



MACKAY HOSPITAL  
FOUNDATION



# Mackay Hospital Foundation Annual Report 2014-2015

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## Public Availability

This annual report can be accessed from the Mackay Hospital Foundation's website at: [www.mackayhospitalfoundation.com.au/about-us.html](http://www.mackayhospitalfoundation.com.au/about-us.html) Limited printed copies are available by calling 07 4885 5915.

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## Interpreter Service

The Mackay Hospital Foundation is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 07 4885 5915 and we will arrange an interpreter to effectively communicate the report to you.



## Your Feedback

This annual report is an important document, representing communication and accountability. The Mackay Hospital Foundation values feedback from the community. To provide feedback either email:

[info@mackayhospitalfoundation.com.au](mailto:info@mackayhospitalfoundation.com.au) or call 07 4885 5915.

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10 September 2015

The Honourable Cameron Dick MP  
Minister for Health and Minister for Ambulance Services  
GPO Box 48  
Brisbane QLD 4001

Dear Minister

I am pleased to present the Annual Report 2014-2015 and financial statements for the Mackay Hospital Foundation.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*; and
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be found at the end of this annual report or accessed at [www.mackayhospitalfoundation.com.au/about-us.html](http://www.mackayhospitalfoundation.com.au/about-us.html)

Yours sincerely



Rob Rasmussen  
Deputy Chairperson  
**Mackay Hospital Foundation**

# TABLE OF CONTENTS

<b>Message from our Deputy Chairperson</b> .....	1
<b>About Us</b> .....	2
Regulatory Framework.....	2
Our Role .....	2
Organisation and Operations .....	2
Our Vision.....	3
Our Location.....	3
Contributing to Government’s objectives for the community .....	3
Governance .....	3
Our Board.....	3
Board Committees .....	5
Our Management.....	5
Risk Management .....	6
Information Management Systems .....	6
Open Data Strategy.....	6
Human Resources .....	6
Code of Conduct .....	7
<b>Performance Stories: our achievements in 2014-2015</b> .....	8
Financial Performance .....	8
Income .....	8
Expenditure.....	9
Overview .....	9
Volunteering.....	10
Commercial Opportunities.....	10
<b>2015-2016: the year ahead</b> .....	11
How we will measure our performance.....	11
<b>Appendices:</b>	
Appendix A: Glossary and Acronyms.....	12
Appendix B: Compliance Checklist .....	13
Appendix C: Financial Statements for the Year Ended 30 June 2015 .....	16

# MESSAGE FROM OUR DEPUTY CHAIRPERSON

I am pleased to present the Mackay Hospital Foundation Annual Report for 2014-2015.

The Mackay Hospital Foundation is the principal fundraising body for the Mackay Hospital and Health Service, encompassing hospitals and health services across the Mackay Isaac Whitsunday region.

In 2014-15 we have continued to achieve our vision of contributing to quality public healthcare for people in the Mackay Isaac Whitsunday region, in partnership with our community.

I am very pleased to report that this year we have increased our investment in vital medical and other hospital equipment by more than 35%. The support of many businesses, individuals and groups has been integral to this achievement.

We also invested in supporting patients and their families, particularly through the support of our 100 strong volunteer network.

This year we have expanded our commercial activities with the opening of a Gift Shop to provide services to patients, visitors and staff at the Mackay Base Hospital. The gift shop is manned entirely by our dedicated and enthusiastic team of volunteers.

I would like to acknowledge the dedication of our staff and volunteers, led by General Manager, Ms Adrienne Burke.

I would also like to acknowledge the contribution Ms Antoinette Morton has made as Chairperson of the Mackay Hospital Foundation and to recognize the ongoing support of the MHHS Board, led by Mr Colin Meng, Chairperson.

This year we said farewell to Board Member Danielle Hornsby and we thank Danielle for her contribution to the Foundation since its establishment.

On behalf of the Mackay Hospital Foundation Board I thank you for your support and look forward to continuing to work with the community to achieve our objectives.



Rob Rasmussen  
Deputy Chairperson  
**Mackay Hospital Foundation**

# ABOUT US

## *Regulatory Framework*

The Mackay Hospital Foundation (the Foundation) was established on 15 October 2010 under the *Hospitals Foundations Act 1982*. The Foundation is endorsed as a deductible gift recipient according to Subdivision 30-BA of the *Income Tax Assessment Act 1997* as a charitable institution whose principal activity is to promote the prevention or control of disease in human beings.

## *Our Role*

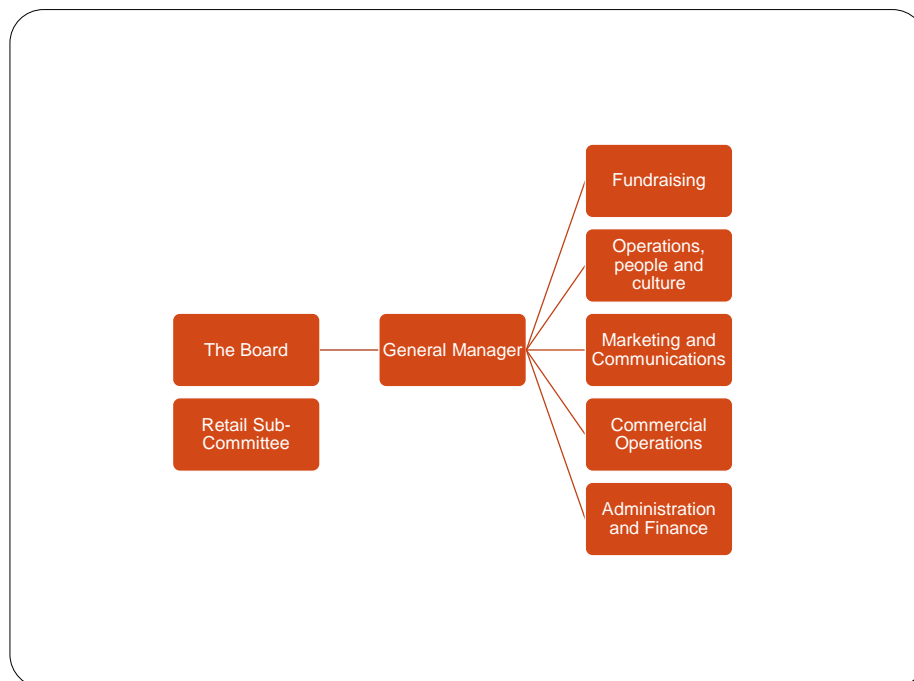
The Foundation is the principal fundraising body for the Mackay Base Hospital and other public hospitals and health services within the Mackay Hospital and Health Service, including Mackay, Proserpine, Sarina, Moranbah, Dysart, Middlemount, Clermont, Bowen and Collinsville.

Funds raised in support of our local hospitals are principally invested in medical and other hospital equipment.

As the fundraising body for public hospitals within the region, the Foundation works with individuals, community organisations and businesses to support our local hospitals.

## *Organisation and Operations*

The Mackay Hospital Foundation's structure and key functions are outlined in the diagram below:



## ***Our Vision***

To contribute to quality public healthcare for people in the Mackay Isaac Whitsunday region, in partnership with our community.

## ***Our Location***

The office of the Mackay Hospital Foundation is located at the Mackay Base Hospital in West Mackay however our role extends across the Mackay Isaac Whitsunday region.

## ***Contributing to Government's objectives for the community***

The Mackay Hospital Foundation contributes to achievement of the Queensland Government's objectives for the community, specifically "building safe, caring and connected communities" and "delivering quality frontline services", through supporting public hospitals within the Mackay Hospital and Health Service area.

## ***Governance***


### **Our Board**






The Board, which provides strategic oversight of the Foundation, held five general meetings in 2014-2015. Board meeting dates in 2014-15 were:

- 21 August 2014
- 16 October 2014
- 12 February 2015
- 9 April 2015
- 11 June 2015

Two extraordinary meetings were held on 28 October and 24 November 2014.

The Board comprises:

<b>Board Member</b>	<b>Biography and Term of Appointment</b>
	<p>Antoinette Morton, Chairperson</p> <p>Antoinette is the Principal of Morton Lawyers and is also a member of the Board of the Youth Information Referral Service (YIRS).</p> <p>Antoinette was appointed for a four year term until 15 October 2014.</p>

Board Member	Biography and Term of Appointment	
	<p>Rob Rasmussen, Deputy Chairperson</p>	<p>Rob is the Director of Rasmussen &amp; Associates, a chartered accountancy practice. Rob is a Chartered Accountant, registered Tax Agent, Company Auditor and Property Valuer.</p> <p>Rob is appointed for a four year term from 14 June 2013.</p>
	<p>Robyn Nikolsky, Board Member</p>	<p>Robyn is the former Gastroenterology Nurse Coordinator, Queensland Bowel Cancer Screen Program, Mackay Hospital and Health Service (MHHS).</p> <p>Robyn is appointed for a four year term from 14 June 2013.</p>
	<p>Donna Rasmussen, Board Member</p>	<p>Donna has been the Company Secretary for Mackay Sugar Limited since 2006. Mackay Sugar Limited is the second largest sugar milling company in Australia with an annual turnover in excess of \$300M.</p> <p>Donna is appointed for a four year term from 14 June 2013.</p>
	<p>Colin Meng, Board Member</p>	<p>Col is the Chairperson of the MHHS and is the former Mayor of Mackay Regional Council.</p> <p>Col is appointed as a Board member for the term of his appointment as MHHS Chairperson.</p>
	<p>Professor Pierre Viljoen, Board Member</p>	<p>Pierre is Deputy Vice-Chancellor (Engagement, Campuses and Mackay-Whitsunday) CQUniversity.</p> <p>Pierre is a registered psychologist with the Psychologists Board of Queensland and a member of the Australian Psychological Society.</p> <p>Pierre was appointed for a four year term until 15 October 2014.</p>



Three community members who have submitted applications to serve on the Board have contributed to the Foundation during this reporting period. They are: Mr Michael Jones, General Manager, Harrup Park Country Club, Mrs Margaret Birch, Director, Absolute Enterprises and Ms Jill Grant, Account Manager, Southern Cross Austereo.

### **Board Committees**

The Board had one sub-committee during this reporting period, a Retail Sub-Committee which held its final meeting on 31 July 2014.

### **Our Management**

The Foundation is managed by Adrienne Burke, General Manager who is responsible for strategic direction, governance and the day to day management of the Foundation.



Adrienne  
Burke,  
General  
Manager

Adrienne was formerly Director, Rural and Regional Queensland at the Department of Employment, Economic Development and Innovation and has qualifications in arts, law and management.



## **Risk Management**

The Mackay Hospital Foundation manages risks to the Foundation achieving its objectives by identifying risks, their likelihood and their potential impact and preparing mitigation strategies for high risks. We have identified any high operational or financial risks through our previous annual financial audits and have implemented or amended processes and procedures accordingly.

## **Information Management Systems**

The Foundation has a records management system that incorporates electronic and paper records and complies with the requirements of the *Public Records Act 2002*. A retention and disposal system assists in ensuring our records are retained for the required period and to comply with Information Standard 40: Recordkeeping and Information Standard 31: Retention and disposal of public records.

## **Open Data Strategy**

We have not engaged any consultancies or undertaken any overseas travel during this reporting period. We will report details of Board meetings on our website at [www.mackay.hospitalfoundation.com.au/about-us.html](http://www.mackay.hospitalfoundation.com.au/about-us.html) and also on the Queensland Government Open Data website at [www.qld.gov.au/data](http://www.qld.gov.au/data)

## **Human Resources**

The Mackay Hospital Foundation team embodies the values of the Foundation and is committed to achieving our vision.

As at 30 June 2015, the Mackay Hospital Foundation employed 5.1 full time equivalent staff including 3.4 full time equivalent staff in the Café and Gift Shop and 1.7 full time equivalent staff in the office. The staff are supported by a dedicated team of volunteers.

Vacant positions have been advertised through an online recruitment website or local regional newspaper and merit-based recruitment and selection processes completed for each appointment. Upon appointment, new employees are provided with a thorough induction and orientation to become familiar with the Mackay Hospital Foundation, the workplace and their role.

To promote flexible working arrangements and support staff to have work-life balance, the Mackay Hospital Foundation considers all reasonable requests regarding flexible working arrangements. This encompasses requests such as changes to work patterns, compressed working weeks and amendment to start and finishing times.

## Code of Conduct

We recognise the ethical principles of integrity and impartiality, promoting the public good, commitment to the system of government and accountability and transparency, and associated ethics values outlined in the *Public Sector Ethics Act 1994* (the Act).



# Performance stories: *our achievements in 2014-2015*

## *Financial Performance*

### ***Income:***

In the past year, the Mackay Hospital Foundation met its statutory obligations as a hospital foundation established under the *Hospitals Foundations Act 1982*.

- Our revenue in 2014-15 of \$939,657 was mainly comprised of income from our business activities (69%) and income from donations and grants (29%) generously donated by the community.
- The 2014-2015 financial year has continued to be a challenging period for fundraising due to constrained economic conditions. Our total income is 9% lower than the previous year, due in part to a reduction in external grant funds received and a reduction in fundraising income. In this year our income from commissions increased by over 70% due in part to our expanded vending machine program at the Mackay Base Hospital and the licence fees for a new automatic teller machine service.
- In the past year we received donations and grants of more than \$270,000 in support of the Mackay Base Hospital and other public hospitals and health services within our region. In addition, we received in-kind donations of medical equipment from the Humpty Dumpty Foundation and Variety Queensland as a result of successful grant applications for medical equipment for both Proserpine Hospital and Mackay Base Hospital.
- We were fortunate to again benefit from the fundraising of hospital auxiliaries and received a donation from the Bowen Hospital Auxiliary for medical equipment for Bowen Hospital.
- In addition, regular fundraising activities including the Woolworths Annual Wall Token campaign, the Blue River Mackay Lion's Club Annual Charity Bash Golf Day, Sea FM Mackay and the Whitsundays' Give Me 5 for Kids campaign, the Myer Stores Community Fund and regular fundraising runs by the Mackay LRC Running Club and 80/20 Fitness contributed to donations income in the 2014-15 financial year. In 2014-15 we also were the charity of choice for the Kustom Inking for Charity fundraiser which raised over \$10,000 for our local hospitals.
- This year we received grants totaling \$15,000 from Glencore and Abbot Point Bulkports Pty Ltd which enabled purchase of an IVent ventilator for Bowen Hospital.
- We administered the second year of annual nursing awards, the Nurse Specialty Award and the McFadzen Award recognizing the achievements of nurses within the Mackay Hospital and Health Services.
- We were pleased to continue our partnerships with Mackay Sugar Limited and John Donnelly the Good Guys who each donated \$10,000 for the purchase of a new ultrasound machine for the Renal Unit of the Mackay Base Hospital.

- We continued our partnership with local company, Blue River Water, which displays our logo on their new range of 600ml bottled water and makes a donation to the Mackay Hospital Foundation for each bottle sold.
- This year we welcomed Nick's IGA choosing to support the Foundation with a monthly fundraising day in two Nick's IGA stores in Mackay.

### ***Expenditure:***

- In 2014-15 the Mackay Hospital Foundation's total expenses were \$1.04M. This includes \$283,037 in grant funding and \$426,038 in supplies and services, including business supplies, an increase of 3% on the previous year.
- Our grant funding to purchase medical and other equipment for our local hospitals increased by 36% in comparison to the previous year.
- We have invested in the following equipment to benefit the healthcare of patients in our community:
  - \$19,745 ultrasound for the Renal Unit of the Mackay Base Hospital;
  - \$14,063 vital signs monitors for the Medical Ward of the Mackay Base Hospital;
  - six recliner chairs valued at \$10,725 for the Child and Adolescent Unit of the Mackay Base Hospital;
  - \$2,420 Rad 5 pulse oximetre for Moranbah Hospital;
  - two recovery chairs valued at \$11,000 for the Day Procedure Unit, Mackay Base Hospital;
  - \$8,175 Gynecological procedure chair for Bowen Hospital;
  - \$7,202 BiliSoft equipment for Moranbah Hospital;
  - six breastfeeding recliner chairs valued at \$6,395 for Special Care Nursery, Mackay Base Hospital;
  - \$7,904 bariatric and day chairs at Moranbah Hospital;
  - \$1682 for a dressing trolley for Moranbah Hospital;
  - \$4,545 portable oxygen concentrator for Sarina Hospital;
  - \$4,066 height adjustable baby bath for Proserpine Hospital;
  - \$3,207 oxygen blender for Moranbah Hospital;
  - \$2,219 for a treatment table at BreastScreen Mackay; and
  - \$20,321 Ivent ventilator for Bowen Hospital.

### ***Overview***

In this year the Mackay Hospital Foundation continued to achieve its strategic objective of developing and diversifying its revenue base investing in the fit-out and establishment of a new Gift Shop, purchase of three snack vending machines and introduction of an automatic teller machine at the Mackay Base Hospital. The investment in these business activities in this financial year will enable the Foundation to generate income for future years.

This year our donations and grants income was 28% lower than the previous year. This was mainly due to reduction in project specific external grant funds received.

The annual financial statements for the Foundation for the 2014-15 financial year are included at the end of this Annual Report. The financial records of the Foundation were audited this year by Brown and Bird.

### ***Volunteering:***

- The Mackay Hospital Foundation coordinates a volunteer program at the Mackay Base Hospital providing a range of services to support patients, their families, visitors and hospital staff.
- Volunteers have provided invaluable support through the following services and areas: Play Group, Information Desk, Trolley Service, Community Rehabilitation Centre, General Surgical Unit, Fundraising Support, Gift Shop, Administration Support, Vending Machine program, Library Service, Café and other services.
- We thank our volunteers for their ongoing commitment to supporting their local hospital and hospital foundation. The longevity of volunteers' service at the Mackay Base Hospital is testament to their dedication. As at the end of this reporting period the Foundation coordinated a program of 110 volunteers.



### ***Commercial Opportunities:***

We have continued to provide our Mackay Hospital Foundation Café at the Mackay Base Hospital to provide services to visitors, staff and patients. This year we opened our Gift Shop at the Mackay Base Hospital, which provides a range of new services including locally produced giftware. This venture would not be possible without the support of our volunteers who provide a friendly, welcoming face to visitors.

We delivered our daily trolley service to patients and staff at the Mackay Base Hospital over 250 days of the year.

This year we expanded our vending machine service with the purchase of three snack vending machines which provide services to visitors, patients and staff, particularly after hours.

## **2015-2016: *the year ahead***

Our focus in 2015-2016 will continue to be promoting the Mackay Hospital Foundation as the charity of choice for our local community.

We will focus on growing our donations, fundraising and grants income streams through the introduction of new fundraising programs.

These areas of focus will be underpinned by strong governance and responsible management of our administration and finance, and satisfying all regulatory requirements.

These areas of focus will enable us to continue to work towards achieving our vision to contribute to quality public healthcare for people in the Mackay Isaac Whitsunday region, in partnership with our community.

### ***How we will measure our performance***

We will measure our performance by the number and value of donations received in 2015-16 and the number of grants issued by the Mackay Hospital Foundation to invest in innovative health services, medical and health technology, support services for patients and staff and education, training and research.



## APPENDIX A – GLOSSARY AND ACRONYMS

TERM	DEFINITION
ARRs	Annual report requirements for Queensland Government agencies
FAA	<i>Financial Accountability Act 2009</i>
FPMS	Financial and Performance Management Standard 2009
MHF	Mackay Hospital Foundation
MHHS	Mackay Hospital and Health Service



## APPENDIX B – COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister</li> </ul>	ARRs – section 8	ii
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 10.1	iii 12
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 10.2	i
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	Queensland Government Language Services Policy ARRs – section 10.3	i
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	Copyright Act 1968 ARRs – section 10.4	i
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	QGEA – Information Licensing ARRs – section 10.5	N/A
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 11.1	2
	<ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>	ARRs – section 11.2	2
	<ul style="list-style-type: none"> <li>Operating environment</li> </ul>	ARRs – section 11.3	2
	<ul style="list-style-type: none"> <li>Machinery of government changes</li> </ul>	ARRs – section 11.4	N/A
Non-financial performance	<ul style="list-style-type: none"> <li>Government’s objectives for the community</li> </ul>	ARRs – section 12.1	3
	<ul style="list-style-type: none"> <li>Other whole-of-government plans / specific initiatives</li> </ul>	ARRs – section 12.2	N/A

Summary of requirement	Basis for requirement	Annual report reference	
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 12.3	3
	<ul style="list-style-type: none"> <li>Agency service areas, and service standards</li> </ul>	ARRs – section 12.4	3
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 13.1	8
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 14.1	2
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 14.2	5
	<ul style="list-style-type: none"> <li>Related entities</li> </ul>	ARRs – section 14.3	N/A
	<ul style="list-style-type: none"> <li>Government bodies</li> </ul>	ARRs – section 14.4	N/A
	<ul style="list-style-type: none"> <li>Public Sector Ethics Act 1994</li> </ul>	Public Sector Ethics Act 1994 (section 23 and Schedule) ARRs – section 14.5	7
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 15.1	6
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 15.2	10
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 15.3	N/A
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 15.4	N/A
	<ul style="list-style-type: none"> <li>Public Sector Renewal</li> </ul>	ARRs – section 15.5	N/A
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 15.6	6
Governance – human resources	<ul style="list-style-type: none"> <li>Workforce planning, attraction and retention, and performance</li> </ul>	ARRs – section 16.1	6
	<ul style="list-style-type: none"> <li>Early retirement, redundancy and retrenchment</li> </ul>	Directive No.11/12 Early Retirement, Redundancy and Retrenchment ARRs – section 16.2	N/A

Summary of requirement		Basis for requirement	Annual report reference
Open Data	<ul style="list-style-type: none"> <li>Open Data</li> </ul>	ARRs – section 17	6
Financial statements	<ul style="list-style-type: none"> <li>Certification of financial statements</li> </ul>	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	29
	<ul style="list-style-type: none"> <li>Independent Auditors Report</li> </ul>	FAA – section 62 FPMS – section 50 ARRs – section 18.2	30
	<ul style="list-style-type: none"> <li>Remuneration disclosures</li> </ul>	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	27

# APPENDIX C – Financial Statements *for the year ended 30 June 2015*

## Contents

Statement of Comprehensive Income.....	17
Statement of Financial Position.....	18
Statement of Changes in Equity .....	19
Statement of Cash Flows .....	20
Notes to and forming part of the Financial Statements.....	21
Certificate of the Mackay Hospital Foundation .....	29
Independent Auditor’s Report .....	30

## General Information

These financial statements cover the Mackay Hospital Foundation.

The Mackay Hospital Foundation is a hospital foundation established under the *Hospitals Foundations Act 1982*.

The Foundation is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Foundation is:

Mackay Hospital Foundation  
Level 2, G Block Mackay Base Hospital  
475 Bridge Road  
West Mackay QLD 4740

A description of the nature of the Foundation’s operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Foundation’s financial statement please call Adrienne Burke, General Manager 07 4885 5915 or email [info@mackayhospitalfoundation.com.au](mailto:info@mackayhospitalfoundation.com.au) or visit the Foundation’s internet site [www.mackayhospitalfoundation.com.au](http://www.mackayhospitalfoundation.com.au)

**MACKAY HOSPITAL FOUNDATION**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015**

	<b>Notes</b>	<b>2015</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
<b>INCOME FROM CONTINUING OPERATIONS</b>			
Revenue from Sale of Goods		609,423.34	622,905.71
Commission Income		43,509.03	25,168.99
Revenue from Fundraising		15,574.55	27,291.21
Donations & Grants		270,742.72	347,430.98
Finance Income		<u>407.24</u>	<u>11,087.55</u>
Total Income from Continuing Operations		939,656.88	1,033,884.44
<b>EXPENSES FROM CONTINUING OPERATIONS</b>			
Employee Expenses		326,268.83	250,484.14
Supplies and Services	2	426,038.15	413,058.55
Grant Payments		283,037.41	208,870.52
Depreciation		3,206.00	-
Finance / Borrowing Costs		<u>3,474.48</u>	<u>2,260.40</u>
Total expenses from Continuing Operations		1,042,024.87	874,673.61
Operating Results from Continuing Operations		(102,367.99)	159,210.83
Other Comprehensive Income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>(102,367.99)</u>	<u>159,210.83</u>

*The accompanying notes form part of these statements*

**MACKAY HOSPITAL FOUNDATION**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015**

	<b>Notes</b>	<b>2015</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	459,854.86	633,122.13
Inventory		21,860.33	4,887.88
Other Current Assets	4	-	35,611.35
<b>TOTAL CURRENT ASSETS</b>		<b>481,715.19</b>	<b>673,621.36</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment		21,639.00	-
Gift Shop Fit out & Equipment		95,435.01	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>117,074.01</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>598,789.20</b>	<b>673,621.36</b>
<b>CURRENT LIABILITIES</b>			
Other Current Liabilities	7	62,082.91	34,547.08
<b>TOTAL LIABILITIES</b>		<b>62,082.91</b>	<b>34,547.08</b>
<b>NET ASSETS</b>		<b>536,706.29</b>	<b>639,074.28</b>
<b>EQUITY</b>			
Accumulated Surplus at Start of Year		639,074.28	479,863.45
Surplus for Year		(102,367.99)	159,210.83
<b>TOTAL EQUITY</b>		<b>536,706.29</b>	<b>639,074.28</b>

*The accompanying notes form part of these statements*

**MACKAY HOSPITAL FOUNDATION**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	Retained Surplus \$
<b>Balance as at 1 July 2013</b>		<u>479,863.45</u>
Operating result from continuing operations		159,210.83
Other Comprehensive Income for the Year		<u>-</u>
<b>Balance as at 30 June 2014</b>		<u>639,074.28</u>
<b>Balance as at 1 July 2014</b>		<u>639,074.28</u>
Operating result from continuing operations		(102,367.99)
Other Comprehensive Income for the Year		<u>-</u>
<b>Balance as at 30 June 2015</b>		<u>536,706.29</u>

*The accompanying notes form part of these statements*

## MACKAY HOSPITAL FOUNDATION

### STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		691,748.28	720,760.91
Receipts of Donations		270,742.72	347,430.98
Payments to Employees		(310,168.24)	(240,258.55)
Payments to Suppliers		(419,205.37)	(463,470.71)
Grants made		(283,037.41)	(208,870.52)
Interest Received		407.24	11,087.55
Finance Costs		<u>(3,474.48)</u>	<u>(2,260.40)</u>
<b>Net Cash Provided by Operating Activities</b>	6	<u>(52,987.26)</u>	<u>164,419.26</u>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Property, Plant and Equipment		<u>(120,280.01)</u>	<u>-</u>
<b>Net Cash Provided by Operating Activities</b>		<u>(120,280.01)</u>	<u>-</u>
Net Increase in Cash Held		(173,267.27)	164,419.26
Cash at the Beginning of the Financial Period		<u>633,122.13</u>	<u>468,702.87</u>
Cash and Cash Equivalents at end of Financial Period	3	<u>459,854.86</u>	<u>633,122.13</u>

*The accompanying notes form part of these statements*



**MACKAY HOSPITAL FOUNDATION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

***Objectives and Principal Activities of the Mackay Hospital Foundation***

The objectives of the Mackay Hospital Foundation are to raise funds to support the pursuit of excellence in service and people's health outcomes at the Mackay Hospital and Health Service and to aid the Mackay Base Hospital and any of its services whether established or proposed and to aid any hospital or health service of the Mackay Hospital and Health Service.

The Mackay Hospital Foundation is funded for the services it delivers principally by donations, sponsorships and support from the community.

**1. Summary of Significant Accounting Policies**

**(a) Statement of Compliance**

The Mackay Hospital Foundation has prepared these financial statements in compliance with section 42 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the year ending 30 June 2015, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Mackay Hospital Foundation has applied those requirements applicable to not-for-profit entities, as the Mackay Hospital Foundation is a not-for-profit entity. Except where stated, the historical cost convention is used.

**(b) The Reporting Entity**

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Mackay Hospital Foundation. There are no controlled entities.

The major services undertaken by the Mackay Hospital Foundation are disclosed at paragraph 'Objectives and Principal Activities of the Mackay Hospital Foundation'.

The consolidated financial statements include the value of all assets, liabilities, equity, revenues and expenses of the Mackay Hospital Foundation.

**(c) Grants and Contributions**

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Mackay Hospital Foundation obtains control over them (control is generally obtained at the time of receipt). Where grants are received that are reciprocal in nature, revenue is progressively recognised as it is earned, according to the terms of the funding arrangements.

**MACKAY HOSPITAL FOUNDATION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**(d) Cash and Cash Equivalents**

For the purpose of the Statement of Financial Position and Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June.

**(e) Receivables**

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment.

**(f) Inventories**

Inventories held for sale are valued at the lower of cost and net realisable value.

Net realizable value is determined on the basis of the Mackay Hospital Foundation's normal selling pattern.

Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

**(g) Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

**(h) Financial Instruments**

*Recognition*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Mackay Hospital Foundation becomes party to the contractual provisions of the financial instrument.

*Classification*

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit or loss
- Receivables – held at amortised cost
- Payables – held at amortised cost.

**MACKAY HOSPITAL FOUNDATION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**(i) Employee Benefits**

Employer superannuation contributions, annual leave levies and long service levies are regarded as employee benefits.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. This is not an employee benefit and is recognised separately as employee related expenses.

*Wages, Salaries and Sick Leave*

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

As the Mackay Hospital Foundation expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

For unpaid entitlements, relating to PAYG and superannuation, expected to be paid within 12 months, the liabilities are recognised at their undiscounted values.

*Key Management Personnel and Remuneration*

Key management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury and Trade. Refer to Note 5 for the disclosure on key management personnel and remuneration.

**(j) Insurance**

The Mackay Hospital Foundation's non-current physical assets and other risks are insured. In addition, the Mackay Hospital Foundation pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

**(k) Taxation**

The Mackay Hospital Foundation is endorsed by the Australian Taxation Office as a health promotion charity and is endorsed to access the following tax concessions from the dates shown:

Income tax exemption from 1 December 2010 under Subdivision 50-B of the *Income Tax Assessment Act 1997*.

**MACKAY HOSPITAL FOUNDATION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

GST concessions from 1 December 2010 under Division 176 of *A New Tax System (Goods and Services Tax) Act 1999*.

FBT exemption from 1 December 2010 under section 123D of the *Fringe Benefits Tax Assessment Act 1986*.

FBT and GST are the only taxes accounted for by the Mackay Hospital Foundation. GST credits receivable from and GST payable to the ATO are recognised.

**(l) Issuance of Financial Statements**

The financial statements are authorized for issue by the Deputy Chairperson and General Manager at the date of signing the Management Certificate.

**(m) Accounting Estimates and Judgments**

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgments that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities for the next financial year. Such estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

**(n) Comparatives**

Amounts included in the financial statements are in Australian dollars.

**(o) New and Revised Accounting Standards**

The Mackay Hospital Foundation did not voluntarily changes any of its accounting policies during 2014-2015.

A revised version of Australian Accounting Standard AASB 119 *Employee Benefits* became effective for reporting periods beginning on or after 1 January 2013. The only implications for the Mackay Hospital Foundation were the revised concept of 'termination benefits' and the revised recognition criteria for termination benefit liabilities. If termination benefits meet the AASB 119 timeframe criterion for 'short-term employee benefits', they will be measured according to the AASB 119 requirements for 'short-term employee benefits'. Otherwise, termination benefits need to be measured according to the AASB 119 requirements for 'other long-term employee benefits'.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Mackay Hospital Foundation's activities, or have no material impact on the entity.

**MACKAY HOSPITAL FOUNDATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2</b>		
<b>Supplies and Services</b>		
Advertising	12,134.98	4,650.08
Audit Fees	4,500.00	3,500.00
Bookkeeping	-	2,490.00
Cost of Goods Sold	394,991.64	380,688.39
Insurance	5,586.85	9,390.18
Low Cost Assets Written-off	1,113.97	1,260.89
Printing and Stationery	3,009.19	4,544.51
Repairs and Maintenance	514.79	1,026.11
Registration Fees	3,342.19	2,602.59
Travelling Expenses	<u>844.54</u>	<u>2,905.80</u>
	<u>426,038.15</u>	<u>413,058.55</u>
<b>NOTE 3</b>		
<b>Cash and Cash Equivalents</b>		
NAB - General Account	-	3,189.99
BOQ - General Account	135,926.96	318,502.27
NAB - Donations Account	57,229.35	2,349.22
BOQ - Donations Account	264,910.95	308,480.65
Float - Volunteers	415.00	400.00
Float - Café	200.00	200.00
Float - Vending Machines	972.60	-
Float - Gift Shop	<u>200.00</u>	<u>-</u>
	<u>459,854.86</u>	<u>633,122.13</u>

**MACKAY HOSPITAL FOUNDATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
<b>NOTE 4</b>	<b>Other Current Assets</b>	
Trade Debtors	-	9,605.00
Deposits Paid	-	26,006.35
	-	35,611.35

**NOTE 5** **Executive Remuneration**

No Remuneration was received by the Foundation board members during the year

The number of employees as at 30 June, including both full-time and part-time employees, measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)) is: 5.0.

*(a) Key Management Personnel*

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Mackay Hospital Foundation during 2013-14. Further information can be found in the body of the Annual Report.

<b>Position</b>	<b>Responsibilities</b>	<b>Appointment authority</b>	<b>Date appointed to position</b>
General Manager	Management of the Mackay Hospital Foundation	Employed by contract	6 March 2013

*(b) Remuneration Expenses*

The remuneration and other terms of employment for the General Manager are specified in an employment contract. The following disclosure focuses on the expense incurred by the Mackay Hospital Foundation during the respective reporting period that is attributable to this key management position. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration expenses for key management personnel comprises the following components:

- Short term employee expenses which include salaries, allowances and leave entitlements earned and expensed for the entire year;

**MACKAY HOSPITAL FOUNDATION  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned; and
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.

**1 July 2014 – 30 June 2015**

<b>Position</b>	<b>Short Term Employee Benefits (Monetary Expenses \$'000)</b>	<b>Post-Employment Expenses (\$'000)</b>	<b>Total Expenses (\$'000)</b>
General Manager	80	7	87

**NOTE 6 Reconciliation of Operating Surplus to Net Cash from Operating Activities**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Surplus for the Period	(102,367.99)	159,210.83
Non-cash items included in Surplus:		
Depreciation	3,206.00	-
Changes in Assets and Liabilities:		
Increase in Inventory	(16,972.45)	(3,887.88)
Decrease in other Current Assets	35,611.35	19,388.65
Increase in Trade and other Payables	<u>27,535.83</u>	<u>(10,292.34)</u>
<b>Net Cash Provided by Operating Activities</b>	<u>(52,987.26)</u>	<u>164,419.26</u>

**MACKAY HOSPITAL FOUNDATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 7</b>		
<b>Other Current Liabilities</b>		
Trade Creditors	7,907.19	5,500.55
Grants to be Allocated	13,636.36	-
Accrued Expenses	5,008.86	3,324.70
PAYG Payable	10,520.00	6,448.00
GST Payable	(4,897.32)	1,394.60
Superannuation Payable	2,122.56	1,773.15
Employee Entitlements	<u>27,785.26</u>	<u>16,106.08</u>
	<u>62,082.91</u>	<u>34,547.08</u>



## Certification of the Mackay Hospital Foundation

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material aspects; and
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Mackay Hospital Foundation for the financial year ended 30 June 2015.



Rob Rasmussen  
Deputy Chairperson  
**Mackay Hospital Foundation**  
10 September 2015



Adrienne Burke  
General Manager  
**Mackay Hospital Foundation**  
10 September 2015

## MACKAY HOSPITAL FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MACKAY HOSPITAL FOUNDATION

#### **Report on the Financial Report**

We have audited the accompanying financial report of Mackay Hospital Foundation which comprises the statement of financial position as at 30 June 2015, 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, and the management certificate.

#### *The Board's Responsibility for the Financial Report.*

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility.*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives 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 directors, as well as evaluating the overall presentation of the financial report.

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

**MACKAY HOSPITAL FOUNDATION**

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MACKAY HOSPITAL FOUNDATION**

Opinion

In our opinion, the financial report of Mackay Hospital Foundation is in accordance with prescribed accounting requirements identified in the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009, including;

- i. the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
- ii. the financial report presents a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Mackay Hospital Foundation for the financial year ended 30 June 2015.

Auditors signature: .....

  
Andrew Duck  
Brown & Bird  
Level 1, 224 Victoria Street  
MACKAY QLD 4740

Dated:

14 / 09 /2015