Bureau of Health Information

Bureau of Health Information

Year in Review
2011–12

Timely, accurate and comparable information about the performance of the NSW public health system

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Message from Chairperson

This year the Bureau of Health Information consolidated its position as a leading source of information on the performance of the NSW public health system. Since being established in 2009, the Bureau has continued to grow its portfolio of high quality reports developed in conjunction with input from key healthcare experts. It does this to increase understanding of the performance of health services, inform efforts to improve care and ultimately better the health and wellbeing of the people in NSW.

The Bureau has continued to build its reputation as an impartial and independent reporting agency, addressing an increasing demand for strong public reporting as first outlined by Commissioner Peter Garling SC in the Special Commission of Inquiry into Acute Care Services in NSW Public Hospitals 2008.

During the year, I am pleased to report that the Bureau delivered on its operating plan, developing and publishing seven comprehensive healthcare performance reports and providing access to all materials via its website.

Throughout 2011–12, the Bureau established sound audit and risk management processes, operating in accordance with all policy and procedures.

I would like to acknowledge the contribution of the members of the Bureau Board and their commitment to the ongoing operations of the Bureau. Our inaugural members who served from December 2009 include Professor Jane Hall, Mrs Liz Rummery AM, Ms Sue West and Dr Don Weatherburn. Dr Weatherburn retired from the Board in June 2011 and I would like to thank him for his valued contribution in setting the Bureau's direction and governance framework. In April 2012, we welcomed two new members, Mr Andrew Goodsall and Professor Mohamed Khadra, to the Board.

In June 2012, Dr Diane Watson, the Bureau's Chief Executive, was appointed to lead the new National Health Performance Authority. Dr Watson joined the Bureau in September 2009 as its inaugural Chief Executive and quickly and successfully established the organisation. Dr Watson took leave from the Bureau from February 2012, working to establish the Authority in the role of its acting Chief Executive before accepting the role permanently.

On behalf of the Board and staff of the Bureau, I want to thank Dr Watson for the excellence of her work in establishing the Bureau as an independent, public reporting organisation and congratulate her on her new appointment.

The Bureau appointed Ms Kim Browne as the Acting Chief Executive in February 2012.

The Bureau has built a strong team of talented staff and I commend each individual for their collective achievements throughout 2011–12.

Professor Bruce Armstrong AM
Chairperson

Message from the Chief Executive

In a year when the Bureau passed its second anniversary of operation, we continue our commitment to providing the people of NSW with timely and accurate reports on the performance of their health system.

In August 2011, the Director-General of the Ministry of Health presented a Governance Review to the Minister. In the review, the Bureau was recognised *"as the primary source of quality information to the community, healthcare professionals and policymakers"* and has been *"successful in its efforts to produce health performance information to both assist patient choice and contribute to public debate."*

One of the outcomes of the review was the transfer of wider responsibilities for public reporting accountability to the Bureau. As a result, we are pleased the management of the Patient Survey will transfer to the Bureau from July 2012.

As the Bureau's activities have continued to grow, the Ministry of Health recognised the additional demands and the Bureau's increased staffing requirements. In December, the Bureau was provided additional funding and has since welcomed five new staff members, across a variety of Bureau functions. Adding to our talented team, this now brings the number of Bureau employees to 17.

We have also continued to produce our core publications, *Hospital Quarterly*, *Healthcare in Focus*, and two reports under the banner of our *Insights Series*. As part of our commitment to provide the people of NSW with an accurate understanding of the performance of their health system, we regularly review the way we deliver these reports.

In 2011–12, the Bureau revised our approach to reporting measures for emergency departments, commenced reporting on the new National Emergency Access Target (NEAT) and introduced additional supporting documents, such as *How to Interpret*. These highlights and more are further explained throughout this report.

As part of our commitment to high standards of professional and ethical conduct, the Bureau completed two internal audits during 2011–12. The areas of focus for this financial year were Fiduciary Control and Strategic Information Management and Security. We are pleased to report these audits found the Bureau's fiduciary controls are *"adequate and are operating effectively"* and our *"in-house information management practices and workflows are sound"*.

I look forward to the year ahead and continuing to provide the community and clinicians of NSW with quality reports on their health system.

Kim Browne
Acting Chief Executive

Role of the Bureau

The role of the Bureau is to provide independent reports to government, the community and healthcare professionals on the performance of the NSW public health system, including safety and quality, effectiveness, efficiency, cost and responsiveness of the system to the health needs of the people of NSW.

The functions for the Bureau of Health Information are as follows:

- To prepare and publish regular reports on the performance of the NSW public health system, including safety and quality, effectiveness, efficiency and responsiveness of the system to the needs of the people of NSW.
- To provide an annual report to the Minister and Parliament on the performance of the NSW public health system.
- To publish reports benchmarking the performance of the NSW public health system with comparable systems.
- To establish and maintain a website providing information and analysis on the performance of the NSW public health system; including tools for data analysis.
- To develop reports and tools to enable analysis of the performance of health services, clinical units and clinical teams across the NSW public health system.
- To advise the NSW Ministry of Health on the quality of existing data sets and the development of enhanced information analysis and reporting to support performance reporting to clinicians, the community and Parliament.
- To undertake and / or commission research to support the performance by the Bureau of its functions.
- To liaise with other bodies and organisations undertaking reporting on the performance of the health systems in Australia.
- To provide advice to the Minister for Health and the Director-General of the Ministry of Health on issues arising out of its functions.

Mission, Vision and Values

Our Vision

The community has an accurate understanding of the performance of the NSW public health system and makes optimal use of information to improve the health and well being of people in NSW.

Our Mission

To provide the community, health care professionals and the NSW Parliament with timely, accurate and comparable information about the performance of the NSW public health system in ways that enhance the system's accountability and inform efforts to increase its beneficial impact on the health and well being of people in NSW.

Our Values

1) Excellence in the delivery of evidence-based information to enhance understanding about health system performance
2) Independence and objectivity in providing information to our audiences, and in ensuring our methods are valid and interpretations are impartial
3) Access to relevant, reliable and valid information in understandable formats
4) Respect and fairness in safeguarding the privacy and confidentiality of sensitive information
5) Ethical practice ensuring business procedures are just, reasonable and responsive
6) Openness in ensuring transparent measurement, analytical methods, report production and release
7) Innovation, curiosity, creativity and courage.

Key stakeholders

There are many groups with a strong interest in the work of the Bureau, and whose advice and support we value. In addition, there are a number of groups with whom we partner closely as we jointly seek to improve the NSW public health system.

During the year the Bureau undertook a survey of key stakeholders to gather feedback on our achievements to date and areas for continuing development. We were pleased with the high ratings given to the Bureau and the positive comments about the contributions the organisation makes. Respondents also identified areas for future reporting that have been considered in our planning for the coming year.

An example of a major collaborative project during 2011–12 involved the Bureau working closely with the Agency for Clinical Innovation on production the Chronic Disease Care report that provided new insights into care for people with chronic obstructive pulmonary disease or congestive heart failure by offering more information on hospitalisation patterns.

The Bureau establishes project-specific advisory committees to inform the creation of its reports and ensure that its products are informative to the community, address needs for information among healthcare professionals, and offer a fair representation of health system performance.

The Bureau receives comments from advisory committees, peer reviewers and data custodians, and incorporates feedback that it deems useful to improving relevance, accuracy, comparability and interpretability of its reports. Advisory committee members are acknowledged in reports, where relevant.

The Chief Executive provides briefings to the NSW Minister for Health, NSW Ministry of Health and Local Health Districts, where appropriate, to keep them abreast of emerging and important findings. More details on the Bureau's report release process are available on its website.

Prior to the release of each report, the Bureau informs key stakeholders about the findings and estimated dates of release of the reports.

The Bureau makes specialised materials and interview opportunities available to the media for the release of each report, which, in turn, informs the general community. The community is able to access all report publications and supporting material on the Bureau's website.

Key highlights from 2011–12

Hospital Quarterly

As part of ongoing monitoring, the Bureau reviewed its approach to reporting time measures of emergency department (ED) performance. From this, we observed differences in ED data over time and between hospitals that could affect performance measures.

As a result, from the July to September 2011 issue of *Hospital Quarterly*, the Bureau took a new approach to reporting to more closely reflect patients' journeys and permit fairer comparisons between hospitals and across time.

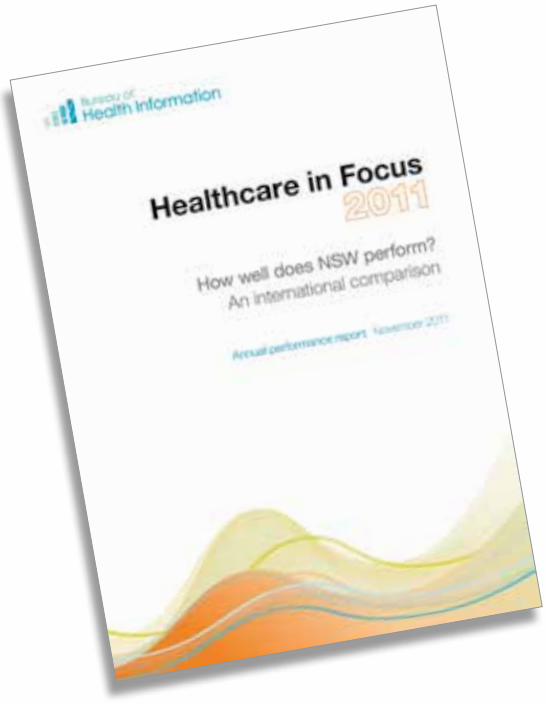
The January to March 2012 issue saw the introduction of the new national performance indicator, the National Emergency Access Target (NEAT). As part of the National Health Reform Agreement, NEAT measures the percentage of patients who left the ED within four hours of presentation against progressively increasing annual targets until 2015.

Healthcare in Focus: How well does NSW perform?

The Bureau of Health Information's second annual performance report, *Healthcare in Focus 2011: How well does NSW perform?*, compared the state to Australia and 10 other countries to identify achievements and opportunities for improving healthcare.

It found that health in NSW is improving, with falling mortality rates from heart disease, stroke and common cancers over a decade.

In terms of efficiency, the report found that overall NSW gets value for its healthcare dollar – no country surveyed spent less per person and had better health.



The Insights Series

In 2011–12 we published two reports as part of the Bureau's Insights Series. *Chronic Disease Care: Another piece of the picture* was released on 22 May 2012 and *Patient Care Experiences: Outpatient services in NSW public hospitals* was released on 11 August 2011.

Chronic Disease Care: Another piece of the picture

The Bureau's second report on chronic obstructive pulmonary disease and congestive heart failure was the result of a joint project with the Agency for Clinical Innovation, with project funding from NSW Treasury. Released in May 2012, the report includes information on hospitalisations, readmissions and high-frequency users of hospital services among patients with these conditions during 2009–10.

Patient Care Experiences: Outpatient services in NSW public hospitals

The Bureau used data from the outpatient care module of the NSW Health Patient Survey 2010 to report on patient ratings of outpatient services and to provide insights into what matters most to patients, so that healthcare staff can improve care.

Across NSW, the completeness of outpatient services (those receiving comprehensive care) mattered most to outpatients who rated their overall care as excellent, or as fair or poor.

Staff teamwork and the courtesy of both healthcare professionals and reception staff also contributed strongly to how people rated their overall care.

NSW Patient Survey Program

From July 2012, the NSW Ministry of Health will transfer management of the NSW Health Patient Survey to the Bureau of Health Information. From its inception in 2007, the NSW Health Patient Survey has collected information each year from people about their recent experiences of healthcare.

Following the transfer of the survey program, the Bureau will revise the survey questionnaires, review the survey methods and update the reporting systems. The Bureau will consult widely with healthcare professionals, consumer groups, recent patients and managers in NSW Health.

During 2011–12 the Bureau has liaised with the Ministry to prepare for the transition and to conduct a tender process for an external provider to work closely with the Bureau in conducting the survey.

Audit program

The Bureau's internal audit program provides management with independent assurances that key systems and processes are operating effectively. With a systematic and disciplined approach, the audit program helps us accomplish our objectives to evaluate and improve our risk management, control and governance processes.

Our internal audit program includes:

- Evaluating compliance with policies, procedures and government regulations
- Assessing the overall effectiveness of controls and processes currently in place
- Identifying opportunities for improvement and efficiencies as well as program reviews.

The audit priorities for 2011–12 were identified as information management and fiduciary controls.

Information management

The audit found that the Bureau's in-house information management practices and workflows are sound. The Bureau maintains a thorough set of policies, processes and tools to help manage its information assets in line with its statutory role and obligations, and appropriate and reasonable controls to help preserve data confidentiality and integrity.

Robust information management procedures, including privacy and information security, remain of particular importance to the Bureau.

Fiduciary controls

The audit focused on procurement processes, cab charge expenditure, delegations, corporate credit cards, travel expenditure, human resources policies and procedures, payroll processes, recruitment, code of conduct compliance, leave mobility, and asset controls.

The review also included an assessment of the quality of corporate services, including management reporting, received from Health Support Services in relation to financial, human resources and information systems.

It was concluded that Bureau management may have reasonable assurance that fiduciary controls over key systems and processes within the Bureau are adequate and are operating effectively. Although the Bureau is a very small agency, it has a strong internal control framework operating over key financial, governance and human resource (HR) systems.

The review also concluded that the Bureau generally complies with required NSW Health standards across a number of administrative, finance, HR and governance areas. In some areas the Bureau is progressively developing its own agency-specific policies, on a priority basis, whilst still working within overall Health policy directives. These areas include working from home, monitoring of usage of communications equipment, and risk management.

Audit outcome

As a result of these reviews, the Bureau developed targeted action plans to address the areas for improvement as recommended by the auditors.

Corporate changes

Below is an outline of some of the key corporate developments that have been undertaken throughout 2011–12:

- Formal signing of Master Service Agreement in the form of Memorandum of Understanding with Health Support Services, in December 2011
- Achievement of budget supplementation to fund core activities in the Bureau's Determination of Functions
- Additional accommodation space was sourced and fitted out, in negotiation with Agency for Clinical Innovation and Health Support Services, to address increased staffing requirements
- Asset plan developed and implemented
- Internal policies and procedures were reviewed and updated in accordance with the framework of NSW Government and NSW Health
- Appointment of Chief Audit Executive
- Development of Internal Audit Charter and completion of Internal Audit Manual
- Risk Register was evaluated for identifiable actions and risks and updated for the start of new financial year.

Achievements and strategic direction

Strategic directions	Key achievements in 2011–12
1. Inform the NSW community about the performance of its public health system	• Released four issues of *Hospital Quarterly* • Released the second issue of our annual performance report *Healthcare in Focus* • Released two reports as part of our ongoing Insights Series. *Chronic Disease Care: Another piece of the picture* and *Patient Care Experiences: Outpatient services in NSW public hospitals* • Attracted between 40 and more than 90 media events per report launch • Bureau report information regularly cited in media articles on relevant health issues, where reliable health data were required • Continued to refine web site to enable access to key areas of information in the most straightforward manner • Ongoing development plan to establish Bureau presence on social media • Published *How To Interpret* document with reports, to assist with understanding of findings.
2. Inform efforts to improve patient care and strengthen healthcare policy in NSW	• *Hospital Quarterly* reports add to the evolving picture of hospital performance and patient use of hospitals in NSW • Second issue of *Healthcare in Focus* took a comprehensive look at how the health system in NSW compares with Australia as a whole and with 10 other countries, identifying opportunities to improve care • Second issue of *Chronic Disease Care* report helps understand how people with these conditions access hospital as a way to improve care • Second issue of the *Patient Care Experiences: Outpatient services in NSW public hospitals* provided information so that healthcare staff can improve care • Continued publishing articles about Bureau reports in state and national newsletters that target clinical audiences including Clinician Connect, Leading Edge and HSRAANZ News.
3. Identify factors that support high performance public health systems	• In *Hospital Quarterly*, we reviewed the approach to reporting time measures in emergency departments and introduced reporting against the National Emergency Access Target • The second issue of *Healthcare in Focus* highlighted that learning from successes and focusing attention on areas for improvement are critically important in delivering high-quality, safe healthcare services • The second issue of *Chronic Disease Care* report focused on hospitalisation and readmission patterns • The second issue of the *Patient Care Experiences* provided insights about what matters most to patients

Strategic directions	Key achievements in 2011–12
4. Advise on strategies to improve health service performance reporting	• Conducted work to support improvements in measurement and reporting of patient care experiences and elective surgery wait times • Members of senior management regularly delivered keynote presentations at state, national and international conferences on health service performance reporting • Prepared *Data Quality Assessments*, *Technical Supplements* and *Background Paper* documents describing how measurements are chosen for reports and assisting with transparency of processes.
5. Maintain ethical, effective, responsible and reasonable business practices	• Maintained an Enterprise-wide Risk Management Framework, report release process and publication style guide • Completed internal audit on Fiduciary Controls and Information Management. Developed management action plans for recommendations from audit • Established a Chief Audit Executive function, appointed an Internal Auditor, along with developing an Audit Charter, Manual and Plan • The Bureau's Finances were managed for 2011–12 within its budget allocation • The Bureau has drafted a thorough set of policies, processes and tools to help manage its information assets in line with its statutory role and obligations and has assigned relevant roles and responsibilities in anticipation of it becoming a Data Custodian in July 2012.

Our reports

Hospital Quarterly

Published every three months, the Bureau's *Hospital Quarterly* provides timely, accurate and comparable information about admitted patients, emergency departments and elective surgery. The reports chart hospital performance and how hospital use changes over time. It includes information for Local Health Districts and supports comparisons of more than 80 NSW public hospitals.

In 2011, the Bureau reviewed its approach to reporting time measures of emergency department (ED) performance, including a detailed analysis of the data and consultation with a wide range of stakeholders with expertise in ED care and electronic information systems. The review was undertaken because, as part of ongoing monitoring, we observed differences in ED data between hospitals and over time that could affect performance measures.

As a result, in the July to September 2011 issue of *Hospital Quarterly*, the Bureau took a new approach to reporting. This new approach presented changes to how the Bureau reports ED information, to promote fairer comparisons between hospitals and better reflect patients' journeys. Each report includes this information for each quarter of the past five years, so people can identify areas to improve and whether any improvements have been sustained.

In August 2011, the Commonwealth, state and territory (the states) governments finalised the National Health Reform Agreement. The intent of this agreement is that the Commonwealth and states will introduce clear and transparent performance reporting of health and hospital services to provide Australians with nationally consistent and locally relevant information.

One of the first measures to be introduced was the new national performance indicator, the National Emergency Access Target (NEAT). Commencing from 2012, this measure reports the percentage of patients who left the ED within four hours of presentation against progressively increasing annual targets until 2015.

In line with these national developments, the January to March 2012 issue of *Hospital Quarterly* saw the introduction of the NEAT to reporting of ED performance in NSW.

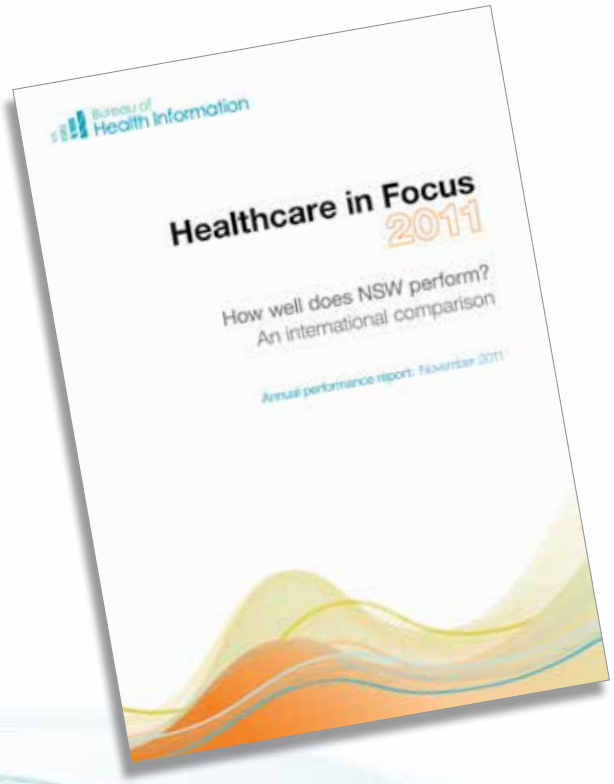
Healthcare in Focus: How well does NSW perform?

The Bureau of Health Information's second annual report *Healthcare in Focus 2011: How well does NSW perform?* compared the state to Australia and 10 other countries to identify achievements and opportunities for improving healthcare.

It found that health in NSW is improving, with falling mortality rates from heart disease, stroke and common cancers over a decade.

The report provided insights from sicker adults – people most likely to have recent, first-hand experience with care. Just over half of NSW sicker adults (52%) report having a ***'medical home'*** where four key aspects of care were all met:

- a regular doctor or GP practice
- who knows them
- is accessible and
- helps coordinate care.



Sicker adults in NSW who have a ***'medical home'*** were more likely to be able to get care in the evening, weekends or holidays without going to the emergency department.

In terms of efficiency, the report found that overall NSW gets value for its healthcare dollar – no country surveyed spent less per person and had better health. However for many in the state, cost is a barrier to care.

Only the US had a higher percentage of sicker adults who reported cost as a barrier to accessing doctors, medicines, tests and treatment.

While no public patient in NSW incurs out-of-pocket costs for hospitalisation, 42% of NSW sicker adults reported that they and their family had spent more than $1,000 out-of-pocket on medical care – a higher percentage than in nine countries.

The report found the state has made significant health gains in recent years. At the same time, our reports have identified where NSW needs to do better and points to countries from which it can learn. Learning from successes and focusing attention on areas for improvement are critically important in the quest to deliver high-quality, safe healthcare services to the people of NSW when they need them.

Insights Series

Chronic Disease Care: Another piece of the picture

The Bureau's second report on chronic obstructive pulmonary disease (COPD) and congestive heart failure (CHF), was the result of joint project with the Agency for Clinical Innovation, with project funding from NSW Treasury. Released in May 2012, the report includes information on hospitalisations, readmissions and high-frequency users of hospital services among patients with these conditions during 2009–10.

The study was focused on a group of 71,700 adults known to have COPD or CHF. Half of these people were hospitalised in 2009–10 but only a small proportion were hospitalised specifically for the chronic condition (17% for COPD and 7% for CHF).

Altogether, adults with COPD or CHF spent more than half a million days in a NSW hospital bed, representing 8% of the total number of hospital bed days in 2009–10.

Hospital usage specifically for COPD and CHF was concentrated in a very small number of people. The report found that 4% of adults with COPD accounted for nearly two thirds of bed days used primarily to treat this condition. For CHF, 2% of adults accounted for almost half of the bed days used.

The rate of unplanned readmission within one month of discharge was 13% for COPD and 9% for CHF. Unplanned readmission rates vary across public hospitals. Hospitals with the highest rates were about three times as high as hospitals with the lowest rates.

The Insights Series

Patient Care Experiences: Outpatient services in NSW public hospitals

In this report, the Bureau describes what people said about outpatient services in NSW public hospitals so that healthcare staff can improve care.

When people are asked what they want to know about the performance of their public hospitals, information about patient care experiences is a high priority.

The Bureau used data from the outpatient care module of the NSW Health Patient Survey 2010 to report on patient ratings of outpatient services and to provide insights into what matters most to patients. Outpatients are patients who visit hospital but are not admitted.

Questionnaires were sent to a random sample of patients who received care at outpatient services in NSW public hospitals during February 2010. More than 7,000 people completed the survey of about 80 questions.

The information in the survey responses is used to answer three questions:

1) What are overall ratings of outpatient services and how do hospitals compare?

Overall ratings of outpatient services are mostly positive. NSW public hospitals that received the highest or lowest overall ratings of outpatient services were found across the state. No single geographical area contained a majority of hospitals that received the highest or lowest ratings.

2) What matters most to people who receive outpatient services?

Across NSW, the completeness of outpatient services (receiving comprehensive care) mattered most to outpatients. Also, staff teamwork and the courtesy of both healthcare professionals and reception staff also contributed strongly to how people rated their overall care.

3) What experiences or issues do outpatients rate the highest or lowest?

Examples of the aspects of care rated highest by outpatients in February 2010 included staff doing everything they could to make the necessary arrangements for future visits and treating patients with respect and dignity.

Examples of the aspects of care rated lowest by outpatients in February 2010 included the availability of parking and being given a reason for any delays to the start of the appointment.

Supporting documents

The Bureau produces a number of supporting documents for its reports. These documents are used to assist with understanding and interpreting the reports or provide transparency on the measurement methods used within the reports.

Technical Supplements describe the methods and technical terms used to compute descriptive statistics and performance indicators used in reports.

Data Quality Assessments review the quality and completeness of the data or electronic information systems used in the production of the Bureau's reports and, from time to time, identify changes that could improve data quality.

Background Paper highlights changes in how the Bureau chooses measurements for its reports. These changes were undertaken as part of the Bureau's ongoing monitoring.

How to Interpret assists with understanding the findings and key terms in *Hospital Quarterly*.

At a Glance provides a succinct and clear overview of the main findings and key elements of the report.

Reports in practice

The Bureau has received positive responses to its reports, which provide assurance that the work being produced is both high quality and valuable to a range of stakeholders.

Feedback has come from a diversity of areas including clinicians, academics and health associations across NSW, interstate and overseas. The following is a sample of the feedback the Bureau received about its reports:

"As a long time watcher of data and reports in the health sector in many nations, I thought that this report (Healthcare in Focus 2010) *is one of the clearest, most relevant and honest assessments that I have seen. I look forward to later reports that locate NSW in the international comparisons"*

"Having just finished the (Bureau's) teleconference, I thought I would mention how much I appreciated the efficiency and brevity of the BHI briefings. The lack of questions at the end reflects how well you communicate what needs to be communicated".

The Bureau conducted a survey of key external stakeholders and its staff as an assessment of its performance after two years in existence. Below is a sample of some of the comments made by external stakeholders:

"BHI made excellent choices in relation to the subjects and form of its first few major reports, e.g. analysis of patient survey data."

"BHI has truly provided a dimension of impartiality, independence, intellectual rigour to data analysis and reflects what a health system as large and complex as NSW needs."

"Consumer groups welcome the information from BHI. What is working well and where there are problems is very useful."

People and governance

Our Board

As an independent, board governed statutory health corporation, the Bureau has adopted appropriate practices to achieve its strategic direction, monitor financial performance and service delivery, maintain high standards of professional and ethical conduct, establish sound audit and risk management practices, and involve stakeholders in decisions that affect them.

A copy of the Bureau's *Corporate Government Attestation Statement* can be found as Appendix 1 or on the Bureau's website www.bhi.com.au

The Board comprises an experienced, skilled and diverse cross-section of people to govern the activities of the organisation.

For the financial year, the Board appointed by the Minister for Health, consisted of the Chairperson, five members and the Chief Executive as an ex-officio member. The Board met six times during this period and held two Special Meetings.

Professor Bruce Armstrong AM
Chairperson

Professor Bruce Armstrong is a Professor of Public Health at the Sydney School of Public Health, University of Sydney. Among other things, he has been the Director of the Australian Institute of Health and Welfare, Deputy Director of the International Agency for Research on Cancer and the Commissioner of Health in Western Australia.

Professor Armstrong is an internationally pre-eminent cancer epidemiologist, acknowledged as a passionate, inspiring leader in cancer research and management. He is an international expert on the causes of skin cancer and melanoma and has made important contributions to knowledge on the causes and control of other cancers, high blood pressure and heart disease. His present major research interests are in the genetic and environmental epidemiology of cancer and the quality and performance of cancer services. He received the inaugural NSW Premier's Award for Cancer Researcher of the Year in 2006.

Members

Mr Andrew Goodsall

Mr Andrew Goodsall is the Head of Healthcare Research with financial services firm UBS Australia. He has worked as a healthcare analyst since 1999 leading the top-rated team in the area of healthcare equities research. Prior to this, Mr Goodsall was chief of staff to a health minister with the Victorian Government, providing advice on 120 public hospitals, episodic funding, medical research funding and privatisation programs (hospital and pathology).

Mr Goodsall holds a Master of Business Administration, a Bachelor of Arts (Hons) and a Graduate Diploma (Asian Studies) and is a Director of the Australian Institute of Policy and Science.

Professor Jane Hall

Professor Jane Hall is the founding Director of the Centre for Health Economics Research and Evaluation (CHERE) and Professor of Health Economics in the Faculty of Business at the University of Technology, Sydney.

Professor Hall is a past president of the International Health Economics Association (iHEA) and the Health Services Research Association of Australia and New Zealand (HSRAANZ). In 2005 she was elected a Fellow of the Academy of Social Sciences in Australia. Professor Hall was recently a member of the Medical Services Advisory Committee which advises the Minister for Health and Ageing on the funding of new medical technologies in Australia. She has represented Australia on many international health policy forums, is actively involved in policy analysis and critique, and is a regular commentator on health funding and organisational issues in Australia. Among her current research are studies of unpaid health care and of the nursing workforce.

Professor Mohamed Khadra

Professor Mohamed Khadra is a Professor of Surgery at the University of Sydney, a consultant Urologist and Associate Dean for Information Technology for the Sydney Medical School. He is a Fellow of the Royal Australasian College of Surgeons and his urological training was at the Royal Prince Alfred Hospital where he was appointed to the Gordon Craig Fellowship. Professor Khadra has received the inaugural Bruce Pearson Fellowship, the Alban Gee Prize and the Noel Newton Medal in Surgery.

Professor Khadra has held positions as the Inaugural Chair of Surgery at the Australian National University, Pro Vice Chancellor for Health, Design and Science at the University of Canberra, and Professor and Head of the School of Rural Health at the University of NSW. He has published research articles in the field of urology and education and authored three books about compassion and the patient journey. He has also been co-author with David WIlliamson for a play about end of life issues *At any cost?*

Mrs Liz Rummery AM

Mrs Liz Rummery has extensive experience in health as Chair of the Northern Rivers Area Health Service Board until 2004, as a former Director of Catholic Health Care Limited and currently as a Director of HCF. Mrs Rummery has also held the position of Deputy Chancellor at Southern Cross University and has retired from legal practice after thirty years specialising in Property and Commercial Law.

Mrs Rummery was awarded a Member of the Order of Australia (AM) for services to health and education, and was granted an Honorary Doctorate from Southern Cross University.

Ms Sue West

Ms Sue West, former NSW Senator in the Federal Parliament, has an extensive career in nursing having worked at Royal Prince Alfred Hospital, and Canberra and Cootamundra / Gundagai community sectors. Ms West is a Member of the NSW College of Nursing and Royal College of Nursing Australia.

Ms West entered the Senate in 1987 and was elected to the Australian Senate in 1990 and 1996, where she held many parliamentary positions including the Community Affairs Committee, and Temporary Chairman of Committees. Ms West was Deputy President and Chair of Committees from 1997 – 2002.

Retiring from the Senate, Ms West joined the Mid West Area Health Service Board and the Greater Western Area Health Service Advisory Council and is a member of the Ministerial Hearing Advisory Committee and is Chair of Anglicare, Western NSW. Ms West represents health interests on the Regional Communities Consultative Committee and is on the Community Advisory Committee of the Centre for Rural and Remote Mental Health.

Her particular interests are in Rural Health, Primary Health Care and Quality and Standards of Care.

Ms Kim Browne

Acting Chief Executive

Kim Browne is currently the Acting Chief Executive of the Bureau of Health Information. Ms Browne joined the Bureau in 2011 as Deputy Chief Executive. Ms Browne has more than 20 years experience in the NSW health system, most recently as Director of Population Health, Planning and Performance for Hunter New England Health. Ms Browne has held senior positions covering a broad range of portfolios in the far west, mid north and north coast of NSW and is a passionate advocate for quality data and information contributing to the improvement of health services.

Ms Browne has a Master of Public Health, Postgraduate Diploma in Continuing Education and Bachelor of Arts (Communication) and is an Associate Fellow of the Australian College of Health Service.

Table 1: Terms of appointment

Board members	Term of appointment		
Professor Bruce Armstrong AM	chairperson	1 September 2009 to 31 August 2013	4 year term
Mr Andrew Goodsall	member	6 February 2012 to 31 August 2015	3½ year term
Professor Jane Hall	member	1 September 2009 to 31 August 2013	4 year term
Professor Mohamed Khadra	member	6 February 2012 to 31 August 2015	3½ term
Mrs Liz Rummery AM	member	1 September 2009 to 31 August 2013	4 year term
Ms Sue West	member	1 September 2009 to 31 August 2013	4 year term
Dr Diane Watson†	ex-officio officer	Resigned as CE effective 31 May 2012	
Ms Kim Browne	ex-officio officer	Acting Chief Executive from 1 February 2012	

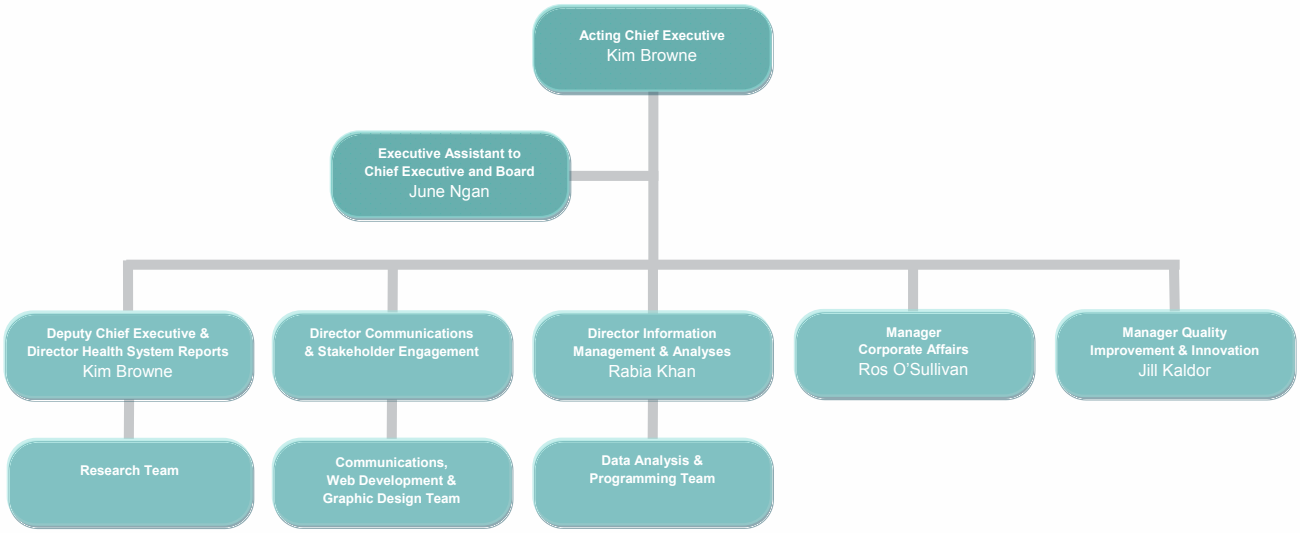
(†) On secondment to National Health Performance Authority from 1 February 2012, resigned as Chief Executive of the Bureau of Health Information as of 31 May 2012.

Table 2: Board meeting attendance 2011–12

Board members	22 Jul 2011*	5 Sep 2011	18 Oct 2011	8 Dec 2011	12 Jan 2012*	16 Feb 2012	20 Apr 2012	18 Jun 2012
Professor Bruce Armstrong AM	absent	✓	✓	✓	✓	✓	✓	✓
Mr Andrew Goodsall#	n/a	n/a	n/a	n/a	n/a	n/a	✓	✓
Professor Jane Hall	✓	absent	✓	✓	✓	✓	✓	absent
Professor Mohamed Khadra#	n/a	n/a	n/a	n/a	n/a	n/a	✓	✓
Mrs Liz Rummery AM	✓	✓	✓	✓	✓	✓	✓	✓
Ms Sue West	✓	✓	✓	✓	✓	✓	✓	✓
Dr Diane Watson†	absent	✓	✓	✓	✓	✓	✓	n/a
Ms Kim Browne	✓	n/a	n/a	n/a	n/a	✓	✓	✓

(*) Denotes a Special Meeting of the Board.
(#) Appointment to the Board commenced 6 February 2012.
(†) On secondment to National Health Performance Authority from 1 February 2012, resigned as Chief Executive of the Bureau of Health Information as of 31 May 2012.

Bureau of Health Information organisational chart



Staffing overview

Since the establishment of the Bureau in 2009, our staffing levels have continued to grow to meet increased activity within the organisation. It is because of the dedication of our highly performing and talented team that the Bureau is able to continue to meet our objective of providing timely, accurate and comparable information on the NSW Health system.

Table 3: Staffing levels

	2009 – 2010			2010 – 2011			2011 – 2012		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
HES	1	0	1	2	0	2	2	0	2
HSM	3	1	4	7.5	2	9.5	10.2	4	14.2
Total staff members	4	1	5	9.5	2	11.5	12.2	4	16.2

Figures outlined in this table reflect employment as a FTE and excludes temporary staff / contractors / consultants.

Statutory and policy compliance

Equal employment opportunity

The Bureau has a strong commitment to equal employment opportunity and recruits and employs staff on the basis of merit. The Bureau has a diverse workforce and a culture where people are treated with respect. See Table 4 for the EEO breakdown for staff of the Bureau.

Disability action plan

The Bureau is committed to achieving the outcomes for people with a disability as set out in the *NSW State Plan* and *Guidelines for Disability Action Planning* by NSW Government agencies. The overall aim is to ensure that people with a disability are able to access the Bureau's services and jobs on an equitable basis. The Bureau's offices are accessible via ramps and lifts, and in close proximity to the railway station which has access for the disabled.

Multicultural policies and services program

The Bureau fully supports the principles of multiculturalism outlined in the *Community Relations Commission and Principles of Multiculturalism Act 2000* and the principles outlined in the white paper *Cultural Harmony the Next Decade 2002–2012*. In accordance with statutory requirements, the Bureau recognises and values the different linguistic, religious, racial and ethnic backgrounds of the people of NSW. It promotes the equal rights and responsibilities of all the people within a cohesive and harmonious multicultural society in which diversity is regarded as a strength and an asset, individuals share a commitment to Australia, and English is the common language.

Wellness and wellbeing activites

Throughout 2012, the Bureau held a number of social activities organised for staff including afternoon teas and team lunches. Several staff members took out memberships at the local gym and participated in a regular lunchtime walking group. A number of staff took part in the 2011 City to Surf fun run.

The Bureau provides access to an Employee Assistance Program for staff and their immediate families. The program provides confidential counselling and support, and is not limited to work related issues.

Table 4: Equal employment opportunity breakdown of Bureau staff

EEO Group	Target	Percentage of total staff		
		2009 – 2010	2010 – 2011	2011 – 2012
Women	50%	n/a	69.23%	76.19%
Aboriginal and Torres Strait Islander	2.6%	n/a	0%	0%
People whose first language is not English	19%	n/a	0%	4.5%
People with a disability	12%	n/a	0%	0%
People with a disability requiring work-related adjustment	7%	n/a	0%	0%

Flu vaccinations were offered to all staff with the majority of staff participating in the program. Hand sanitisers and antibacterial wipes were made available for staff, to deter the transfer of flu symptoms during the winter months.

Work health and safety

The Bureau implemented the new legislation for *Work Health and Safety Act 2011* and *Work Health and Safety Regulation 2011* within the workplace. The Bureau is committed to the health, safety and welfare of all its employees. The following health and safety initiatives were implemented during 2011–12:

- Reporting of workplace health and safety risks as a standing item on all staff meeting agendas.
- Emergency training sessions were held for the Bureau's nominated fire wardens.
- Floor plans were maintained to help staff find emergency exits, the early warning intercom system and fire fighting equipment. A new emergency buddy system was implemented to support efficient building evacuation.
- Information was provided about the location of the first aid kit and access to a certified first aid officer for the floor. Additional staff volunteered for first aid training.
- Job demands checklists have been completed for every Bureau position in consultation with all staff. New staff members complete this checklist during their induction.
- Hazardous Substances Material Safety Data Sheets for the photocopier toner and inks and the white board cleaner are accessible to all staff.
- Staff were encouraged to identify if they required equipment to reduce the risk of ergonomic injury. Items purchased for staff include back supports, wrist gel mouse pad supports, ergonomic keyboards and mouses and document holders. A workplace safety consultant is on hand to discuss ergonomic requirements with staff.
- Bureau staff are provided with an annual review and update, in addition to induction at time of employment, on the Bureau's local emergency response plans and procedures.
- A regular weekly meeting was redesigned so that all staff were required to stand rather than sit. This had two functions, one to reduce the associated health risks of long term sedentary occupation and, secondly, by encouraging an efficient coverage of agenda items.
- A workplace health and safety self-assessment document was completed by any staff who had the requirement to work from home, to ensure standards are met when staff work off-site.
- As staff numbers have increased, additional workspace has been identified and made available to ensure adequate room is available.

Environmental sustainability

The Bureau has raised staff awareness of environmental sustainability and how staff can assist the NSW Government's commitment to being carbon neutral by 2020. The Bureau has incorporated environmental policy in its workplace. Some examples include office space with good natural lighting, PCs with timed shut down, recycling of waste paper and cardboard, recycling of toner cartridges, use of double sided printing and using online purchase requisitions instead of paper.

Government Information (Public Access) Act 2009

The Government Information (Public Access) Act 2009 (GIPA Act) requires the Bureau to make certain government information publicly available. This information is called *'open access information'* or *'mandatory release information'*. It must be published on the Bureau's website, unless to do so would impose unreasonable additional costs. It can also be made available in any other way. At least one of the ways in which the Bureau makes open access information publicly available must be free of charge.

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

The Bureau's program for the proactive release of information involves the public release of NSW public hospital and healthcare performance reports, technical supplements, media announcements, Board membership and management updates, and its Strategic Plan.

During the reporting period, we reviewed this program by examining appropriate healthcare indicators based on feedback received from external stakeholders and research conducted by the Bureau. This feedback was considered when developing the content of the Bureau's reports and website.

As a result of this review, we released the following information proactively: four *Hospital Quarterly* reports and technical supplements; two *Insights Series* reports on *Patient Care Experiences* and *Chronic Disease Care* and technical supplements; *Healthcare in Focus* report and technical supplements; the *Annual Report 2010–11*; and the *Corporate Governance Statement 2010–11*. Media announcements were issued for these reports and an announcement was published about the Bureau's Chief Executive accepting a role with the National Health Performance Authority.

The Bureau regularly uploads information on its website that may be of interest to the public. For the period 1 July 2011 to 30 June 2012, the Bureau received no applications for information made under the GIPA Act.

Tables outlining the breakdown of information requests can be found as Appendix 2.

Legal change

There were no legal changes that affected the Bureau's statutory compliance in 2011–12. The Bureau did not engage in any legal services or the services of any law firm or legal counsel in 2011–12.

The Bureau has acknowledged within its operational management the requirements of new legislation for the *Work and Health Safety Act 2011*, the *Work Health and Safety Regulation 2011* and the *Public Interest Disclosures Regulation 2011*.

Financial statements: Understanding our financials

What do our financial statements show?

Our financial statements provide an insight into the Bureau of Health Information's financial health by showing:

- How the Bureau performed during the year
- The ability of the Bureau to pay its debts.

Why do we have two sets of financial statements?

The Bureau of Health Information has two sets of financial statements, namely:

- The Bureau of Health Information Parent and Consolidated
- Special Purpose Entity.

The Special Purpose Service Entity is a controlled entity of the Bureau of Health Information. It was set up to provide personnel services to the Bureau. This was established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002*. All employee related expenses and liabilities are assumed by the Special Purpose Service Entity.

What is in the financial statements?

The financial statements of the Bureau consist of the following explanatory notes to support the financial statements. It also includes an endorsement statement by the Board and CEO of the Bureau of Health Information, and an Independent Auditor's Report issued by the Auditor General of NSW.

Included in the statements are:

- Statement of Comprehensive Income – This lists the sources of revenue, and the operating costs from our day to day running of the Bureau. This does not include costs of asset purchases; however it does include the depreciation of asset expenses.
- Statement of Financial Position – This shows the value of the assets that we hold, as well as the liabilities or claims against these assets. These are expressed as current or non-current. Current means these are assets or liabilities that will be expected to be paid or converted into cash within the next 12 months.
- Statement of Changes in Equity – This statement summarises the change in the Bureau of Health Information's net worth. Changes to our net worth occur mainly as a result of a Surplus or Deficit recorded in the Statement of Comprehensive Income. A change may also occur in net worth due to the revaluation of assets that results in the increased value of non-current assets.
- Statement of Cash Flows – This statement summarises our cash receipts and payments for the financial year and shows the net increase or decrease in cash held by the Bureau of Health Information. This statement is prepared on a *'cash'* basis; whereas the operating statement is prepared on an accrual basis which includes basis which includes money not yet paid or spent.

Parent and Consolidated Financial Statements

Independent Auditor's Report (Page 1 of 2)

INDEPENDENT AUDITOR'S REPORT

Bureau of Health Information

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Bureau of Health Information (the Bureau), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Bureau and the consolidated entity. The consolidated entity comprises the Bureau and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Bureau and the consolidated entity, as at 30 June 2012, and of the financial performance and the cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion does not extend to the budget information. I have not audited the budget figures disclosed in the statement of comprehensive income, statement of financial position and statement of cash flows.

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

The Board's Responsibility for the Financial Statements

The Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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Independent Auditor's Report (Page 1 of 2)

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

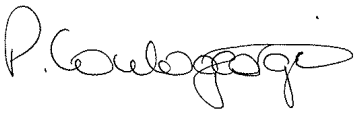
My opinion does *not* provide assurance:

- about the future viability of the Bureau or the consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of their internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

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



Peter Coulogeorgiou
Director, Financial Audit Services

12 October 2012
SYDNEY

Certification of Parent and Consolidated Financial Statements as at 30 June 2012

Bureau of Health Information

Bureau of Health Information
Certification of the Parent / Consolidated Financial Statements for the year ended 30 June 2012

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, I state that in my opinion:

(i) The financial statements have been prepared in accordance with:

- Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010* and the Treasurer's Directions

(ii) The financial statements exhibit a true and fair view of the financial position and the financial performance of the Bureau of Health Information: and

(iii) There are no circumstances which would render any particulars in the accounts to be misleading or inaccurate.

I further state the financial statements have been prepared in accordance with the NSW Ministry of Health's Accounts and Audit Determination for Public Health Organisations.

Norman Smith	**Kim Browne**	**Professor Bruce Armstrong AM**
Chief Finance Officer	A/Chief Executive Officer	Chairman, Bureau of Health Information
10 October 2012	10 October 2012	10 October 2012

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Table 1: Statement of comprehensive income for the year ended 30 June 2012

	Notes#	Parent			Consolidation		
		Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 30 June 2011 ($000)	Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 30 June 2011 ($000)
Expenses excluding losses							
Operating expenses							
Employee related	3	0	0	0	2,125	2,225	1,701
Personnel services	4	2,125	2,225	1,701	0	0	0
Other operating expenses	5	774	844	780	774	844	780
Depreciation and amortisation	2(h), 6	10	26	8	10	26	8
Total **expenses excluding losses**		2,909	3,095	2,489	2,909	3,095	2,489
Revenue							
NSW Ministry of Health recurrent allocations	2(d), 19	2,698	2,715	2,263	2,698	2,715	2,263
Acceptance by the Crown Entity of employee benefits	2(a)(ii),8	0	0	0	136	131	1
Interest revenue	7	23	0	26	23	0	26
Grants and contributions	9	136	131	1	0	0	0
Total **revenue**		2,857	2,846	2,290	2,857	2,846	2,290
Net **result**	19	(52)	(249)	(199)	(52)	(249)	(199)
Total **comprehensive income**	19	(52)	(249)	(199)	(52)	(249)	(199)

(#) The accompanying notes form part of these financial statements.

Table 2: Statement of financial position as at 30 June 2012

	Notes#	Parent			Consolidation		
		Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 2011 ($000)	Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 2011 ($000)
Assets							
Current assets							
Cash and cash equivalents	11	454	205	312	454	205	312
Receivables	12	152	105	105	152	105	105
Total **current assets**		606	310	417	606	310	417
Non-current assets							
Property, plant and equipment							
- Leasehold improvements	13	94	62	72	94	62	72
- Plant and equipment	13	28	0	0	28	0	0
Total **property, plant and equipment**		122	62	72	122	62	72
Total **non-current assets**		122	62	72	122	62	72
Total **assets**		728	372	489	728	372	489
Liabilities							
Current liabilities							
Payables	14	433	364	270	433	364	270
Provisions	15	208	118	82	208	118	82
Total **current liabilities**		641	482	352	641	482	352
Non-current liabilities							
Provisions	15	2	2	0	2	2	0
Total **non-current liabilities**		2	2	0	2	2	0
Total **liabilities**		643	484	352	643	484	352
Net **assets**		85	(112)	137	85	(112)	137
Equity							
Accumulated funds		85	(112)	137	85	(112)	137
Total **equity**		85	(112)	137	85	(112)	137

(#) The accompanying notes form part of these financial statements.

Table 3: Statement of changes in equity for the year ended 30 June 2012

	Notes[#]	Accumulated funds ($000)	Total ($000)
Balance at 1 July 2011		137	137
Restated total equity at 1 July 2011		137	137
Net result for the year		(52)	(52)
Total comprehensive income for the year		(52)	(52)
Balance at 30 June 2012		85	85
Balance at 1 July 2010		327	327
Net result for the year		(199)	(199)
Total comprehensive income for the year		(199)	(199)
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers		9	9
Balance at 30 June 2011		137	137

(#) The accompanying notes form part of these financial statements.

Table 4: Statement of cash flows for the year ended 30 June 2012

	Notes[#]	Parent			Consolidation		
		Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 30 June 2011 ($000)	Actual 2012 ($000)	Budget (unaudited) 2012 ($000)	Actual 30 June 2011 ($000)
Cash flows from operating activities							
Payments							
Employee related		0	0	0	(2,008)	(2,223)	(1,620)
Other		(2,715)	(3,150)	(2,595)	(707)	(927)	(975)
Total **payments**		(2,715)	(3,150)	(2,595)	(2,715)	(3,150)	(2,595)
Receipts							
NSW Ministry of Health recurrent allocations		2,698	2,715	2,263	2,698	2,715	2,263
Cash reimbursements from the Crown Entity		0	0	0	136	131	0
Sale of goods and services		(32)	(76)	(75)	(32)	(76)	(75)
Interest revenue		23	0	26	23	0	26
Grants and contributions		136	131	0	0	0	0
Other		92	0	0	92	0	0
Total **receipts**		2,917	2,770	2,214	2,917	2,770	2,214
Net **cash flows from operating activities**	17	202	(380)	(381)	202	(380)	(381)
Cash flows from investing activities							
Proceeds from sale of land and buildings, plant and equipment		0	0	0	0	0	0
Purchases of land and buildings, plant and equipment		0	0	0	0	0	0
Infrastructure systems and intangibles		(60)	18	0	(60)	18	0
Net **cash flows from investing activities**		(60)	18	0	(60)	18	0
Net **increase / (decrease) in cash**		142	(362)	(381)	142	(362)	(381)
Opening cash and cash equivalents		312	567	693	312	567	693
Closing **cash and cash equivalents**	11	454	205	312	454	205	312

(#) The accompanying notes form part of these financial statements.

Bureau of Health Information

Notes to and forming part of the Financial Statements for the year ended 30 June 2012

Note 1: The Bureau of Health Information Reporting Entity

The Bureau of Health Information (the Bureau) was established under the provisions of the *Health Services Act 1997* with effect from 1 September 2009.

The parent entity, comprises all the operating activities of the Bureau under its control.

The Bureau controls the Bureau of Health Information Special Purpose Service Entity which was established as a Division of the Government Service on 1 September 2009 in accordance with the *Public Sector Employment and Management Act 2002* and the *Health Services Act 1997*. These Divisions provide personnel services to enable a Bureau to exercise its functions.

As a consequence the values in the annual financial statements presented herein consist of the parent entity and the consolidated entity which comprises the parent and special purpose service division. In the process of preparing the consolidated financial statements consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The reporting entity is a NSW Government entity which is consolidated as part of the NSW Ministry of Health and NSW Total State Sector Accounts. The Bureau is a not-for-profit entity (as profit is not its principal objective).

These consolidated financial statements for the year ended 30 June 2012 have been authorised for issue by the Board on 10 October 2012.

Note 2: Summary of significant accounting policies

Basis of preparation

The Bureau's financial statements are general purpose financial statements which have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Health Services Act 1997* and its regulations (including observation of the Accounts and Audit Determination for Public Health Organisations), the *Public Finance and Audit Act 1983* and its regulations, and the Treasurers' Direction. Apart for the basis for the Bureau's budget figures, the financial statements comply with the Financial Reporting Code for NSW General Government Sector Entities. Further information on the budget figures can be found at Note 2(n).

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets at ***'fair value through profit and loss'*** and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Judgments, key assumptions and estimations made by management are disclosed in the relevant notes to the financial statements.

Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements. The comparative period is a twelve month period.

Statement of compliance

The financial statements comply with Australian Accounting Standards which include Australian Accounting Interpretations.

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

2(a): Employee benefits and other provisions

2(a.i): Salaries and wages, annual leave, sick leave and on-costs

At the consolidated level of reporting, liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months after the end of the period in which the employees render the service are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

All annual leave employee benefits are reported as *'current'* as there is an unconditional right to payment. Current liabilities are then further classified as *'short term'* or *'long term'* based on past trends and known resignations and retirements. Anticipated payments to be made in the next twelve months are reported as *'short term'*.

On-costs of 17.8% are applied to the value of leave payable at 30 June 2012, such on-costs being based on actuarial assessment (comparable on-costs for 30 June 2011 were also 17%).

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

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

2(a.ii) Long service leave and superannuation

The Bureau's liability for long service leave and defined benefit superannuation are assumed by the Crown Entity.

The Bureau accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item.

Specific on-costs relating to long service leave assumed by the Crown Entity are borne by the Bureau as shown in Note 14.

Long service leave is measured at present value in accordance with AASB119, *Employee Benefits*. This is based on the application of certain factors (specified in NSW Treasury Circular 12 / 06) to employees with five or more years of service, using current rates of pay. These approximate present value.

The Bureau's liability for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity.

The Bureau accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as *'Acceptance by the Crown Entity of Employee Benefits'*.

Any liability attached to Superannuation Guarantee Charge cover is reported in Note 14, *'Payables'*.

The superannuation expense for the reporting period is determined by using the formulae specified by the NSW Treasury. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

2(a.iii) Other provisions

Other provisions exist when Bureau has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

2(b) Insurance

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

2(c) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector agencies.

2(d) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

Rendering of services
Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

Investment revenue
Interest revenue is recognised using the effective interest method as set out in AASB139, *Financial Instruments: Recognition and Measurement*.

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

NSW Ministry of Health allocations
Payments are made by the NSW Ministry of Health on the basis of the allocation for the Bureau as adjusted for approved supplementations mostly for salary agreements and approved enhancement projects.

This allocation is included in the Statement of Comprehensive Income before arriving at the *'net result'* on the basis that the allocation is earned in return for the health services provided on behalf of the Ministry. Allocations are normally recognised upon the receipt of cash.

2(e) Accounting for the Goods and Services Tax (GST)

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

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

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

2(f) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Bureau.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition (See also assets transferred as a result of an equity transfer Note 2(l)).

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

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

2(g) Capitalisation thresholds

Individual items of property, plant and equipment are capitalised where their cost is $10,000 or above.

2(h) Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Bureau. Land is not a depreciable asset. All material separately identifiable components of assets are depreciated over their shorter useful lives.

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

Buildings	2.5%
Motor vehicle sedans	12.5%
Furniture, fittings and furnishings	5.0%
Leasehold	over the term of the lease

Depreciation rates are subsequently varied where changes occur in the assessment of the remaining useful life of the assets reported.

2(i) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

2(j) Leased assets

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

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

Operating lease payments are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

2(k) Payables

These amounts represent liabilities for goods and services provided to the Bureau and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value.

Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Bureau.

2(l) Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies is designated or required by Accounting Standards to be treated as contributions by owners and is recognised as an adjustment to ***'accumulated funds'***. This treatment is consistent with AASB1004, *Contributions and Australian Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit entities and for-profit government entities are recognised at the amount at which the asset was recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the agency recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the agency does not recognise that asset.

2(m) Equity and reserves

2(m.i) Accumulated funds

The category *'accumulated funds'* includes all current and prior period retained funds.

2(n) Budgeted amounts

The budgeted amounts are drawn from the budgets agreed with the NSW Health Ministry at the beginning of the financial year and with any adjustments for the effects of additional supplementation provided. The budget amounts are not subject to audit review and, accordingly, the relevant column entries in the financial statements are denoted as *'unaudited'*.

2(o) New Australia Accounting Standards issued but not effective

No new or revised accounting standards or interpretations are adopted earlier than their prescribed date of application. It is not expected that changes to be effected from 1 July 2013 will have a material impact on the Entity.

	Parent		Consolidation	
	2012 ($000)	30 June 2011 ($000)	2012 ($000)	30 June 2011 ($000)
Note 3: Employee related				
Employee related expenses comprise the following:				
Salaries and wages	0	0	1,694	1,481
Overtime	0	0	4	0
Superannuation – defined benefit plans	0	0	4	0
Superannuation – defined contribution plans	0	0	121	89
Long service leave	0	0	171	7
Annual leave	0	0	79	103
Sick leave and other leave	0	0	45	12
Workers' compensation insurance	0	0	7	9
Total **employee related**	0	0	2,125	1,701
Note 4: Personnel services				
Personnel services comprise the purchase of the following:				
Salaries and wages	1,694	1,481	0	0
Overtime	4	0	0	0
Superannuation – defined benefit plans	4	0	0	0
Superannuation – defined contribution plans	121	89	0	0
Long service leave	171	7	0	0
Annual leave	79	103	0	0
Sick leave and other leave	45	12	0	0
Workers' compensation insurance	7	9	0	0
Total **personnel services**	2,125	1,701	0	0

	Notes	Parent 2012 ($000)	Parent 30 June 2011 ($000)	Consolidation 2012 ($000)	Consolidation 30 June 2011 ($000)
Note 5: Other operating expenses					
Domestic supplies and services		5	4	5	4
Food supplies		1	1	1	1
Fuel, light and power		4	5	4	5
General expenses (see (a) below)		344	270	344	270
Information management expenses		54	46	54	46
Insurance		1	0	1	0
Maintenance (see (b) below)					
Maintenance contracts		0	1	0	1
New / replacement equipment under $10,000		11	37	11	37
Repairs maintenance / non-contract		0	1	0	1
Motor vehicle expenses		4	0	4	0
Postal and telephone costs		1	12	1	12
Printing and stationery		47	134	47	134
Rental		77	60	77	60
Staff related costs		184	193	184	193
Travel related costs		41	16	41	16
Total **other operating expenses**		**774**	**780**	**774**	**780**
Note 5(a): General expenses include:					
Advertising		3	3	3	3
Auditor's remuneration – audit of financial statements		25	22	25	22
Auditor's remuneration – other services		21	0	21	0
Books, magazines and journals		1	1	1	1
Consultancies – operating activities		58	51	58	51
Corporate support services		108	92	108	92
Courier and freight		1	5	1	5
Data recording and storage		5	81	5	81
Membership / professional fees		1	2	1	2
Payroll services		1	1	1	1
Other		119	12	119	12
Total **general expenses**		**343**	**270**	**343**	**270**
Note 5(b): Reconciliation of total maintenance					
Maintenance expense – contracted labour and other (non-employee-related)	5	11	39	11	39
Total **maintenance expenses**	5	**11**	**39**	**11**	**39**

	Parent		Consolidation	
	2012 ($000)	30 June 2011 ($000)	2012 ($000)	30 June 2011 ($000)
Note 6: Depreciation and amortisation				
Amortisation – leasehold improvements	10	8	10	8
Total **amortisation of leasehold improvements**	10	8	10	8
Note 7: Interest revenue				
Interest	23	26	23	26
Total **interest revenue**	23	26	23	26
Note 8: Acceptance by the Crown Entity of employee benefits				
The following liabilities and expenses have been assumed by the Crown Entity:				
Superannuation – defined benefit	0	0	3	0
Long service leave	0	0	133	1
Total **employee benefits**	0	0	136	1
Note 9: Grants and contributions				
Personnel services – super defined benefit plans	3	0	0	0
Other grants	133	1	0	0
Total **grants and contributions**	136	1	0	0

Note 10: Service groups of the Bureau

Service group 6.1: Teaching and research

Service description:

This service group covers the provision of professional training for the needs of the New South Wales health system. It also includes strategic investment in research and development to improve the health and wellbeing of the people of New South Wales.

Objective:

This service group contributes to ensuring a fair and sustainable health system by working towards a range of intermediate results that include the following:

- developing the skills and knowledge of the health workforce to support patient care and population health and
- extending knowledge through scientific enquiry and applied research aimed at improving the health and wellbeing of the people of New South Wales.

	Parent		Consolidation	
	2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
Note 11: Cash and cash equivalents				
Cash at bank and on hand	454	312	454	312
Total **cash**	454	312	454	312
Cash & cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:				
Cash and cash equivalents (per Statement of Financial Position)	454	312	454	312
Closing **cash and cash equivalents** (per Statement of Cash Flows)	454	312	454	312

Note: Refer to **Note 20** for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

	Parent		Consolidation	
	2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
Note 12: Receivables				
Current				
Intra Health receivables	55	15	55	15
Goods and services tax	97	81	97	81
Other debtors	0	9	0	9
Subtotal	152	105	152	105
Total **receivables**	152	105	152	105

Note: Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired are disclosed in **Note 20**.

	Parent		Consolidation	
	2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
Note 13: Property, plant and equipment				
Leasehold improvements – fair value				
Gross carrying amount	112	80	112	80
Accumulated depreciation and impairment	(18)	(8)	(18)	(8)
Net carrying amount	94	72	94	72
Plant and equipment – fair value				
Gross carrying amount	28	0	28	0
Accumulated depreciation and impairment	0	0	0	0
Net carrying amount	28	0	28	0
Total property, plant and equipment at net carrying amount	122	72	122	72

	Parent and Consolidated					
	Leasehold improvements 2012 ($000)	Plant and equipment 2012 ($000)	Total 2012 ($000)	Leasehold improvements 2011 ($000)	Plant and equipment 2011 ($000)	Total 2011 ($000)
Note 13(2): Property, plant and equipment – reconciliation						
Net carrying amount at start of year / reporting period	72	0	72	80	0	80
Additions	32	28	60	0	0	0
Depreciation expense	(10)	0	(10)	(8)	0	(8)
Net carrying amount at end of year	94	28	122	72	0	72

	Parent		Consolidation	
	2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
Note 14: Payables				
Current				
Accrued salaries, wages and on-costs	0	0	65	27
Taxation and payroll deductions	0	0	2	15
Accrued liability – purchase of personnel services	67	42	0	0
Creditors	38	30	38	30
Other creditors				
– Intra Health liability	324	148	324	148
– Other	4	50	4	50
Total payables	433	270	433	270

Note: Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 20.

	Notes	Parent 2012 ($000)	Parent 2011 ($000)	Consolidation 2012 ($000)	Consolidation 2011 ($000)
Note 15: Provisions					
Annual leave – long term benefit		0	0	172	82
Long service leave on-costs		0	0	36	0
Provision for personnel services liability		208	82	0	0
Total **current provisions**		208	82	208	82
Non-current employee benefits and related on-costs					
Long service leave on-costs		0	0	2	0
Provision for personnel services liability		2	0	0	0
Total **non-current provisions**		2	0	2	0
Aggregate employee benefits and related on-costs					
Provisions – current		208	82	208	82
Provisions – non-current		2	0	2	0
Accrued salaries, wages and on-costs	14	0	0	67	42
Accrued liability – purchase of personnel services	14	67	42	0	0
Total **provisions**		277	124	277	124
Note 16: Commitments for expenditure					
(a) Operating lease commitments					
Commitments in relation to non-cancellable operating leases are payable as follows:					
Not later than one year		74	64	74	64
Later than one year and not later than five years		117	165	117	165
Later than five years		0	0	0	0
Total **operating lease commitments** (including GST)		191	229	191	229
The operating lease commitments above are for the lease of office space.					
Note 17: Reconciliation of net cash flows from operating activities to net result					
Net cash flows from operating activities		202	(381)	202	(381)
Depreciation		(10)	(8)	(10)	(8)
Decrease in provisions		(128)	(56)	(128)	(56)
Increase / (decrease) in prepayments and other assets		47	75	47	75
(Increase) / decrease in creditors		(163)	171	(163)	171
Net **result**		(52)	(199)	(52)	(199)

Note 18: Unclaimed monies

Unclaimed salaries and wages are paid to the credit of the NSW Treasury in accordance with the provisions of the *Industrial Relations Act, 1996*.

Note 19: Budget review – parent and consolidated

Net result

The net operating result in the Statement of Comprehensive Income is $197K favourable to budget and $52K unfavourable in actuals. The unfavourable result is related to the NSW Ministry of Health approving expenditure in the financial year of $250K more than the actual subsidy allocation for the financial year due to sufficient cash at bank. The Statement of Financial position for the end of the financial year is total equity of $85K. Notwithstanding that the Bureau has a working capital (liquidity) deficiency of $35K for the financial year, which includes significant portions of current annual leave entitlements that are not expected to be settled in the next 12 months, the financial statements of the Bureau have been prepared on a going concern basis. It is noted that the Bureau will continue to get assistance as required from the NSW Ministry of Health to meet its working capital (liquidity) requirements.

Note 19: **Assets and liabilities**	2012 ($000)
An over payment of cash subsidy has resulted in an increase in cash at bank by $185K	
Movements in the level of the NSW Ministry of Health Recurrent Allocation that have occurred since the time of the initial allocation on **1 July 2011** are as follows:	
Initial allocation (on 1 July 2011)	2,098
Award increases	38
Additional recurrent budget	530
SMRT – reporting system	49
Balance **as per Statement of Comprehensive Income**	2,715

Note 20: Financial instruments

The Bureau's principal financial instruments are outlined below. These financial instruments arise directly from the Bureau's operations or are required to finance its operations. The Bureau does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Bureau's main risks arising from financial instruments are outlined below, together with the Bureau's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risk faced by the Bureau, to set risk limits and controls and monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee / internal auditors on a regular basis.

			Parent		Consolidation	
			2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
Class	Category	Notes	Carrying amount		Carrying amount	
Note 20(a). Financial instrument categories						
Financial assets						
Cash and cash equivalents	N/A	11	454	312	454	312
Receivables	Loans and receivables (at amortised cost)	12[1]	55	24	55	24
Total **financial assets**			509	336	457	336
Financial liabilities						
Payables	Financial liabilities	14[2]	433	270	433	270
Total **financial liabilities**			433	270	433	270

1. Excludes statutory receivables and prepayments (ie not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (ie not within scope of AASB 7).

Note 20(b): Credit risk

Credit risk arises when there is the possibility of the Bureau's debtors defaulting on their contractual obligations, resulting in a financial loss to the Bureau. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from financial assets of the Bureau, including cash, receivables and authority deposits. No collateral is held by the Bureau. The Bureau has not granted any financial guarantees.

Credit risk associated with the Bureau's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW TCorp are guaranteed by the State.

Cash

Cash comprises cash on hand and bank balances deposited in accordance with *Public Authorities (Financial Arrangements) Act* approvals. Interest is earned on daily bank balances at rates of approximately 4.5% in 2011 / 12 compared to 5.7% in the previous year.

Receivables – trade debtors

The only financial assets that are past due or impaired are ***'sales of goods and services'*** in the ***'receivables'*** category of the Statement of Financial Position.

	Total[1,2]		2012 ($000)	2011 ($000)	2012 ($000)	2011 ($000)
	2012	2011	Past due but not impaired[1,2]		Considered impaired[1,2]	
Note 20(b): Receivables – trade debtors						
< 3 months overdue	0	0	0	0	0	0
3 months – 6 months overdue	0	0	0	0	0	0
> 6 months overdue	0	0	0	0	0	0

1. Each column in the table reports *'gross receivables'*.
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the *'total'* will not reconcile to the receivables total recognised in the statement of financial position.

20(c): Liquidity risk

Liquidity risk is the risk that the Bureau will be unable to meet its payment obligations when they fall due. The Bureau continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through effective management of cash, investments and liquid assets and liabilities.

The Bureau has negotiated no loan outside of arrangements with the NSW Ministry of Health or Treasury.

During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set by the NSW Ministry of Health. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

The table below summarises the maturity profile of the Bureau's financial liabilities together with the interest rate exposure.

Note 20(2): Maturity analysis and interest rate exposure of financial liabilities

		Interest rate exposure				Maturity dates		
	Weighted average effective int. rate	Nominal amount[1] ($000)	Fixed interest rate ($000)	Variable interest rate ($000)	Non-interest bearing ($000)	< 1 year ($000)	1–5 year ($000)	> 5 year ($000)
2012 Payables								
Accrued salaries, wages, on-costs and payroll deductions		67	0	0	67	67	0	0
Creditors		366	0	0	366	366	0	0
Total payables		433	0	0	433	433	0	0
2011 Payables								
Accrued salaries, wages, on-costs and payroll deductions		43	0	0	43	43	0	0
Creditors		227	0	0	227	227	0	0
Total payables		270	0	0	270	270	0	0

1. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Bureau can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement of Financial Position.

Note 20(d): Market Risk

Interest rate risk

Exposure to interest rate risk arises primarily through the Bureau's interest bearing liabilities.

However, Bureau are not permitted to borrow external to the NSW Ministry of Health (energy loans which are negotiated through Treasury excepted).

Both Treasury and NSW Ministry of Health loans are set at fixed rates and therefore are generally not affected by fluctuations in market rates.

The Bureau does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change of interest rates would not affect profit or loss or equity.

A reasonably possible change of +/-1% is used consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The Bureau's exposure to interest rate risk is set out below.

	2012 ($000)	2011 ($000)	2012 (-1%)		2012 (+1%)		2011 (-1%)		2011 (+1%)	
Class	Carrying amount		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
Note 20(d). Exposure to interest rate risk										
Financial assets										
Cash and cash equivalents	454	312	(5)	(5)	5	5	(3)	(3)	3	3
Receivables	55	24	0	0	0	0	0	0	0	0
Financial liabilities										
Payables	433	270	0	0	0	0	0	0	0	0

Note 21: Events after the reporting period

There are no significant issues that have arisen in preparation of the 30 June 2012 financial statements. In 2012–13, consistent with the revised Governance Framework of greater transparency and utility of health information, the Bureau of Health Information will have expanded responsibilities as the independent expert in analysing and reporting patient outcome information to the public and clinicians. The Bureau will also have a role in commissioning the NSW Patient Survey Program and the analysis and publication of results.

End of financial audited statements.

Special Purpose Service Entity Financial Statements

Independent Auditor's Report: Special Purpose Service Entity (Page 1 of 2)

INDEPENDENT AUDITOR'S REPORT

Bureau of Health Information Special Purpose Service Entity

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Bureau of Health Information Special Purpose Service Entity (the Entity), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Entity as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Board determines is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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Independent Auditor's Report: Special Purpose Service Entity (Page 2 of 2)

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

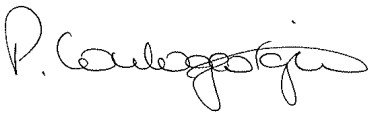
My opinion does *not* provide assurance:

- about the future viability of the Entity
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence by:

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



Peter Coulogeorgiou
Director, Financial Audit Services

12 October 2012
SYDNEY

Certification of Special Purpose Service Entity Financial Statements as at 30 June 2012

Bureau of Health Information

Bureau of Health Information
Certification of the Special Purpose Service Entity Financial Statements for the year ended 30 June 2012

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*, I state that in my opinion:

(i) The financial statements have been prepared in accordance with:

- Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010* and the Treasurer's Directions

(ii) The financial statements exhibit a true and fair view of the financial position and the financial performance of the Bureau of Health Information; and

(iii) There are no circumstances which would render any particulars in the accounts to be misleading or inaccurate.

I further state the financial statements have been prepared in accordance with the NSW Ministry of Health's Accounts and Audit Determination for Public Health Organisations.

Norman Smith	**Kim Browne**	**Professor Bruce Armstrong AM**
Chief Finance Officer	A/Chief Executive Officer	Chairman, Bureau of Health Information
10 October 2012	10 October 2012	10 October 2012

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Table 1: Statement of comprehensive income for the year ended 30 June 2012

	2012 ($000)	2011 ($000)
Income		
Personnel services	1,989	1,700
Acceptance by the Crown Entity of employee benefits	136	1
Total **income**	2,125	1,701
Expenses		
Salaries and wages	1,694	1,481
Overtime	4	0
Defined benefit superannuation	4	0
Defined contribution superannuation	121	89
Long service leave	171	7
Annual leave	79	103
Sick leave and other leave	45	12
Workers compensation insurance	7	9
Total **expenses**	2,125	1,701
Result **for the year**	0	0
Other **comprehensive income**	0	0
Total **comprehensive income for the year**	0	0

Note: The accompanying notes form part of these financial statements.

Table 2: Statement of financial position as at 30 June 2012

	Notes	2012 ($000)	2011 ($000)
Assets			
Current assets			
Receivables	2	277	125
Total **current assets**		277	125
Total **assets**		277	125
Liabilities			
Current liabilities			
Payables	3	67	43
Provisions	4	208	82
Total **current liabilities**		275	125
Non-current liabilities			
Long service leave on-costs	4	2	0
Total **non-current liabilities**		2	0
Total **liabilities**		277	125
Net **assets**		0	0
Equity			
Accumulated funds		0	0
Total **equity**		0	0

Note: The accompanying notes form part of these financial statements.

Table 3: Statement of changes in equity for the year ended 30 June 2012

	2012 ($000)	2011 ($000)
Equity		
Balance at 1 July 2011	0	0
Result for the year	0	0
Total **comprehensive income for the year**	0	0
Balance **at 30 June 2012**	0	0

Note: The accompanying notes form part of these financial statements.

Table 4: Statement of cash flows for the year ended 30 June 2012

	2012 ($000)	2011 ($000)
Cash flow		
Net cash flows from operating activities	0	0
Net cash flows from investing activities	0	0
Net cash flows from financing activities	0	0
Net increase / (decrease) in cash	0	0
Opening cash and cash equivalents	0	0
Closing cash and cash equivalents	0	0
The Bureau of Health Information (BHI) Special Purpose Service Entity does not hold any cash or cash equivalent assets and therefore there are nil cash flows.		

Note: The accompanying notes form part of these financial statements.

Note 1: Summary of significant accounting policies

1(a): Bureau of Health Information Special Purpose Service Entity

Bureau of Health Information Special Purpose Service Entity, ***'the Entity'***, is a Division of the NSW Health Service, established pursuant to section 116(4) of the *Health Services Act 1997*. It is a not-for-profit entity as profit is not its principal objective. The Entity is controlled by the Bureau of Health Information and it is also consolidated as part of the financial statements prepared for both the Ministry of Health and the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at Sydney.

The Entity's objective is to provide personnel services to the Bureau of Health Information.

The financial statements were authorised for issue by the Board on 10 October 2012.

1(b): Basis of preparation – statement of compliance

The Entity's financial statements are general purpose financial statements and have been prepared in accordance with applicable Australian Accounting Standards which include Australian Accounting Interpretations. The statements have been prepared in accordance with the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and Treasurer's Directions.

Generally, the historical cost basis of accounting has been adopted and the financial statements do not take into account changing money values or current valuations. However, certain provisions are measured at fair value. See note g.

The accrual basis of accounting has been adopted in the preparation of the financial statements, except for cash flow information. Management's judgements, key assumptions and estimates are disclosed in the relevant notes to the financial statements. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

1(c): Income

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

1(d): Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the income statement when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

1(e): De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the agency transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the Entity has not transferred substantially all the risks and rewards; or
- if the Entity has not retained control.

Where the Entity has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Entity's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

1(f): Payables

Payables include accrued wages, salaries and related on costs (such as payroll deduction liability, payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Entity.

1(g): Employee benefits

1(g.i): Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

All annual leave employee benefits are reported as *'current'* as there is an unconditional right to payment. Current liabilities are then classified as *'short term'* and *'long term'* based on past trends and known resignations and retirements. Anticipated payments to be made in the next 12 months are reported as *'short term'*. On-costs of 17.8% are applied to the value of leave payable at 30 June 2012, such on-costs being consistent with actuarial assessment (comparable on costs for 30 June 2011 were also 17%).

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

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential

to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

1(g.ii): Long service leave and superannuation

Responsibility for long service leave liability attached to employees of the Entity transferred to the Crown Entity with effect from 31 December 2010 and, therefore do not appear in the financial statements of the Entity. As is the case with other Budget Sector agencies both the Defined Benefit Superannuation (State Authorities Superannuation Scheme and State Superannuation Scheme) and long service leave liabilities are assumed by the Crown Entity.

Specific on-costs relating to long service leave assumed by the Crown Entity are borne by the Bureau as shown in Note 4.

Long Service Leave is measured at present value in accordance with AASB119, *Employee Benefits*. This is based on the application of certain factors (specified in NSW Treasury Circular 12 / 06) to employees with five or more years of service, using current rates of pay. These approximate present value.

The Entity's liability for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity. The Entity accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as *'Acceptance by the Crown Entity of employee benefits'*. Any liability attached to Superannuation Guarantee Charge cover is reported in Note 3, *'Payables'*.

The superannuation expense for the financial year is determined by using the formulae specified in the NSW Health Ministry Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and Superannuation Guarantee Charge) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

1(h): New Australian Accounting Standards issued but not effective

No new or revised accounting standards or interpretations are adopted earlier than their prescribed date of application. It is not expected that changes to be effected from 1 July 2013 will have a material impact on the Entity.

	Notes	2012 ($000)	2011 ($000)
Note 2. Receivables			
Current			
Accrued income – personnel services provided		277	125
Total **receivables**		277	125
Details regarding credit risks, liquidity risk and market risks are disclosed in:	5		
Note 3. Payables			
Current			
Accrued salaries and wages and on-costs		67	43
Total **payables**		67	43
Details regarding credit risks, liquidity risk and market risks are disclosed in:	5		
Note 4. Provisions			
Current employee benefits and related on-costs			
Annual leave – long term benefit		172	82
Long service leave – on-costs		36	0
Total **current provisions**		208	82
Non-current employee benefits and related on-costs			
Long service leave – on-costs		2	0
Total **non-current provisions**		2	0
Provisions – current		208	82
Provisions – non-current		2	0
Total **provisions**		210	82

Note 5: Financial instruments

Financial instruments arise directly from the Entity's operations or are required to finance its operations.

The Entity does not enter into or trade financial instruments, including derivative financial instruments for speculative purposes.

The Entity's main risks arising from financial instruments are outlined below, together with the Entity's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. The Entity carries minimal risks within its operation as it carries only the value of employee provisions and accrued salaries and wages offset in full by accounts receivable from the Parent Entity. Risk management policies are established by the Parent Entity to identify and analyse the risk faced by the Entity, to set risk limits and controls and monitor risks.

Compliance with policies is reviewed by the Audit Committee / Internal auditors of the Parent Entity on a basis.

Note 5(a): **Financial instrument categories**		Total carrying amounts as per the Statement of Financial Position	
		2012 ($000)	2011 ($000)
Financial assets			
Class	Category		
Receivables (note 2)[1]	Receivables measured at amortised cost	277	125
Total **financial assets**		277	125
Financial liabilities			
Class	Category		
Payables (note 3)[2]	Financial liabilities measured at amortised cost	67	43
Total **financial liabilities**		67	43

1. Excludes statutory receivables and pre-payments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

5(b): Credit risk

Credit risk arises when there is the possibility of the Entity's debtors defaulting on their contractual obligations, resulting in a financial loss to the Entity. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from financial assets of the Entity i.e. receivables. No collateral is held by the Entity nor has it granted any financial guarantees.

Receivables – trade debtors
Receivables are restricted to accrued income for personnel services provided and employee leave provisions and are recognised as amounts receivable at balance date. The parent entity of the Bureau of Health Information Special Purpose Service Entity is the sole debtor of the Entity and it is assessed that there is no risk of default. No accounts receivables are classified as *'Past Due but not impaired'* or *'Considered impaired'*.

5(c): Liquidity risk

Liquidity risk is the risk that the Entity will be unable to meet its payment obligations when they fall due. No such risk exists with the Entity not having any cash flows. All movements that occur in Payables are fully offset by an increase in Receivables from the Bureau of Health Information.

5(d): Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Entity's exposures to market risk are considered to be minimal and the Entity has no exposure to foreign currency risk and does not enter into commodity contracts.

Interest rate risk
Exposure to interest rate risk arises primarily through interest-bearing liabilities.

However the Entity has no such liabilities and the interest rate is assessed as Nil. Similarly it is considered that the Entity is not exposed to other price risks.

5(e): Fair value

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates fair value because of the short-term nature of the financial instruments.

Note 6: Related parties

The Bureau of Health Information is deemed to control the Bureau of Health Information Special Purpose Service Entity in accordance with Australian Accounting Standards. The controlling entity is incorporated under the *Health Services Act 1997*.

Transactions and balances in these financial statements relate only to the Entity's function as provider of personnel services to the controlling entity. The Entity's total income is sourced from the Bureau of Health Information. Cash receipts and payments are effected by the Bureau of Health Information on the Entity's behalf.

Note 7: Post balance date events

No matters have arisen subsequent to balance date that would require these financial statements to be amended. However, the revised Governance Framework, endorsed by the Minister for Health requires the dissolution of the three Health Reform Transitional Organisations, which operated in 2010 / 11 to oversight the establishment of Local Health Bureaus and provide specialty services. Under the revised framework the majority of staff will be assigned to Local Health Bureaus, although some statewide services, eg pathology will be established where it is sufficiently demonstrated that the service will result in improved quality and / or efficiency and the establishment of the service is also consistent with whole of NSW government policies.

End of audited financial statements.

Appendix 1: Corporate Government Attestation Statement

Bureau of Health Information

Corporate Governance Attestation Statement
Financial Year 2011–12

The following corporate governance attestation statement was endorsed by a resolution of the Bureau of Health Information Board at its meeting on 20 August 2012.

The Board is responsible for the corporate governance practices of the Bureau of Health Information. This statement sets out the main corporate governance practices in operation within the Bureau for the 2011–12 financial year.

A signed copy of this statement was provided to the Ministry of Health prior to 31 August 2012.

Professor Bruce Armstrong AM
Chairperson
20 August 2012

Kim Browne
A/Chief Executive
20 August 2012

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Establish robust governance and oversight frameworks

Role and function of the Board

The Board of the Bureau of Health Information (the Board) carries out its functions, responsibilities and obligations in accordance with the *Health Services Act 1997* and the determination of function for the Bureau as approved by the Minister for Health.

The Board has in place practices that ensure the primary governing responsibilities of the Board are fulfilled in relation to:

1) Ensuring clinical and corporate governance responsibilities are clearly allocated and understood
2) Setting the strategic direction for the Bureau and its services
3) Monitoring financial and service delivery performance
4) Maintaining high standards of professional and ethical conduct
5) Involving stakeholders in decisions that affect them
6) Establishing sound audit and risk management practices.

Board meetings

For the 2011–12 financial year, the Board consisted of a Chair and five members appointed by the Minister for Health, and the Chief Executive Officer as an ex-officio member. The Board met eight times during this period. The term of appointment for Mr Andrew Goodsall and Professor Mohamed Khadra commenced on 6 February 2012.

Authority and role of senior management

All financial and administrative authorities have been delegated by a formal resolution of the Board and are formally documented within a *Delegations Manual* for the Bureau.

The roles and responsibilities of the Chief Executive and other senior management within the Bureau are also documented in written position descriptions.

Regulatory responsibilities and compliance

The Board is responsible for and has mechanisms in place to ensure that relevant legislation and regulations are adhered to within all facilities and units of the Bureau, including statutory reporting requirements.

The Board also has a mechanism in place to gain reasonable assurance that the Bureau complies with the requirements of all relevant government policies and NSW Health policy directives and policy and procedure manuals as issued by the Ministry of Health.

1. Ensuring clinical and corporate governance responsibilities are clearly allocated and understood

This is not applicable to the Bureau as the organisation does not deliver health services, nor employs any registered health professional and as such does not report on any healthcare services or instances of healthcare professional misconduct.

2. Setting the strategic direction for the Bureau and its services

The Board has in place strategic plans for the effective planning and delivery of its services to the communities and individuals served by the Bureau. This process includes setting a strategic direction for both the Bureau and the services it provides.

Organisation-wide planning processes and documentation is also in place, with a 3 to 5 year horizon, covering:

- Asset management
- Information management and technology
- Research and teaching
- Workforce development.

3. Monitoring financial and service delivery performance

Role of the Board in relation to financial management and service delivery

The Board is responsible for ensuring compliance with the NSW Health Accounts and Audit Determination and the annual Ministry of Health budget allocation advice.

The Board is also responsible for ensuring that the financial and performance reports it receives and those submitted to its Finance and Performance Committee and the Ministry of Health are accurate and that relevant internal controls for the Bureau are in place. To this end, the Board certifies that:

- The financial reports submitted to the Finance and Performance Committee and the Ministry of Health represent a true and fair view, in all material respects, of the Bureau's financial condition and the operational results are in accordance with the relevant accounting standards.
- The recurrent budget allocations in the Ministry of Health's financial year advice reconcile to those allocations distributed to organisation units and cost centres.
- Overall financial performance is monitored and reported to the Finance and Performance Committee of the Bureau.
- Information reported in the Ministry of Health monthly reports reconciles to and is consistent with reports to the Finance and Performance Committee.
- All relevant financial controls are in place.
- Creditor levels comply with Ministry of Health requirements.
- Write-offs of debtors have been approved by duly authorised delegated officers.
- The Public Health Organisation General Fund has not exceeded the Ministry of Health approved net cost of services allocation.
- The Bureau did not incur any unfunded liabilities during the financial year.
- The Manager, Corporate Services and Chief Finance Officer have reviewed the internal liquidity management controls and practices and they comply with Ministry of Health requirements.

The Internal Auditor has reviewed the above during the financial year.

Service and performance agreements

A written service agreement was in place during the financial year between the Board and the Director-General, NSW Health, and performance agreements between the Board and the Chief Executive, and the Chief Executive and all Health Executive Service Members employed within the Bureau.

The Board has mechanisms in place to monitor the progress of matters contained within the Service Agreement and to regularly review performance against agreements between the Board and the Chief Executive.

The Finance and Performance Committee

The Board has established a Finance and Performance Committee to assist the Board and the Chief Executive ensure that the operating funds, capital works funds and service outputs required of the Bureau are being managed in an appropriate and efficient manner.

The Finance and Performance Committee is chaired by Professor Bruce Armstrong AM, Chairperson of the Board and comprises all members of the Board. The Chief Executive attends all meetings of the Finance and Performance Committee unless on approved leave.

The Finance and Performance Committee receives bi-monthly reports that include:

- Financial performance of each major cost centre
- Liquidity performance
- Activity performance against indicators and targets in the performance agreement for the Bureau
- Advice on the achievement of strategic priorities identified in the performance agreement for the Bureau.

Letters to management from the Auditor-General, Minister for Health, and the NSW Ministry of Health relating to significant financial and performance matters are also tabled at the Finance and Performance Committee.

4. Maintaining high standards of professional and ethical conduct

The Bureau has adopted the NSW Health Code of Conduct to guide all staff and contractors in ethical conduct.

The Code of Conduct is distributed to all new staff and is included on the agenda of all staff induction programs. The Board has systems and processes in place to ensure the code is periodically reinforced for all existing staff. Ethics education is also part of the Bureau's learning and development strategy.

The Chief Executive, as the principal officer for the Bureau, will report all known cases of corrupt conduct, where there is a reasonable belief that corrupt conduct has occurred, to the Independent Commission Against Corruption, and will provide a copy of those reports to the Ministry of Health.

Policies and procedures are in place to facilitate the reporting and management of public interest disclosures within the Bureau in accordance with state policy and legislation, including establishing reporting channels and evaluating the management of disclosures.

5. Involving stakeholders in decisions that affect them

The Board is responsible for ensuring that the rights and interests of its key stakeholders are considered when formulating the plans of the Bureau and that they are given access to balanced and understandable information about the Bureau and its proposals. We work to ensure that key stakeholders are represented on our advisory committees or in peer review processes.

During 2011–12, the Chief Executive formed advisory committees and/or engaged in peer review that included representatives of stakeholders. These advisory committees were:

- Annual Performance Report peer reviewers – to advise the Bureau on the content of products, in particular *Healthcare in Focus 2011*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Emergency Care Advisory Committee and peer reviewers – to advise the Bureau on the creation and content of public reports and products, in particular *Hospital Quarterly*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Elective Surgery peer reviewers – to advise the Bureau on the content of public reports and products, in particular *Hospital Quarterly*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Chronic Disease Care Advisory Committee and peer reviewers – to advise both the Bureau and Agency for Clinical Innovation on the creation and content of the second report in the series, *Chronic Disease Care: Another piece of the picture*, showing recurrent admissions, readmissions and high-frequency users of hospital services among patients with chronic obstructive pulmonary disease (COPD) and congestive heart failure (CHF).
- Ad hoc committees and peer reviewers for healthcare performance data – to provide advice to the Bureau on the contents of its reports.

Prior to the release of each report, the Bureau informs key stakeholders about the findings and estimated dates of release of the reports.

The community, including stakeholders, can readily access public information relating to the Bureau's performance reports and activities including research on its website www.bhi.nsw.gov.au

During 2011–12, the Board conducted a survey of external and internal stakeholders to assess the performance of the Bureau as a whole after two years in existence. Overall, the findings were very positive for the Bureau. These findings were used to inform future planning for the Bureau.

6. Establishing sound audit and risk management practices

Role of the Board in relation to audit and risk management

The Board is responsible for supervising and monitoring risk management by the Bureau and its facilities and units, including the Bureau's system of internal control. The Board receives and considers all reports of the External and Internal Auditors for the Bureau, and through the Audit and Risk Management Committee ensures that audit recommendations and recommendations from related external review bodies are implemented.

The Bureau has a current Risk Management Plan. The plan covers all known risk areas including:

- Leadership and management
- Finance (including fraud prevention)
- Information management
- Workforce
- Security and safety
- Facilities and asset management
- Emergency and disaster planning
- Community expectations.

Audit and Risk Management Committee

The Board has established an Audit and Risk Management Committee, with the following core responsibilities:

- To assess and enhance the Bureau's corporate governance, including its systems of internal control, ethical conduct and probity, risk management, management information and internal audit.
- To ensure that appropriate procedures and controls are in place to provide reliability in the Bureau's financial reporting, safeguarding of assets, and compliance with the Bureau's responsibilities, regulatory requirements, policies and procedures.
- To oversee and enhance the quality and effectiveness of the Bureau's internal audit function, providing a structured reporting line for the Internal Auditor and facilitating the maintenance of their independence.
- Through the internal audit function, to assist the Board to deliver the Bureau's outputs efficiently, effectively and economically, so as to obtain best value for money and to optimise organisational performance in terms of quality, quantity and timeliness; and

- To maintain a strong and candid relationship with external auditors, facilitating to the extent practicable, an integrated internal/external audit process that optimises benefits to the Bureau.

The Audit and Risk Management Committee comprises three members, including two persons who are not employees of, or contracted to, provide services to the Bureau.

The Chairperson of the Audit and Risk Management Committee is Mr Allan Cook who is one of the independent members of the committee. The other members of the committee are Ms Gerry Brus (independent member), Mrs Liz Rummery AM (Board member) and the Bureau's Chief Executive Officer. The Audit and Risk Management Committee met on seven occasions during the financial year.

The Chairperson of the committee has right of access to the Director-General of the NSW Ministry of Health.

Appendix 2: GIPA tables

Statistical information about access applications made to the Bureau during the reporting year is set out in the following tables – as required by Schedule 2 to the GIPA Regulation.

Table 1: Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

Table 2: Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm / deny whether information is held	Application withdrawn
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

Table 3: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the Bureau (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table 4: Conclusive presumption of overriding public interest against disclosure (matters listed in Schedule 1 to Act)

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Table 5: Other public interest considerations against disclosure (matters listed in table to section 14 of Act)

	Number of occasions when application was not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of the Bureau and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table 6: Timeliness

	Number of applications
Decided within the statutory timeframe	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total applications	0

Table 7: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner	0	0	0
Internal review following recommendation under Section 93 of Act	0	0	0
Review by ADT	0	0	0
Total applications	0	0	0

Table 8: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates	0

To contact the Bureau of Health Information

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