)
Ms L Johnstone	
Mr J Fogarty	(Resigned 27 June 2018)
Mr J Pease	(Appointed 22 March 2018 and resigned 28 September 2018)
Mr S Goldsworthy	(Appointed 22 March 2018)
Dr S Kelly	(Appointed 28 September 2018)

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 2017 to 30 June 2018 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	1
Dr M Stanford	1	1
Ms L Johnstone	1	1
Mr J Fogarty	1	1
Mr J Pease	-	-
Mr S Goldsworthy	-	-
Dr S Kelly	-	-

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: 3 October 2018

Signed in accordance with a resolution of the directors:



Director

Auditor's Independence Declaration to Directors

For the year ended 30 June 2018

In relation to our audit of the financial report of St John of God Midland Health Campus for the financial year ended 30 June 2018, 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 the Australian Charities and Not-for profits Commission Act 2012 or any applicable code of professional conduct.

Ernst & Young



Timothy Dachs
Partner

3 October 2018

Statement of Comprehensive Income for year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue from ordinary activities	2(a)	260,156,670	242,182,257
Other expenses	2(b)	(260,156,670)	(242,182,257)
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

As at 30 June 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and cash equivalents	3	714,512	6,164,816
Trade and other receivables	4	21,774,772	21,927,568
Total Current Assets		22,489,284	28,092,384
Total Assets		22,489,284	28,092,384
Current Liabilities			
Trade and other payables	5	5,317,130	6,217,521
Amount due to related entity	6	17,172,154	21,874,863
Total Current Liabilities		22,489,284	28,092,384
Total Liabilities		22,489,284	28,092,384
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 2018

	Accumulated Surplus \$	Total \$
At 1 July 2016	-	-
Total comprehensive income for the year	-	-
At 30 June 2017	-	-
At 1 July 2017	-	-
Total comprehensive income for the year	-	-
At 30 June 2018	-	-

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 2018

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts from the Government of Western Australia		260,309,466	239,534,397
Payments to suppliers		(261,057,061)	(244,898,975)
Net cash flows used in operating activities	3	(747,595)	(5,364,578)
Cash Flows from Financing Activities			
Amounts advanced from related entity		(4,702,709)	2,785,720
Net cash flows (used in) / from financing activities		(4,702,709)	2,785,720
Net decrease in cash and cash equivalents		(5,450,304)	(2,578,858)
Cash and cash equivalents at the beginning of the year		6,164,816	8,743,674
Cash and Cash Equivalents at end of the year	3	714,512	6,164,816

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 2018

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 2018 was authorised for issue in accordance with a resolution of directors' on 3 October 2018.

(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 to 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	2018	2017
Revenue from the State of Western Australia:	\$	\$
Operation of the Midland Public Hospital	260,156,670	242,182,257
	260,156,670	242,182,257

(b) Other Expenses	2018	2017
	\$	\$
Costs associated with operation of Midland Public Hospital	260,156,670	242,182,257
	260,156,670	242,182,257

3. Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank and in hand	714,512	6,164,816
	714,512	6,164,816

Reconciliation to Statement of Cash Flows	2018	2017
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	714,512	6,164,816

Reconciliation of the surplus to the net cash flows from operating activities	2018	2017
	\$	\$
Surplus from ordinary activities	-	-
Change in assets and liabilities:		
Decrease / (increase) in trade and other receivables	152,796	(2,918,145)
(Decrease) / increase in trade and other payables	(900,391)	(2,446,433)
Net cash flows (used in) / from operating activities	(747,595)	(5,364,578)

4. Trade and Other Receivables

	2018 \$	2017 \$
State of Western Australia	21,774,772	21,927,568
	21,774,772	21,927,568

The carrying value approximates the fair value.

5. Trade and Other Payables (Current)

	2018 \$	2017 \$
Public asset replacement funds	5,311,591	6,212,660
Goods and services tax	5,539	4,861
	5,317,130	6,217,521

The carrying value approximates the fair value.

6. Amounts Due to Related Entity

	2018 \$	2017 \$
Parent Entity : St John of God Health Care Inc.	17,172,154	21,874,863
	17,172,154	21,874,863

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

7. Accumulated Surplus

	2018 \$	2017 \$
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 and 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. The performance bond expired during the year (23 November 2017) and is no longer in place.
- 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. The performance bond expired during the year (23 November 2017) and is no longer in place.
- 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 2018

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 2018 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



Director

Perth, WA
3 October 2018



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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 2018, 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 2018 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
3 October 2018



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ST JOHN OF GOD
Midland Public & Private
Hospitals