

# ANNUAL REPORT 2010



dental health  
services victoria  
oral health for better health

# RESPONSIBLE BODIES DECLARATION

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for Dental Health Services Victoria for the year ending 30 June 2010.



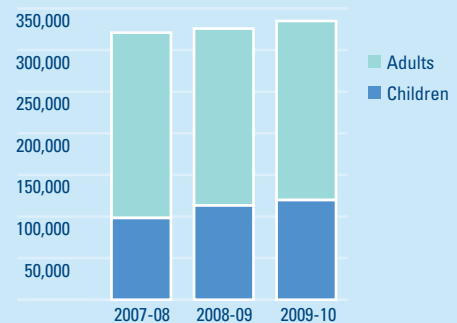
Mick Ellis  
Chair, Board of Directors  
Dental Health Services Victoria  
Carlton

10 August 2010

## Dental Health Services Victoria HIGHLIGHTS 2009 – 10

- treated **334,993 patients**, 9,136 more than in previous year **↑ 2.8%**
- **reduced average specialist waiting times** from 8.2 months to 6.8 months
- **86.9% of emergency patients** treated within 24 hours across Victoria
- **95.9% of priority** denture clients treated within three months
- **13.4% increase** in the number of clinicians working in community health clinics over the past two years
- **refurbished six dental clinics** across the State and established an additional 16 chairs
- successfully **completed a pilot educational program** to expand dental therapist scope of practice to adults aged 26 years and over

TOTAL INDIVIDUALS TREATED



**Vision** Oral health for better health

**Mission** To lead improvement in oral health for all Victorians, particularly vulnerable groups and those most in need.

**Core values**

**Respect** – we treat everyone in an open and courteous manner

**Integrity** – we behave fairly and honestly and can be trusted

**Teamwork** – we work as a team and in partnership with our patients and the community

**Excellence** – we set best practice standards in all that we do

# YEAR IN REVIEW:

## Report from Board Chair and Chief Executive

Victoria experienced another year of record demand for public oral health care. A total of 334,993 patients were treated across all community dental clinics and The Royal Dental Hospital of Melbourne — 9,136 more than the previous year (a 2.8% increase). Of these individuals, 215,189 were adults and 119,804 were children — 6,508 more children than the previous year (a 5.7% increase).

A sustained focus on reducing specialist waiting times continued to produce positive results. For the second consecutive year, the average wait for patients requiring specialist treatment decreased from 8.2 months in June 2009 to 6.8 months in June 2010.

2009–10 saw a reduction in the number of people waiting for general, denture and specialist care. The waiting time for non-urgent general dental care decreased and 95.9% of priority denture clients were treated within three months.

DHSV achieved an underlying operating surplus of \$1.899 million for the year (including interest earnings reserved for research and innovation). Against the backdrop of prior year surpluses, we will be investing in additional service development and major capital projects.

- Our net result before capital and specific items was a surplus of \$2.58 million.
- Service revenue received in 2010 which will be spent in 2011 was \$2.752 million.
- Net entity result, after specific and extraordinary adjustments, was a deficit of \$1.777 million.

Throughout the year, we implemented initiatives to ensure our services were better coordinated to meet the needs of Victorians. Many of our projects focussed on expanding our professional workforce, reducing waiting times for services and engaging with community health agencies to benefit those people most in need of public oral health care.

### Purchasing services from community agencies

DHSV is responsible for purchasing oral health services from 58 community health agencies (88 sites) and for coordinating the best distribution of these services. Service developments included the following highlights:

- A 13.4% increase in the number of clinicians working in community health agencies over the past two years.
- Implementation of better processes for child recall notification, recall response and recall attends.
- Load-sharing, including the transfer of patients from community agency recall lists to The Royal Dental Hospital of Melbourne Undergraduate Teaching Clinic for examinations.
- Contribution to the development of regional oral health plans for Gippsland, Barwon Southwest, Grampians and Hume regions.
- Refurbishment of six dental clinics across the State and establishment of an additional 16 chairs; installation of a new four-chair relocatable clinic at Sale; and provision of three new dental vans (four chairs).

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# YEAR IN REVIEW:

## Report from Board Chair and Chief Executive (continued)

- Increased capacity to assist agencies with quality improvement initiatives and with accreditation surveys.
- Introduction of an SMS appointment reminder service for use by all agencies operating *Titanium*, the dental patient and client information management system, which resulted in reduced clerical time spent contacting patients and in Failure To Attend (FTA) rates.
- Launched a new and improved website featuring an updated design and improved navigation to enable easy access to information about public dental services and oral health advice. As a result, the number of unique visitors accessing the site increased by 53% in the seven months following the November 2009 launch.

### Providing services through The Royal Dental Hospital of Melbourne

DHSV continued to provide high quality oral health services through The Royal Dental Hospital of Melbourne, celebrating its 120 year anniversary in 2010.

Activity highlights for the Hospital in 2009–10 included:

- A total of 51,710 patients were treated — 2,176 more patients than the previous year (a 4.4% increase).
- 82.7% of emergency patients were treated within 24 hours (note that approximately 11% of emergency patients either refuse treatment or fail to attend) and 100% of priority denture clients received treatment within three months.
- An overall reduction in the waiting time for specialist treatment. The average waiting time for treatment in the Special Needs Clinic was 1.4 months — significantly below the agreed statewide target.
- The Undergraduate Teaching Clinic treated a total of 8,930 patients — an increase of 9.6% from the previous year.

Key initiatives worthy of note include:

- Introduction of a revised Credentialing and Scope of Clinical Practice Procedure to maintain and improve the quality and safety of patient care and sustain confidence in public oral health services. The procedure received a commendation from the Australian Council on Healthcare Standards during a periodic review in November 2009.
- The DHSV Community Advisory Committee conducted a patient survey to determine how patients accessed information about their oral health. The survey was one of many DHSV community consultation activities that support patient-focused care.
- In an effort to increase our uptake of dental graduates at the Hospital, we awarded four internships in 2009–10.
- Our Aboriginal Community Development Worker continued to assist in making the Hospital a more welcoming environment for people from Aboriginal and Torres Strait Islander communities, with the number of patients identifying as Aboriginal and Torres Strait Islander growing from 46 in 2007–08 to 339 in 2009–10.
- The Hon Nicola Roxon MP, Minister for Health and Ageing visited the Hospital in September 2009 providing an opportunity to involve oral health professionals and consumers in a wider national consultation process on the recommendations of the National Health and Hospital Reform Commission (NHHRC) final report.
- We became a totally smoke-free Hospital on 1 January 2010 and introduced a smoking cessation program for staff wishing to quit. On *World No Tobacco Day*, our patients helped to emphasise the link between smoking and periodontal disease.
- The DHSV Board adopted the *Disability Action Plan 2010–2013 (DAP)* and the *Cultural Responsiveness Plan 2010–2013 (CRP)* for the Hospital.

### Developing the oral health workforce

DHSV continued to implement the action plan arising from the *Oral Health Workforce Strategy 2008 – 2010* with guidance from the Workforce Advisory Group. The group comprises representatives from the Department of Health, oral health education sector and professional associations.

We successfully developed a pilot educational bridging program to expand dental therapist scope of practice to adults aged 26 years and over. Eight practising dental therapists successfully completed the program and had their scope of practice extended by the Dental Practice Board of Victoria (DPBV). The pilot and the recommendations of the DPBV will guide future developments of the public dental therapist workforce.

Supported by Department of Health funding, we awarded eight scholarships to oral health therapist undergraduates and continued to support ten existing scholarship recipients. We also awarded five scholarships to overseas-trained clinicians completing the Graduate Certificate in Clinical Dentistry. Upon graduation and registration with the Dental Practice Board of Victoria, scholarship recipients are contracted to work in a public dental clinic in metropolitan or regional and rural Victoria for a minimum of 12 months full-time or 24 months part-time.

A new graduate program for oral health therapists with degrees from The University of Melbourne and La Trobe University yielded promising results from its first graduate intake. Five oral health therapists were selected into the program from Victoria's recent cohort of Bachelor of Oral Health graduates, and all five are now working in regional public dental clinics in Maryborough, Benalla, Wangaratta, Pakenham and Ballarat.

In collaboration with the Australian Dental Association Victorian Branch, The University of Melbourne and La Trobe University, DHSV invited private practitioners to consider engagement in the public sector. This initiative resulted in over 140 private practitioners expressing their genuine interest in working as demonstrators, mentors and researchers in the public oral health sector.

## Adopting a population health approach

We continued to allocate resources particularly to those population groups most at risk of oral disease and most in need of dental care. Significant achievements included:

- Distribution of oral health kits to Neighbourhood Renewal project areas, Koori Maternity Services and Best Start sites on behalf of the Global Child Oral Health Taskforce.
- Continued participation in the Victorian Government's Pension-level Supported Residential Services (SRS) Project, delivering oral health care kits and education sessions to SRS around Victoria.
- Participation in the 'Where the Heart Is' community festival for homeless people or those at risk of homelessness in Melbourne.
- Development and distribution of two oral health DVDs: *Brushing up on Oral Health*, a training DVD about how to support a person with disability to complete their daily oral health routine; and *Healthy Choices for Healthy Mouths*, an educational DVD for pension-level SRS residents.
- The introduction of an 'oral health and diabetes' session to the Graduate Certificate in Diabetes Education and Healthcare course offered at Mayfield Education.
- Development of new print resources for pregnant women and women preparing for pregnancy.

- Expansion of the *Smiles 4 Miles* program in partnership with early childhood services to improve the oral health of preschool-aged children. Three new sites were contracted and the program reached an estimated 18,000 children, making *Smiles 4 Miles* available in 48 local government areas.
- Establishment of the DHSV Aboriginal Oral Health Reference Group to contribute to the development of a statewide *Aboriginal Oral Health Plan*. Comprising eight representatives from regional and metropolitan Aboriginal health services, the group alerts DHSV to gaps in service delivery in Aboriginal communities, and offers advice on oral health awareness programs and materials. The framework for the *Aboriginal Oral Health Plan* was approved by the DHSV Board in June 2010.

We reinforced our commitment to a population health approach through a number of significant initiatives including:

- Establishing the *Australian Population Health Improvement Research Strategy (APHIRST) – Oral Health*. A collaboration with The Jack Brockhoff Child Health and Wellbeing Program (University of Melbourne), and working with the Melbourne Dental School, *APHIRST – Oral Health* will explore the underlying social and environmental factors that impact on poor oral health at a population and community level.
- The DHSV Board approved the *DHSV Integrated Oral Health Promotion Plan 2009–2012* which sets out clear goals and objectives for oral health promotion in Victoria. The plan focuses on building health promotion in the public oral health sector, integrating oral health with broader health sector strategies, building the skills of individuals to improve their oral health and creating environments that better support this objective.
- Convening a national Minimal Intervention Dentistry (MID) workshop to develop strategies to

enable the introduction of a minimal intervention approach to clinical caries management in the public sector. As a result, a national consensus statement on MID was developed and adopted by participants and a National Partnership Working Group was established to drive the MID agenda in the key areas of community education, patient engagement, research and policy development.

- Awarding seven research grants to projects investigating areas of high priority aligned to DHSV strategic directions.
- Convening a forum of key oral health professionals to participate in a one-day Child Oral Health Forum, bringing together speakers from Victoria, New South Wales and South Australia, to share their knowledge of policies and programs that have improved child oral health, clarify areas in need of improvement and help identify actions to further improve child oral health in Victoria.

We congratulate everyone who has played a part in our organisation's impressive performance in 2009–10 — our Board, committee members, DHSV staff and the staff of the 58 community health agencies from whom we purchase services, and the Department of Health. Your dedication to service excellence and patient care has enabled DHSV to ensure quality public dental care so that all Victorians can enjoy better oral health.



**Mick Ellis**  
Chair, Board of Directors



**Felix Pintado**  
Chief Executive

# ROLES AND SERVICES

## Manner of establishment and relevant Minister

Dental Health Services Victoria (DHSV) was established in 1996 to improve the planning, integration, coordination and management of Victoria's public dental services.

Responsible to the Victorian Minister for Health, DHSV became a metropolitan public health service in July 2000 and today employs around 560 staff.

DHSV was established under the *Health Services Act 1988*. The responsible Minister for Health during the reporting period was the Hon Daniel Andrews MP.

## Objectives, functions, powers and duties

As the leading public oral health agency in Victoria, DHSV is committed to ensuring that public oral health services are sustainable, efficient, effective and of a sufficiently high quality to improve the oral health status of Victorians, particularly those who are vulnerable and most in need.

DHSV has a statewide leadership role in:

- educating, recruiting and retaining the oral health workforce
- setting the agenda for oral health promotion
- ensuring the quality of oral health services, including clinical leadership
- advocating, through partnerships, for oral health
- supporting and encouraging innovation and research in oral health.

DHSV has lead responsibility for:

- purchasing community dental services
- planning the best distribution of purchased services
- providing general, emergency and specialist services through The Royal Dental Hospital of Melbourne.

## Nature and range of services

DHSV provides clinical dental services through The Royal Dental Hospital of Melbourne in Carlton, and purchases clinical and health promotion services on behalf of the State Government from 58 community health agencies throughout Victoria.

The following groups are eligible for public dental services:

- children and young people:
  - » all children aged 0–12 years
  - » young people aged 13–17 years who are health care or pensioner concession cardholders or dependants of concession cardholders
  - » all children and young people up to 18 years of age in residential care provided by the Children Youth and Families division of the Department of Human Services
  - » all youth justice clients in custodial care, up to 18 years of age
- people aged 18 years and over, who are health care or pensioner concession cardholders or dependants of concession cardholders
- refugees and asylum seekers.

Priority access to dental services is available to:

- Aboriginal and Torres Strait Islander people
- children and eligible young people
- homeless people and people at risk of homelessness
- eligible pregnant women
- refugees and asylum seekers
- registered clients of mental health and disability services, supported by a letter of recommendation from their case manager or staff of special developmental schools
- youth justice clients up to 18 years of age in custodial care.

Emergency, specialist and general dental care is provided (see Summary of Services), with referrals for particular specialist services made from community health agencies to the Hospital.

The Royal Dental Hospital of Melbourne is Victoria's leading dental teaching facility, working in partnership with the Melbourne Dental School of The University of Melbourne and the School of Life and Physical Sciences of RMIT University, to educate Victoria's future dental and oral health professionals. The Hospital also has close links with the rural oral health teaching program of La Trobe University.

In addition to delivering clinical services, DHSV plays the leading role in Victoria in the development, implementation and evaluation of targeted oral health promotion programs designed to reduce the need for dental services and improve oral and overall health in the community.

## Summary of services

Emergency care	Emergency dental care is available to health care and pensioner concession cardholders at The Royal Dental Hospital of Melbourne (RDHM) and community dental clinics. Emergency care is also available to the general public at RDHM.
General care	General dental care, including fillings, dentures and preventative care, is available to current health care and pensioner concession cardholders through RDHM and community dental clinics across Victoria.
Specialist care	Patients may be referred to RDHM for specialist dental care including orthodontics, oral and maxillofacial surgery, endodontics, periodontics, prosthodontics, paediatric dentistry and oral medicine.
Oral health promotion	Integrated health promotion programs deliver benefits for the community by promoting wellbeing, strengthening community capacity and minimising the burden of disease. Our statewide health promotion program supports key policy objectives, including prevention of oral disease, delivery of services to those in highest need and building capacity to improve oral health outcomes.
Education	The teaching clinics at RDHM support The University of Melbourne's education of dentists, specialists, and oral health therapists and RMIT University's education programs for dental assistants and technicians. RDHM provides bridging programs for overseas-trained clinicians seeking registration in Australia and offers scholarships to oral health graduates and overseas-trained clinicians to build workforce capacity. DHSV also works closely with La Trobe University to support its rural oral health teaching program.
Purchased services	DHSV purchases oral health services from 58 community health agencies. Through a population health approach, DHSV ensures there is a fair and equitable distribution of public money used in the most effective and efficient way to improve public oral health. DHSV has developed policies and procedures to ensure that defined levels of agency support are provided.
Continuous improvement	The DHSV Health Intelligence Team is responsible for data analysis, knowledge management, business improvement and service development. The team supports statewide planning, implementing, monitoring and reviewing of the continuous improvement functions in collaboration with management and staff. Our Infection Control Consultant provides high level advice and guidance to DHSV management, staff and agencies on infection control issues.
Information communication technology (ICT)	The DHSV ICT Team is responsible for developing and maintaining patient management system solutions and associated centralised infrastructure to support the clinical and administrative activities at 85 sites across Victoria. The team also supports the broader ICT service needs of RDHM and DHSV corporate functions.

# GOVERNANCE

## Board of Directors

The functions of the Board of a public health service are prescribed by the *Health Services (Governance and Accountability) Act 2004*.

The Governor in Council, on the Minister for Health's recommendation, appoints the DHSV Board of Directors. Members reflect a mix of qualifications, skills and experience, particularly in the areas of dental health, community welfare, finance and business.

On 1 July 2009, three new Board Directors, Ms Kathy Bell, Ms Joe Manton and Mr Kevin Quigley, were appointed for three-year terms and Dr Brian Stagoll was re-appointed for a further two-year term.

We recognise the service and contribution of Director, Dr Errol Katz, whose term concluded on 30 June 2010 after six years on the Board. We also acknowledge the service of Ms Joe Manton who resigned from the Board during the year due to other commitments.

### Mr Mick Ellis (*Chair of the Board*)

*BEcon, BEd*

**Chair:** Executive Performance & Remuneration Committee

**Member:** Audit Committee; Finance Committee

Appointed to the Board in July 2006, and Chair since July 2009, Mr Ellis has extensive experience in the health and human service industry and is currently a partner in Highview Consultants, specialising in strategic management and human resource support.

### Ms Kathy Bell

*BA (Hons), GradCertHealthEcons, MPH*

**Member:** Population Health Committee; Quality Committee

Appointed to the Board in July 2009, Ms Bell has extensive experience in public health policy and management, including in Aboriginal health and remote health. She is currently CEO of the Heart Foundation (Victoria).

### Ms Kellie-Ann Jolly

*Grad Dip App Sci (Oral Health Therapy), MHSc (Health Promotion)*

**Chair:** Community Advisory Committee

**Member:** Human Research Ethics Committee; Research Advisory Panel

A director since July 2004, Ms Jolly has an oral health background partnered with substantial experience in public health and health promotion portfolios at State and community levels. She is the Director, Cardiovascular Health Programs for the Heart Foundation (Victoria). Ms Jolly is also on the Committee of Management for Victoria Walks Inc Association.

### Dr Errol Katz

*MBBS (Hons), LLB (Hons), MPP (Harvard)*

**Chair:** Population Health Committee

**Member:** Executive Performance & Remuneration Committee; Quality Committee

A director since July 2004, Dr Katz is currently Director, New & Emerging Business at Visy Industries. He has a strong background in strategic business planning, and has previously worked at the Boston Consulting Group and in the public hospital system. He has degrees in medicine and law, and a degree in public policy from Harvard University where he was a Menzies Scholar.  
*Term concluded 30 June 2010*

### Ms Anne Lyon

*BEd, Diploma of Nursing Education (Midwifery), MA Public Policy and Management (Monash)*

**Chair:** Human Research Ethics Committee; Research Advisory Panel

**Member:** Quality Committee

Appointed to the Board in July 2008, Ms Lyon has extensive experience across a number of sectors including aged care, disability and community health. She held the position of Chief Executive Officer of Knox Community Health Service until September 2008. Ms Lyon is currently a Board Member of Women's Legal Service Victoria.

### Ms Joe Manton

*PGDWA*

**Member:** Population Health Committee; Research Advisory Panel

Appointed to the Board in July 2009, Ms Manton has extensive experience in health and community services. She previously served on the Board of Austin Health for nine years. Ms Manton is currently Director of Access Audits Australia and the Institute of Access Training Australia.

*Resigned 30 December 2009*

### Ms Helen O'Kane

*BA (University of Melbourne), BEco (LaTrobe)*

**Chair:** Finance Committee

**Member:** Audit Committee; Executive Performance & Remuneration Committee

Appointed to the Board in July 2008, Ms O'Kane is the Practice Manager for Melbourne legal firm Barbour Arnold and Cousins. She has extensive executive management experience in the private sector and in 2000, became the first national lay Board Chair of LCM Health Care Ltd.

### Mr Kevin Quigley

*FCA, FAHSFMA*

**Member:** Finance Committee; Community Advisory Committee

Appointed to the Board in July 2009, Mr Quigley is a member of a number of not-for-profit boards and committees. He is Deputy President of the Library Board of Victoria, President of the Melbourne Athenaeum and a member of the Council of the University of Ballarat. He also chairs or serves on a number of Audit Committees.

### Dr Brian Stagoll

*MB BS FRANZCP*

**Chair:** Quality Committee

**Member:** Community Advisory Committee; Human Research Advisory Committee

A director since July 2003, Dr Stagoll is a psychiatrist in private practice. He has broad experience in public health and is a Board Member of North Yarra Community Health Centre.

*Re-appointed 1 July 2009*



## Board meetings

The Board requires all members to devote sufficient time to the work of the Board and to endeavour to attend meetings.

In addition to the Annual General Meeting (which eight members attended), the Board met 13 times during 2009–10. Two of these meetings were half-day strategic planning sessions and 11 were Board meetings. Attendance at Board meetings was as follows:

Director	Eligible	Attended
Mr Mick Ellis, <i>Chair</i>	11	10
Ms Kathy Bell	11	10
Ms Kellie-Ann Jolly	11	11
Dr Errol Katz	11	9
Ms Anne Lyon	11	10
Ms Joe Manton	6	3
Ms Helen O’Kane	11	8
Mr Kevin Quigley	11	9
Dr Brian Stagoll	11	10

## Board committees

The following committees provided advice to the Dental Health Services Victoria Board of Directors during the 2009–10 financial year:

### AUDIT COMMITTEE

*Chair* (Independent): Ms Ruth Owen  
*Members*: Mr Mick Ellis, Ms Helen O’Kane, Mr Brian Stagoll, Mr Peter Robertson (Independent)

### COMMUNITY ADVISORY COMMITTEE

*Committee Chair*: Ms Kellie-Ann Jolly  
*Members*: Mr Kevin Quigley, Dr Brian Stagoll, Mr Savas Augoustakis (re-appointed October 2009), Ms Janet Curry (re-appointed October 2009), Ms Sharon Harris (appointed

May 2010), Mr Grant Holland (resigned December 2009), Ms Christine Ingram, Mr Greg Loughnan (re-appointed October 2009), Mr Peter Martin, Ms Catherine Reid (appointed May 2010)

### EXECUTIVE PERFORMANCE AND REMUNERATION COMMITTEE

*Committee Chair*: Mr Mick Ellis  
*Members*: Dr Errol Katz, Ms Helen O’Kane

### FINANCE COMMITTEE

*Committee Chair*: Ms Helen O’Kane  
*Members*: Mr Mick Ellis, Mr Kevin Quigley, Mr Felix Pintado

### HUMAN RESEARCH ETHICS COMMITTEE

*Committee Chair*: Ms Anne Lyon  
*Members*: Ms Kellie-Ann Jolly, Dr Brian Stagoll, Dr Menaka Abuzar, Reverend James Brady, Ms Kavitha Chandra-Shekeran, Dr John Harcourt, Dr Rodrigo Marino, Mr Peter Martin, Ms Sarah Nieuwenhuysen, Ms Paula Touzeau

### POPULATION HEALTH COMMITTEE

*Committee Chair*: Dr Errol Katz  
*Members*: Ms Kathy Bell, Ms Joe Manton, Ms Catherine James (resigned May 2010), Ms Leigh Rhode, Ms Rosie Rowe (appointed November 2009), Mr Matt Sharp (appointed November 2009), Dr Marc Tennant, Professor Elizabeth Waters, Ms Helen Watt (appointed November 2009), Ms Tracey Wilson (appointed November 2009)

### QUALITY COMMITTEE

*Committee Chair*: Dr Brian Stagoll  
*Members*: Dr Errol Katz, Ms Anne Lyon, Ms Kathy Bell, Mr Savas Augoustakis, Ms Jean Joseph (resigned March 2010)

### RESEARCH ADVISORY PANEL

*Committee Chair*: Ms Anne Lyon  
*Members*: Ms Kellie-Ann Jolly, Ms Joe Manton, Professor Anthony Blinkhorn, Dr Elise Davis (appointed August 2009), Professor Louise Kloot, Dr Marie Misso (resigned June 2010), Professor Peter Wilson

## Compensation arrangements

The Board reviews the compensation arrangements of the Chief Executive and other senior executives annually via its Executive Performance and Remuneration Committee to ensure compliance with the Government Sector Executive Remuneration Panel guidelines. The remuneration of Board Directors is determined by government policy.

## Managing risk

The Board retained the services of Protiviti Independent Risk Consulting in 2009–10 as internal auditors and facilitators of the DHSV Risk Management process. Protiviti consultants facilitated an evaluation of the organisation’s risk in March 2010 as part of our ongoing commitment to risk management.

## Consultancies

Consultancies costing more than \$100,000: nil

Consultancies costing less than \$100,000: 14, at a cost of \$146,534.05.

# ATTESTATIONS

## Attestation on data integrity

I, Felix Pintado, certify that Dental Health Services Victoria has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. Dental Health Services Victoria has critically reviewed these controls and processes during the year.



Felix Pintado  
Chief Executive  
Dental Health Services Victoria  
Carlton  
10 August 2010

## Attestation on Compliance with Australian/ New Zealand Risk Management Standard

I, Felix Pintado, certify that Dental Health Services Victoria has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard* and an internal control system is in place that enables the executives to understand, manage and satisfactorily control risk exposures. The Audit Committee verifies this assurance and that the risk profile of Dental Health Services Victoria has been critically reviewed within the last 12 months.



Felix Pintado  
Chief Executive  
Dental Health Services Victoria  
Carlton  
10 August 2010

# COMPLIANCE

## Compliance with *Building Act 1993*

DHSV buildings are maintained to meet the provisions of the *Building Act 1993* and the Minister for Finance Guidelines Building Act 1993-Standards for Publicly-Owned Buildings, November 1994.

## Purchasing and tendering

DHSV complies with the Operating Model of Health Purchasing Victoria and uses the Victorian Government Purchasing Board Guidelines in tendering and managing contracts.

## Competitive neutrality

DHSV applies competitively neutral pricing principles to all of its identified business units in accordance with the requirements of the Government policy statement, Competitive Neutrality Policy Victoria and subsequent reforms.

## Probity

DHSV has undertaken public tender for contracts as required by the Victorian Government Public Service guidelines and has a rigorous supplier evaluation and relationship management process in place.

## Code of Conduct

DHSV has a comprehensive Code of Conduct, which is consistent with guidelines issued by the State Services Authority. The Code of Conduct is available to all employees and is an integral part of the induction and orientation program. All employees are expected to behave in a manner consistent with the requirements of the Code of Conduct.

## Freedom of information

The Victorian *Freedom of Information (FOI) Act 1982* provides members of the public the right to apply for access to information held by Dental Health Services Victoria.

Total no. of requests:	69
Personal requests:	43
Other requests:	26
Access granted in full:	65
Access partially granted:	1
Requests withdrawn or not proceeded with:	3
Application fees collected:	\$725.00
Application fees waived:	\$240.80
Charges collected:	\$613.80
Charges waived:	\$3,356.60

There were a further 292 requests received for copies of documents that were provided outside the Freedom of Information process. These requests consisted of written authorities to copy documents to facilitate ongoing patient care at another health facility.

## Occupational health and safety

In 2009–10 DHSV employed a part-time Occupational Health and Safety Coordinator to offer advice on risk management, health and safety issues and OHS legislation.

A continued drive in proactive and strategic WorkCover claims management resulted in a WorkCover premium reduction of 16.3% with the actual premium reducing from \$190,530.62 in 2009–10 to \$159,467.95 for the 2010–11 financial year\*. A further emphasis on timely return to work management, and a focus on reducing individual claim costs contributed to the premium reduction.

(\*Indicative figures only, premium statements sent by our WorkCover insurer at the end of August 2010 confirm the premium amount for the 2010-11 financial year.)

## Disability Action Plan

DHSV lodged a Disability Action Plan with the Australian Human Rights Commission in June 2010. The *Disability Action Plan 2010–2013 (DAP)* addresses the four outcome areas identified by the *Victorian Disability Act*:

- reducing barriers to persons with a disability accessing goods, services and facilities
- reducing barriers to persons with a disability obtaining and maintaining employment
- promoting inclusion and participation in the community of persons with a disability
- achieving tangible changes in attitudes and practices which discriminate against persons with a disability.

The *DAP* was developed by the DHSV Diversity Group and its implementation is monitored regularly by the DHSV Community Advisory Committee which includes members with particular interest in the welfare of people with disabilities.

## Compliance with *Whistleblowers Protection Act 2001*

DHSV complies with the application and operation of the *Whistleblowers Protection Act 2001* and encourages staff members and members of the public to disclose any conduct they believe to be inappropriate or corrupt.

A Protected Disclosure Coordinator (Manager Employee Services) receives the disclosures or requests for information. Alternatively, staff or members of the public may contact the Victorian Ombudsman's Office direct. Information relating to the *Whistleblowers Protection Act* is provided to new staff members on commencement. There were no reports of claims under the Act in 2009–10.

# STRATEGIC PERFORMANCE

The *Statement of Priorities* is the key accountability agreement between DHSV and the Minister for Health. The tables below report on the performance of DHSV in each area of the *Statement of Priorities*.

## Part A: Strategic priorities for 2009–10

Strategic priority	Deliverables	Due date	Outcome
1. Oral health service planning framework	a) Contribute to the completion and implementation of regional oral health plans: Grampians, Barwon Southwest and Hume	June 2010	Participated in workshops and provided data to assist in the development of regional oral health plans for Grampians, Barwon Southwest and Hume. Continued to work with the community health agencies to identify priority recommendations.
	b) Establish relationships with accrediting bodies to ensure the inclusion of dental services and the application of appropriate standards for accrediting public oral health services	December 2009	Agreed on an action plan with the Executive Officer of Quality Improvement and Community Services Accreditation (QICSA) in December 2009. DHSV representative completed a professional development course at QICSA to better understand the primary health focus on quality and improve the support provided to community agencies in preparing for accreditation. Manager Quality Improvement Projects (Agencies) became an accredited Australian Council on Healthcare Standards (ACHS) surveyor and QICSA reviewer to assist dental clinics in preparation for accreditation.
2. Oral health workforce	c) Implement actions within the <i>Oral Health Workforce Strategy</i>	June 2010	Continued to implement the action plan arising from the <i>Oral Health Workforce Strategy</i> : <ul style="list-style-type: none"> <li>• Successfully developed a pilot educational bridging program to expand dental therapist scope of clinical practice to adults aged 26 years and over. Eight dental therapists successfully completed the program and had their scope of practice extended by the Dental Practice Board of Victoria.</li> <li>• Established processes for implementation of regional lead agencies to provide a base for education, skill development and recruitment initiatives.</li> <li>• Invited private practitioners to engage with the public sector resulting in the employment of a senior oral maxillofacial surgeon at RDHM and over 140 expressions of interest.</li> <li>• Awarded five scholarships to overseas-trained clinicians to enable them to complete the Graduate Certificate in Clinical Dentistry. Upon graduation and registration with the Dental Practice Board of Victoria, scholarship recipients are contracted to work in a public dental clinic in metropolitan or regional and rural Victoria.</li> <li>• Increased the uptake of dental graduates working at RDHM by awarding four internships to dental graduates.</li> </ul>
	d) Work with community health services to identify workforce needs and explore opportunities to maximise efficient and effective workforce utilisation	June 2010	DHSV Workforce Advisory Group assisted in identifying agency workforce needs. Appointed Manager Clinical Placements to support undergraduate and graduate placements in community agencies.
	e) Administer Oral Health Therapist scholarships (up to 20 participants)	June 2010	Awarded eight new scholarships to oral health therapist undergraduates and continued to support ten existing scholarship recipients. Upon graduation and registration with the Dental Practice Board of Victoria, scholarship recipients are contracted to work in a public dental clinic in metropolitan or regional and rural Victoria.

Strategic priority	Deliverables	Due date	Outcome
2. Oral health workforce (continued)	f) Implement Oral Health Therapist Graduate Program (up to ten participants)	June 2010	Commenced Oral Health Therapist Graduate Program providing first year graduates with the opportunity to work in a clinical environment in the public sector. Five oral health therapists were selected into the program and commenced work in regional community dental clinics in Maryborough, Benalla, Wangaratta, Pakenham and Ballarat. A further five participants to commence in August 2010.
3. Oral health promotion	g) Implement the 2009–10 and develop 2011–12 <i>Integrated Oral Health Promotion Plan</i>	December 2009	<p>Implemented the <i>Oral Health Promotion Plan 2009–10</i>:</p> <ul style="list-style-type: none"> <li>Contracted three new sites to the <i>Smiles 4 Miles</i> program.</li> <li>Distributed oral health kits to Neighbourhood Renewal project areas, Koori Maternity Services and Best Start sites on behalf of the Global Child Oral Health Taskforce.</li> <li>Enhanced participation in the 'Where the Heart Is' community festival for homeless people or those at risk of homelessness in Melbourne resulted in referrals to RDHM for treatment.</li> <li>Developed and distributed two new oral health DVDs: <i>Brushing up on Oral Health</i>, a training DVD about how to support a person with disability to complete their daily oral health routine; and <i>Healthy Choices for Healthy Mouths</i>, an educational DVD for pension-level SRS residents.</li> <li>Introduced an 'oral health and diabetes' session to the Graduate Certificate in Diabetes Education and Healthcare course offered at Mayfield Education.</li> <li>Developed new print resources for pregnant women or women preparing for pregnancy.</li> </ul> <p>DHSV Board approved the <i>DHSV Integrated Oral Health Promotion Plan 2009–2012</i> which sets out our goals and objectives for oral health promotion in Victoria. The plan was submitted to the Department of Health in March 2010 and approved for implementation in May 2010.</p>
4. Responding to high-needs groups	h) Identify top ten areas of need for children and implement appropriate initiatives in identified areas	June 2010	Developed the <i>Child Oral Health Action Plan</i> as a service development initiative which was presented at the Child Oral Health Forum in June 2010. Speakers from around Australia shared their expertise with DHSV staff and oral health professionals from community health agencies, sharing knowledge and ideas to improve child oral health.
5. Oral health funding, accountability and evaluation	i) Review purchasing agreements to improve service provision, including alignment to a three-year funding model	December 2009	Reviewed current agreements for refinement and use in 2010–11 and continued to work with the Department of Health on alignment to a three-year funding model.
	j) Contribute to the implementation of the new Oral Health Funding Model and associated requirements, including three-year purchasing agreements	June 2010	Participated in the Department of Health Stakeholder Reference Group and continued to work with the Department of Health on implementation of the new Oral Health Funding Model.
	k) Contribute to the implementation of the Dental Data Set and associated implementation requirements	June 2010	Worked with the Department of Health on the development and refinement of the dental dataset with a view to introduce more sensitive and inclusive population health measures.
	l) Conduct quarterly and spot audits of data collection processes and reporting to ensure data accuracy and integrity	June 2010	Established a Health Intelligence Team to focus on data analysis, knowledge management and business improvement functions with responsibility for all audits.

# STRATEGIC PERFORMANCE

Strategic priority	Deliverables	Due date	Outcome
6. Service development	m) Develop and implement targeted plan for providing dental care in pensioner-level Supported Residential Services (SRSs)	December 2009	Participated in the State government's pension-level SRS oral health initiative, distributing oral hygiene kits and oral health education sessions to all pension-level SRSs across Victoria. Distributed oral health education DVD, <i>Healthy Choices for Healthy Mouths</i> , to reinforce the key oral health messages from the education sessions. Conducted an independent evaluation on the 2008–09 SRS oral health initiative in partnership with the Department of Health. Community dental agencies were given the opportunity to apply for grants of between \$15,000 and \$200,000 to develop new or improve existing service models for delivering oral health care to SRS residents.
	n) Implement strategies to improve the rates of recall notification, recall response and recall attends	December 2009	Worked with community health agencies to address the poor rate of recall by: <ul style="list-style-type: none"> <li>• facilitating load-sharing between agencies and from agencies to RDHM</li> <li>• providing onsite assistance at agencies to reduce recall lists and educate agency staff on effective recall list management</li> <li>• developing agency and regional scorecards to assist agencies to monitor performance measures.</li> </ul>
	o) Implement strategies that support community health services to collectively meet annual statewide dental measure performance	June 2010	Completed 'health checks' with Bendigo, Echuca, Wangaratta, East Grampians and Ballarat to improve dental clinic operations. Developed a compliance audit tool to ensure targets were achieved.
	p) Review and integrate an appropriate triage tool in the electronic patient management system	June 2010	Implemented phase one of the planned upgrade of the <i>Titanium</i> dental patient and client information management system which incorporates a new triage tool. On track for implementation in August 2010.
	q) Explore or pilot alternative oral health treatment models	June 2010	Convened a national Minimal Intervention Dentistry (MID) workshop to develop strategies to enable the introduction of a minimal intervention approach to clinical caries management in the public sector: <ul style="list-style-type: none"> <li>• A national consensus statement on MID was developed and adopted by participants.</li> <li>• A National Partnership Working Group was established to drive the MID agenda.</li> <li>• Three subcommittees were developed to address the key areas of community education and patient engagement, research and policy development.</li> </ul> Continued discussions with the Department of Health to support acute funding of oral maxillofacial surgery undertaken at RDHM.
	r) Improve service coordination between The Royal Dental Hospital of Melbourne and community health services	December 2009	Upgraded the Service Coordination forms in the <i>Titanium</i> dental patient and client information management system. Introduced an SMS appointment reminder service for use by all community dental agencies operating the <i>Titanium</i> dental patient and client information management system resulting in a reduction in Failure To Attend rates. Liaised with Moonee Valley Melbourne Primary Care Partnership to improve service coordination between local communities and RDHM.

## Part B : Performance priorities

### FINANCIAL PERFORMANCE

Operating result	2009–10 actuals
Annual Operating result (\$m)	\$1.899 million
Cash management/liquidity	2009–10 actuals
Creditors	43 days
Debtors	44 days
Net movement in cash balance (\$m)	\$0.72 million favourable

### STATEWIDE MEASURES

Performance measure	2009–2010 actuals
Report health promotion activity according to Department of Health <i>Integrated health promotion performance reporting requirements</i>	Reporting on track for September 2010

Service performance	2009–10 actuals
Ratio of emergency to general dental care	43.9 : 56.1
Proportion of denture remakes within 12 months	1.5%
Percentage of re-treatment within 6 months following completed endodontic treatment	0.4%
Percentage of extraction within 12 months following completed endodontic treatment	2.0%

Access performance	2009–10 actuals
Proportion of Category 1 clients treated within 24 hours	86.9%
Proportion of priority denture clients receiving treatment within 3 months	95.9%
Statewide average waiting time for non-urgent general dental care	18.6 months
Statewide average waiting time for non-urgent denture care	19.6 months
Percentage of agencies with average waiting time for general dental care of less than 3 years	98.4%
Percentage of agencies with average waiting time for denture care of less than 3 years	100.0%
Percentage of high caries risk 5–12 year olds recalled within 12 months	46.1%
Percentage of 5–12 year olds (excluding high caries risk category) recalled within 24 months	39.0%
Percentage of high caries risk 13–17 year olds recalled within 12 months	47.8%
Percentage of eligible 13–17 year olds (excluding high caries risk category) recalled within 24 months	38.9%

# STRATEGIC PERFORMANCE

## RDHM MEASURES

Service performance	2009–10 actuals
Proportion of Category 1 clients treated within 24 hours	82.7%
Proportion of priority denture clients receiving treatment within 3 months	100.0%
Average wait time for Special Needs Clinic	1.4 months
Average wait time for specialist clinics:	
• Oral Surgery	7.3 months
• Oral Medicine	2.8 months
• Endodontics	15.0 months
• Orthodontics	16.6 months
• Periodontics	3.3 months
• Prosthodontics Fixed	3.7 months
• Prosthodontics Removable	0.9 months
• Paedodontics	1.6 months

## Part C: Activity and funding

Funded activity	2009–10 actuals
Community Dental Care	283,283
RDHM Dental Care	51,710

Block-funded activities	Measure description 2009–10
Workforce, Resourcing and Development	Implemented <i>Oral Health Workforce Strategy</i> (see Strategic Priority 2).
Oral Health Promotion	Implemented the <i>Oral Health Promotion Plan 2009–10</i> and developed and commenced implementation of the <i>DHSV Integrated Oral Health Promotion Plan 2009–2012</i> (see Strategic Priority 3).
Service System Development and Resourcing	Continuous provision and enhancement of the administration and information technology functions required to meet the strategic priorities set out in <i>Improving Victoria's Oral Health</i> (July 2007).
Acute Health Services – Number of people completed post acute episode	9 people
Disability Services	Designed and developed <i>Brushing up on Oral Health</i> , a training DVD about how to support a person with disability to complete their daily oral health routine. Distributed 1,100 copies to disability accommodation services and registered training organisations across the State.
Annual provisions/minor works	49 submissions approved for minor works to maintain Victoria's public oral health infrastructure [as per Principle Three: Technology to Benefit People, <i>Improving Victoria's Oral Health</i> (2007)].



# WORKFORCE STATISTICS

## DHSV staff numbers as at 30 June 2010

<b>Number of individuals</b>			
	<b>Women</b>	<b>Men</b>	<b>Total</b>
Full-time	144	77	221
Part-time	196	65	261
Casual	43	29	72
<b>Total</b>	<b>383</b>	<b>171</b>	<b>554</b>

<b>Labour category</b>	<b>June Current Month FTE*</b>	<b>June YTD FTE*</b>
Nursing <i>Registered nurses</i>	18.73	19.13
Administration and clerical <i>Admin, clerical, management</i>	139.35	140.07
Medical support <i>CSSD techs/ radiologists</i>	24.56	23.00
Hostel and Allied Services <i>Other (eg storemen, drivers, orderlies)</i>	11.08	11.61
Medical officers <i>Anaesthetists</i>	4.44	4.42
Ancillary staff (Allied Health) <i>Speech therapists</i>	0.23	0.23
Specialist dentists	11.37	11.05
Dentists	39.27	37.52
Dental therapists	1.35	1.58
Dental hygienists	0.20	0.20
Dental assistants	99.11	97.22
Dental technicians	13.82	14.02
<b>Total</b>	<b>363.51</b>	<b>360.05</b>

\*FTE – Full-time Equivalent

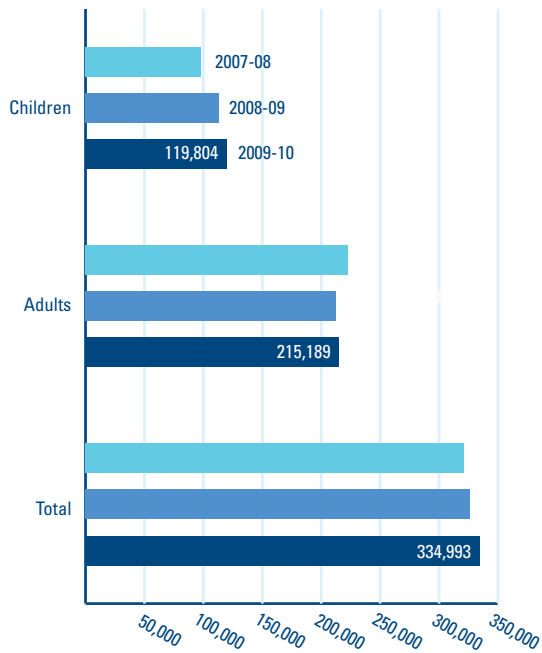
## Application of merit and workplace equity principles

DHSV aims to attract and retain skilled employees with a commitment to making a contribution to improving oral health in Victoria.

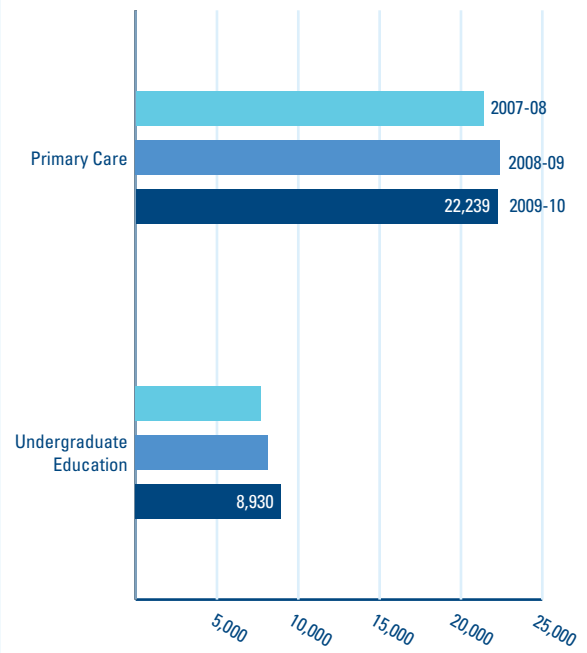
As an organisation, we are committed to creating work environments where all employees are treated with respect, where diversity is appreciated for the value it brings to our service, and where individuals are recognised for their achievements and contributions.

# STATISTICS AT A GLANCE

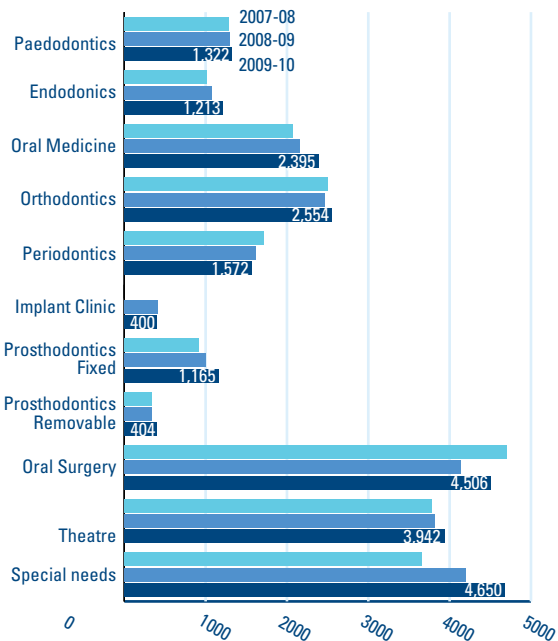
TOTAL INDIVIDUALS TREATED STATEWIDE



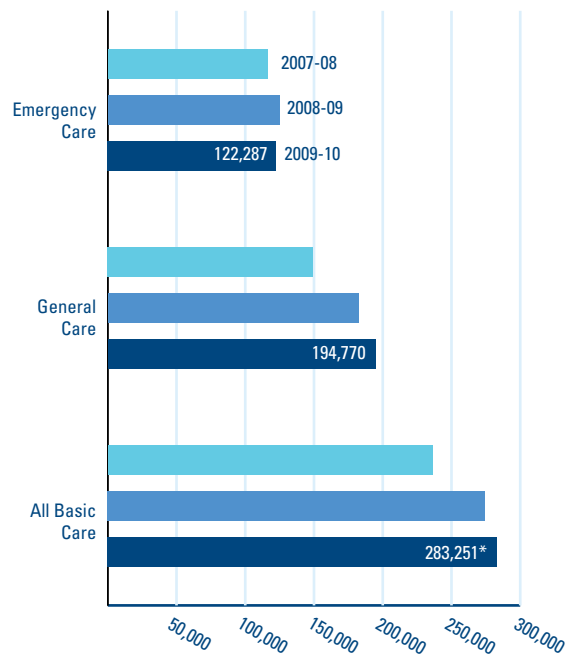
INDIVIDUALS TREATED AT THE ROYAL DENTAL HOSPITAL MELBOURNE  
GENERAL DENTAL SERVICES



INDIVIDUALS TREATED AT THE ROYAL DENTAL HOSPITAL MELBOURNE  
SPECIALIST DENTAL SERVICES

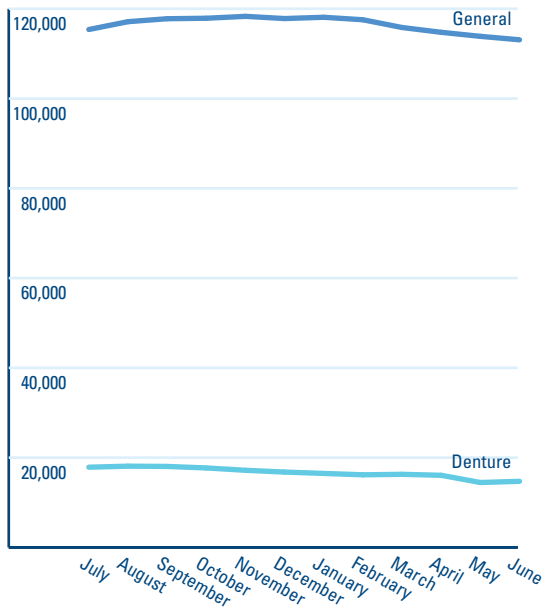


INDIVIDUALS TREATED IN  
COMMUNITY HEALTH AGENCIES

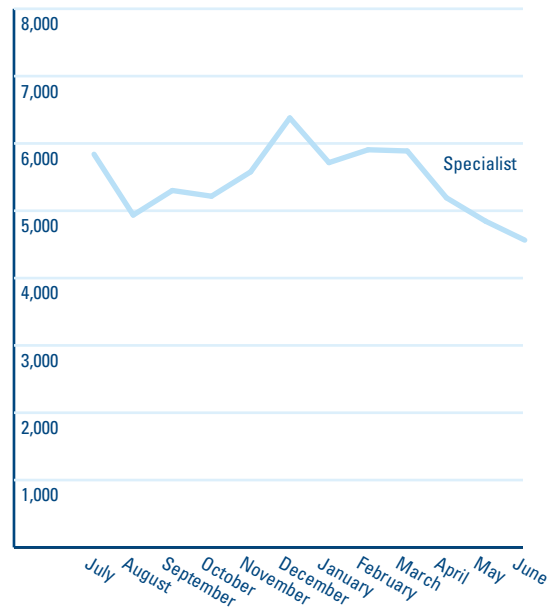


\*Graph excludes patients treated through the DHSV School Dental Service (for 2009-10 there were 32 patients treated).

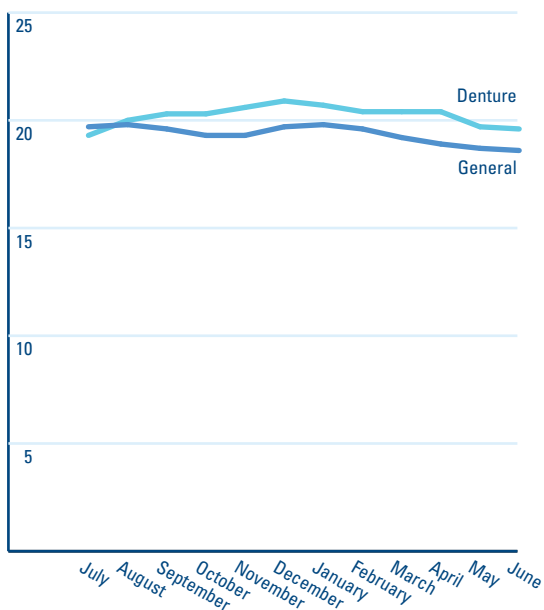
STATEWIDE WAITING LIST 2009-10  
GENERAL AND DENTURE PATIENTS (NUMBER WAITING)



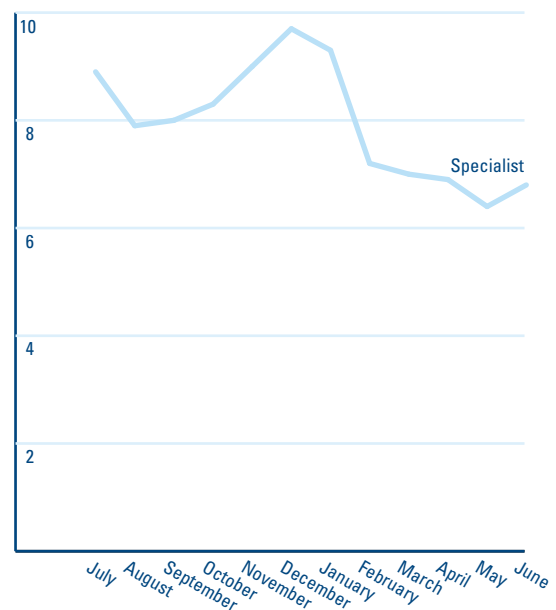
STATEWIDE WAITING LIST 2009-10  
SPECIALIST PATIENTS (NUMBER WAITING)



STATEWIDE WAITING LIST 2009-10  
GENERAL AND DENTURE PATIENTS (MONTHS WAITED)



STATEWIDE WAITING LIST 2009-10  
SPECIALIST PATIENTS (MONTHS WAITED)



# MANAGEMENT AND ORGANISATIONAL STRUCTURE

## Executive team

### **Felix Pintado**

#### *Chief Executive*

*FACHSE, CHE, FAIM, MAICD, MHA, GDHSM, DipEd, BTheol*

Felix was appointed Chief Executive in February 2008. He has over 20 years leadership experience in the health service industry, and has held senior executive positions in specialist and general hospitals in Victoria and New Zealand. Prior to joining DHSV, Felix was Chief Executive of Latrobe Regional Hospital. He is a member of the Board of the Victorian Healthcare Association and the Board of the Australian Healthcare and Hospitals Association. He is also Chair of the Board of Health Purchasing Victoria.

### **Deidre Mackechnie**

#### *Chief Learning Officer*

*RN, ORC, BAppSci, Grad Dip Bus Mgt (HR), MEd*

Appointed in June 2008, Deidre has a clinical background with substantial experience in organisational and workforce development, culture and change management, human resources and nursing. In her role, Deidre is responsible for the education and research; health promotion and communication; and continuous improvement functions.

### **Mark Sullivan**

#### *Chief Operating Officer*

*GDHA, Cert Purchasing/Planning, AFACHSE*

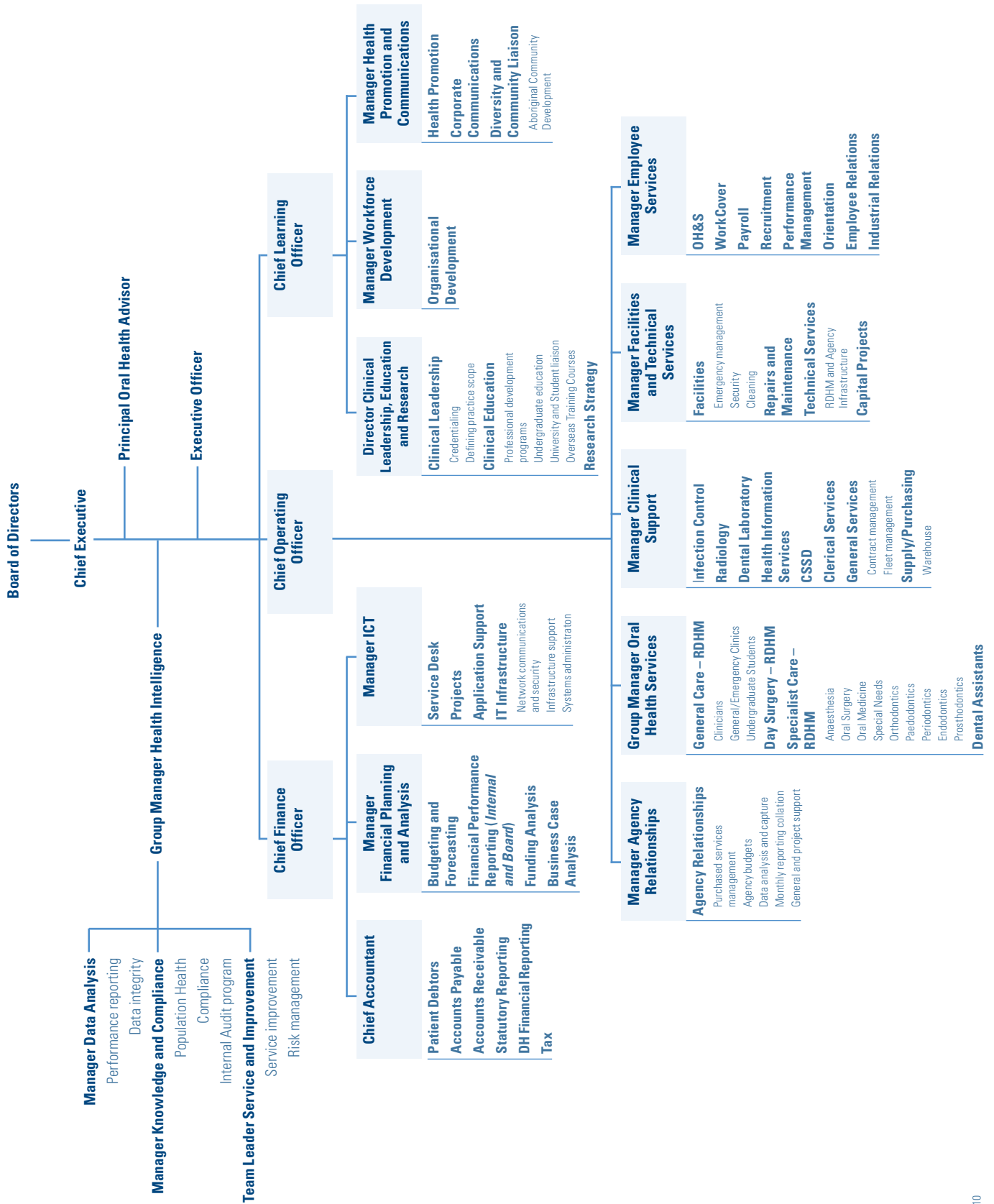
Appointed as Chief Operating Officer in June 2008, Mark is responsible for purchasing services and administering funding for statewide public oral health services as well as overseeing the operation of The Royal Dental Hospital of Melbourne. He has particular expertise in business continuous improvement, customer service, and project and facilities management. He has held senior executive positions in regional and specialist hospitals.

### **Deb Sullivan**

#### *Chief Finance Officer*

*BEc, CPA, MBA*

Deborah has substantial commercial and operational expertise, developed in senior roles with large service-based organisations in Australia and Europe. Prior to joining DHSV in 2006, she held divisional management and chief financial officer positions. Deborah is responsible for ensuring that her portfolio contributes to the broader oral health strategy, with a focus on operational efficiency and 'value-adding' services.



# STATEMENT OF AVAILABILITY OF OTHER INFORMATION (FRD 22B Appendix)

DHSV policies and practices aim to ensure that decisions on staff selection, promotion and training opportunities are based on the principles of merit and equity.

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Dental Health Services Victoria and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- a) A statement of pecuniary interest has been completed.
- b) Details of shares held by senior officers as nominee or held beneficially.
- c) Details of publications produced by the department about the activities of the entity and where they can be obtained.
- d) Details of changes in prices, fees, charges, rates and levies charged by Dental Health Services Victoria.
- e) Details of any major external reviews carried out on the entity.
- f) Details of major research and development activities undertaken by the entity that are not otherwise covered either in the Report of Operations or in a document that contains the financial report and Report of Operations.
- g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- h) Details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of DHSV and its services.
- i) Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- j) General statement on industrial relations within the entity and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations.
- k) A list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved.

# FINANCIAL OVERVIEW

The DHSV net result for the year after the specific adjustments noted below was a reported deficit of \$1.777 million.

DHSV achieved an underlying operating surplus of \$1.899 million for the year. This was before allowing for AASB 1004 timing differences. The net result before capital and specific items was a surplus of \$2.58 million. This result supports our commitment to invest in additional service development and major capital projects in 2010–11.

Total revenues decreased \$0.818 million comprising an operating revenue increase of \$1.726 million, and a combined decrease of \$2.544 million in capital purpose income, non-operating and specific income. This includes \$6.080 million of revenue comprising grants that have been received and accounted for in accordance with AASB 1004 contributions which will be expended in the 2010–11 financial year.

Total expenses increased by \$0.973 million including \$1.810 million of additional services expenditure offset by a decrease in capital and specific items of \$0.837 million. In 2009–10, capital and specific items included additional depreciation of \$1.58 million due to upward revaluation of buildings at the end of 2008–09.

Total equity decreased \$1.687 million due to an operating deficit of \$1.777 million and reversal of unrealised losses on available-for-sale investments of \$0.090 million.

## Summary of financial results

	<b>2010 (\$000)</b>	<b>2009 (\$000)</b>	<b>2008 (\$000)</b>	<b>2007 (\$000)</b>	<b>2006 (\$000)</b>
Total Revenue	134,822	135,640	124,439	122,578	120,330
Total Expenses	136,599	135,626	133,505	122,861	121,735
Operating Surplus/(deficit)	(1,777)	14	(9,066)	(283)	(1,405)
Retained Surplus/ (accumulated deficit)	(2,706)	(929)	(943)	8,483	8,917
Total Assets	113,081	112,688	84,487	90,224	96,667
Total Liabilities	19,482	17,402	21,597	22,530	20,692
Net Assets	93,599	95,286	62,890	67,694	75,975
<b>Total Equity</b>	<b>93,599</b>	<b>95,286</b>	<b>62,890</b>	<b>67,694</b>	<b>75,975</b>

## Revenue indicators

	<b>Average Collection Days</b>	
	<b>2010</b>	<b>2009</b>
Private	44	46
TAC	n/a	
VWA	n/a	
Other Compensable	n/a	
Psychiatric	n/a	
Residential Aged Care	n/a	

n/a – not applicable

## Debtors outstanding as at 30 June 2010

	<b>Under 30 days</b>	<b>31-60 days</b>	<b>61-90 days</b>	<b>Over 90 days</b>	<b>Total 30/6/10</b>	<b>Total 30/6/09</b>
Private	133,105	102,114	40,665	129,565	405,449	360,496
TAC	n/a					
VWA	n/a					
Other Compensable	n/a					
Psychiatric	n/a					
Residential Aged Care	n/a					

Abbreviations: TAC – Transport Accident Commission; VWA – Victorian WorkCover Authority



# DISCLOSURE INDEX

The Annual Report of Dental Health Services Victoria is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the organisation's compliance with statutory disclosure requirements.

Legislation	Requirement	Page
	<b>Ministerial Directions</b>	
	<b>Report of Operations</b>	
	<b>Charter and purpose</b>	
FRD 22B	Manner of establishment and the relevant Ministers	4
FRD 22B	Objectives, functions, powers and duties	4
FRD 22B	Nature and range of services provided	4
	<b>Management and structure</b>	
FRD 22B	Organisational structure	19
	<b>Financial and other information</b>	
FRD 10	Disclosure index	23
FRD 11	Disclosure of ex-gratia payments	n/a
FRD 21A	Responsible person and executive officer disclosures	F54, F55
FRD 22B	Application and operation of <i>Freedom of Information Act 1982</i>	9
FRD 22B	Application and operation of <i>Whistleblowers Protection Act 2001</i>	9
FRD 22B	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	9
FRD 22B	Details of consultancies over \$100,000	7
FRD 22B	Details of consultancies under \$100,000	7
FRD 22B	Major changes or factors affecting performance	21
FRD 22B	Occupational health and safety	9
FRD 22B	Operational and budgetary objectives and performance against objectives	10
FRD 22B	Significant changes in financial position during the year	21
FRD 22B	Statement of availability of other information	20
FRD 22B	Statement of merit and equity	15
FRD 22B	Statement on National Competition Policy	9
FRD 22B	Subsequent events	n/a
FRD 22B	Summary of the financial results for the year	21
FRD 22B	Workforce Data Disclosures	15
FRD 25	Victorian Industry Participation Policy disclosures	n/a
SD 4.2(j)	Report of Operations, Responsible Body Declaration	inside front cover
SD 4.5.5	Attestation on Compliance with Australian/New Zealand Risk Management Standard	8
	<b>Financial Statements</b>	
	<b>Financial statements required under Part 7 of the FMA</b>	
SD 4.2(a)	Compliance with Australian accounting standards and other authoritative pronouncements	F9
SD 4.2(b)	Operating Statement	F4
SD 4.2(b)	Balance Sheet	F5
SD 4.2(b)	Statement of Changes in Equity	F6
SD 4.2(b)	Cash Flow Statement	F7
SD 4.2(c)	Accountable officer's declaration	F1
SD 4.2(c)	Compliance with Ministerial Directions	F9
SD 4.2(d)	Rounding of amounts	F10
	<i>Freedom of Information Act 1982</i>	9
	<i>Whistleblowers Protection Act 2001</i>	9
	<i>Victorian Industry Participation Policy Act 2003</i>	n/a
	<i>Building Act 1993</i>	9
	<i>Financial Management Act 1994</i>	F1, F9

# COMMUNITY HEALTH AGENCIES

DHSV-purchased services by region, community health agency and dental clinic

Agency	Clinic
<b>Barwon Region</b>	
Barwon Health	Belmont
	Corio
	Newcomb
	Wathaurong Aboriginal Chair
Bellarine Community Health Ltd	Point Lonsdale
Colac Area Health	Colac
Western District Health Service	Hamilton
Portland District Health	Portland
South West Healthcare	Warrnambool
<b>Grampians Region</b>	
Ballarat Health Services	Ballarat Clinic
	Wendouree
	Ballarat and District Aboriginal Co-operative Ltd
East Grampians Health Service	Ararat
East Wimmera Health Service	St Arnaud
Edenhope and District Memorial Hospital	Edenhope
Hepburn Health Service	Creswick
	Daylesford
West Wimmera Health Service	Nhill
Wimmera Health Care Group	Horsham Base Hospital
	Horsham Van
	Dimboola
<b>Loddon Mallee Region</b>	
Boort District Health	Boort
Bendigo Health Care Group	Bendigo
Echuca Regional Health	Echuca
Mallee Track Health and Community Service	Mallee Track
Maryborough District Health Service	Maryborough
Sunraysia Community Health Services Ltd	Mildura
Swan Hill District Health	Swan Hill

Agency	Clinic
<b>Hume Region</b>	
Northeast Health	Wangaratta
	Benalla
Wangaratta	Shepparton
	Cobram
Goulburn Valley Health	Mooroopna
Rumbalara Aboriginal Co-operative Ltd	Seymour
Seymour District Memorial Hospital	Wodonga
Albury Wodonga Health	
<b>Gippsland Region</b>	
Bairnsdale Regional Health Service	Bairnsdale
Bass Coast Regional Health	Wonthaggi
Central Gippsland Health Service	Sale
Omeo District Health	Omeo
Orbost Regional Health	Orbost
Latrobe Community Health Service	Churchill
	Moe
	Warragul
	Bairnsdale
Gippsland and East Gippsland Aboriginal Co-operative Ltd	
<b>Northern Metro Region</b>	
Banyule Community Health	West Heidelberg
Darebin Community Health	East Preston
	Northcote
	PANCH Health Services - Dental Broadmeadows
Dianella Community Health Inc	
Nillumbik Community Health Service Ltd	Eltham
Merri Community Health Services Ltd	Brunswick
North Richmond Community Health Ltd	Nth Richmond
	Fitzroy
	Robinvale Aboriginal Co-operative
Plenty Valley Community Health Inc	Whittlesea
Sunbury Community Health Centre Inc	Epping
	Sunbury
Victorian Aboriginal Health Service Co-operative Ltd	Fitzroy
Victorian Foundation for Survivors of Torture	Brunswick

Agency	Clinic
<b>Western Metro Region</b>	
Doutta Galla Community Health Service	Kensington
	Niddrie
ISIS Primary Care Ltd	Brimbank
	Wyndham
	Hobsons Bay
Djerriwarrh Health Services	Melton
Western Region Health Centre Ltd	Geelong Rd Footscray
	Paisley St Footscray
The Royal Children's Hospital	Parkville
<b>Eastern Metro Region</b>	
Inner East Community Health Service	Ashburton
Knox Community Health Service Ltd	Ferntree Gully
EACH Ltd	Ringwood East
MonashLink Community Health Service Ltd	Clayton
Ranges Community Health Services	Lilydale
Whitehorse Community Health Service Ltd	Box Hill
<b>Southern Metro Region</b>	
Bentleigh Bayside Community Health Service Inc	Bentleigh East
Central Bayside Community Health Services Ltd	Parkdale
Inner South Community Health Service Ltd	Prahran
	South Melbourne
Peninsula Health	Frankston
	Hastings
	Rosebud
Southern Health	Berwick
	Cranbourne
	Thomas St Dandenong
	David St Springvale
	Springvale
	Kingston
	Pakenham



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# FINANCIAL STATEMENTS



## Dental Health Services Victoria

### Board member's, accountable officer's and chief finance & accounting officer's declaration

We certify that the attached financial statements for Dental Health Services Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable *Financial Reporting Directions*, Australian Accounting Standards, Australian Accounting Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2010 and the financial position at that date of Dental Health Services Victoria at 30 June 2010.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.

Mick Ellis  
Board Chair

Carlton  
18 August 2010

Felix Pintado  
Chief Executive

Carlton  
18 August 2010

Deborah Sullivan  
Chief Finance Officer

Carlton  
18 August 2010



## INDEPENDENT AUDITOR'S REPORT

### To the Board Members, Dental Health Services Victoria

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2010 of Dental Health Services Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the board member's, accountable officer's and chief finance & accounting officer's declaration, has been audited.

#### *The Board Members Responsibility for the Financial Report*

The board members of Dental Health Services Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance 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 audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 the accounting policies used, and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial report.

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

## Independent Auditor's Report (continued)

### *Matters Relating to the Electronic Presentation of the Audited Financial Report*

This auditor's report relates to the financial report published in both the annual report and on the website of Dental Health Services Victoria for the year ended 30 June 2010. The board members of the health service are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the health service's web site.

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Auditor's Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of Dental Health Services Victoria as at 30 June 2010 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE  
19 August 2010



D D R Pearson  
Auditor-General



DENTAL HEALTH SERVICES VICTORIA  
**FINANCIAL STATEMENTS**

Comprehensive Operating Statement  
For the Year Ended 30 June 2010

	Note	Total 2010 \$'000	Total 2009 \$'000
Revenue from Operating Activities	2	129,870	128,144
Revenue from Non-operating Activities	2	1,327	1,105
Employee Benefits	3	(28,311)	(29,290)
Non Salary Labour Costs	3	(338)	(1,131)
Supplies & Consumables	3	(4,694)	(4,200)
Other Expenses from Continuing Operations	3	(95,270)	(92,182)
<b>Net Result Before Capital &amp; Specific Items</b>		<b>2,584</b>	<b>2,446</b>
Capital Purpose Income	2	1,345	1,967
Specific Income	2d	2,280	4,424
Available-for-Sale Revaluation Reserve loss recognised	3	-	(60)
Impairment of Non-Financial Assets	3	-	(117)
Impairment of Financial Assets	3	-	(2,730)
Depreciation and Amortisation	4	(5,290)	(3,710)
Specific Expense	3c	(2,422)	(2,078)
Expenditure using Capital Purpose Income	3	(274)	(128)
<b>NET RESULT FOR THE YEAR</b>		<b>(1,777)</b>	<b>14</b>
<b>Other Comprehensive Income</b>			
Net fair value gains on Available for Sale Financial Investments		90	1,402
Net fair value revaluation on Non Financial Assets		-	30,980
<b>COMPREHENSIVE RESULT FOR THE YEAR</b>		<b>(1,687)</b>	<b>32,396</b>

*This Statement should be read in conjunction with the accompanying notes.*

# DENTAL HEALTH SERVICES VICTORIA

## Balance Sheet

As at 30 June 2010

	Note	Total 2010 \$'000	Total 2009 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	5	5,249	17,149
Receivables	6	2,283	2,243
Other Financial Assets	7	17,000	-
Inventories	8	737	931
Other Current Assets	9	542	2,905
<b>Total Current Assets</b>		<b>25,811</b>	<b>23,228</b>
<b>Non-Current Assets</b>			
Receivables	6	138	163
Other Financial Assets	7	1,808	1,718
Property, Plant & Equipment	10	85,128	86,617
Intangible Assets	11	196	962
<b>Total Non-Current Assets</b>		<b>87,270</b>	<b>89,460</b>
<b>TOTAL ASSETS</b>		<b>113,081</b>	<b>112,688</b>
<b>Current Liabilities</b>			
Payables	12	12,349	10,632
Employee Benefits and Related On-Costs Provisions	13	5,723	5,517
Other Liabilities	14	664	559
<b>Total Current Liabilities</b>		<b>18,736</b>	<b>16,708</b>
<b>Non-Current Liabilities</b>			
Employee Benefits and Related On-Costs Provisions	13	746	694
<b>Total Non-Current Liabilities</b>		<b>746</b>	<b>694</b>
<b>TOTAL LIABILITIES</b>		<b>19,482</b>	<b>17,402</b>
<b>NET ASSETS</b>		<b>93,599</b>	<b>95,286</b>
<b>EQUITY</b>			
Property, Plant & Equipment Revaluation Surplus	15a	41,469	41,469
Financial Asset Available for Sale Revaluation Deficit	15a	(192)	(282)
General Purpose Reserve	15a	512	512
Contributed Capital	15b	54,516	54,516
Accumulated Deficits	15c	(2,706)	(929)
<b>TOTAL EQUITY</b>	15d	<b>93,599</b>	<b>95,286</b>
Contingent Assets and Contingent Liabilities	20		
Commitments for Expenditure	19		

*This Statement should be read in conjunction with the accompanying notes.*

**DENTAL HEALTH SERVICES VICTORIA**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2010**

2010			Change due to	
Total	Note	Equity at 1 July 2009 \$'000	Comprehensive Result \$'000	Equity at 30 June 2010 \$'000
<b>Accumulated Deficit</b>		(929)	(1,777)	(2,706)
<b>Contribution by Owners</b>	15b	54,516	-	54,516
<b>Reserves</b>				
Property, Plant and Equipment Revaluation Surplus	15a	41,469	-	41,469
Available for Sale Investments Revaluation Deficit	15a	(282)	90	(192)
General Reserve	15a	512	-	512
		<b>41,699</b>	<b>90</b>	<b>41,789</b>
<b>Total Equity at the end of the financial year</b>		<b>95,286</b>	<b>(1,687)</b>	<b>93,599</b>

2009			Change due to	
Total	Note	Equity at 1 July 2008 \$'000	Comprehensive Result \$'000	Equity at 30 June 2009 \$'000
<b>Accumulated Deficit</b>		(943)	14	(929)
<b>Contribution by Owners</b>	15b	54,516	-	54,516
<b>Reserves</b>				
Property, Plant and Equipment Revaluation Surplus	15a	10,489	30,980	41,469
Available for Sale Investments Revaluation Deficit	15a	(1,684)	1,402	(282)
General Reserve	15a	512	-	512
		<b>9,317</b>	<b>32,382</b>	<b>41,699</b>
<b>Total Equity at the end of the financial year</b>		<b>62,890</b>	<b>32,396</b>	<b>95,286</b>

*This Statement should be read in conjunction with the accompanying notes.*

# DENTAL HEALTH SERVICES VICTORIA

## Cash Flow Statement

For the Year Ended 30 June 2010

	Note	Total 2010 \$'000	Total 2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Grants from Government		117,498	113,679
Patient Fees Received		3,095	3,001
Donations & Bequests Received		15	1
GST Received from/(paid to) ATO		9,267	9,320
Interest Received		1,288	1,079
Other Receipts		8,807	10,517
Employee Benefits Paid		(28,053)	(29,702)
Non Salary Labour Costs		(338)	(1,131)
Payments for Supplies & Consumables		(4,694)	(4,200)
Other Payments		(102,257)	(106,742)
<b>Cash Generated from Operations</b>		<u>4,628</u>	<u>(4,178)</u>
Capital Grants from Government		3,481	5,247
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>16</b>	<u><b>8,109</b></u>	<u><b>1,069</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Non-Financial Assets		(3,387)	(3,575)
Proceeds from Sale of Non-Financial Assets		378	542
Purchase of Investments		(17,000)	-
Proceeds from Sale of Investments		-	14,416
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		<u><b>(20,009)</b></u>	<u><b>11,383</b></u>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(11,900)</b>	<b>12,452</b>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		<u><b>17,149</b></u>	<u><b>4,697</b></u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>5</b>	<u><u><b>5,249</b></u></u>	<u><u><b>17,149</b></u></u>

*This Statement should be read in conjunction with the accompanying notes.*

# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

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# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

### Note 1: Statement of Significant Accounting Policies

#### (a) Statement of compliance

These financial statements are a general purpose financial report which has been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs) and Australian Accounting Interpretations and other mandatory requirements. AASs include Australian equivalents to International Financial Reporting Standards.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) Issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Minister for Finance.

DHSV is a not-for-profit entity and therefore applies the additional Aus paragraphs applicable to "not-for-profit" Health Services under the AASs.

#### (b) Basis of accounting preparation and measurement

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010, and the comparative information presented in these financial statements for the year ended 30 June 2009.

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

The going concern basis was used to prepare the financial statements.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except for the revaluation of certain non-financial assets and financial instruments, as noted. Particularly, exceptions to the historical cost convention include:

- Non-current physical assets, which subsequent to acquisition are measured at valuation and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values;
- Derivative financial instruments, managed investment schemes, certain debt securities, and investment properties after initial recognition, which are measured at fair value through profit and loss; and
- Available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is de-recognised.

Historical cost is based on the fair values of the consideration given in exchange for assets.

Cost is based on the fair values of the consideration given in exchange for assets.

# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

### Note 1: Statement of Significant Accounting Policies (continued)

In the application of AASs management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

#### (c) Reporting Entity

The financial statements include all the controlled activities of Dental Health Services Victoria (DHSV).

Its principal address is:  
The Royal Dental Hospital of Melbourne  
720 Swanston Street  
CARLTON Victoria 3053

#### (d) Rounding Of Amounts

All amounts shown in the financial statements are expressed to the nearest \$1,000 unless otherwise stated.

Figures in the financial statements may not equal due to rounding.

#### (e) Functional and Presentation Currency

The presentation currency of DHSV is the Australian Dollar, which has also been identified as the functional currency of DHSV.

#### (f) Comparative Information

Where necessary the previous year's figures have been reclassified to facilitate comparisons.

#### (g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

#### (h) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

#### (i) Inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all the tasks it was originally acquired to do, but no longer matches the existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost for all inventory is measured on the basis of weighted average cost. Inventories acquired for no cost or nominal considerations are measured at current replacement cost at the date of acquisition.

#### **Cost of Goods Sold**

Cost of goods sold are recognised when the sale of an item occurs by transferring the cost or value of the item/s from inventories.

#### **(j) Investments and Other Financial Assets**

Other financial assets are recognised and derecognised on trade date where purchase or sale of investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

DHSV classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

DHSV assess at each balance sheet date whether a financial asset or group of financial assets is impaired.

All financial assets, except those measured at fair value through profit and loss are subject to annual review for impairment.

#### **Available-for-sale financial assets**

Other financial assets held by DHSV are classified as being available-for-sale and are measured at fair value. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in profit or loss for the period. Fair value is determined in the manner described in Note 17(e).

#### **(k) Intangible Assets**

Intangible assets represent identifiable non-monetary assets without physical substance such as computer software and development costs.

Intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to DHSV.



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

Amortisation is allocated to intangible assets with finite useful lives on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. In addition, DHSV tests all intangible assets with indefinite useful lives for impairment by comparing its recoverable amount for each asset with its carrying amount:

- annually, and
- whenever there is an indication that the intangible asset may be impaired.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

Intangible assets with finite useful lives are amortised over a 3 - 5 year period (**2009**; 3 - 5 years).

#### (l) **Property, Plant and Equipment**

**Crown Land** is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply.

**Land and Buildings** are recognised initially at cost and subsequently measured at fair value less accumulated depreciation.

**Plant, Equipment and Vehicles** are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

#### (m) **Revaluations of Non-current Physical Assets**

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103D *Non-current physical assets*. This revaluation process normally occurs at least every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of assets, they are debited directly to the asset revaluation surplus.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation surplus are normally not transferred to accumulated funds on derecognition of the relevant asset.

In accordance with FRD 103D, Dental Health Services Victoria's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

#### (n) Depreciation and Amortisation

Assets with a cost in excess of \$1,000 (2008-09 and 2009-10) are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives. Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually. This depreciation charge is not funded by the Department of Health.

Depreciation is provided on property, plant and equipment, including freehold buildings, but excluding land. Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The following table indicates the expected useful lives of non current assets on which the depreciation or amortisation charges are based.

	2010	2009
Buildings		
- Structure Shell Building Fabric	45 to 60 years	38 to 52 years
- Site Engineering Services and Central Plant	20 to 30 years	20 to 23 years
Central Plant		
- Fit Out	20 to 30 years	21 to 24 years
- Trunk Reticulated Building Systems	30 to 40 years	23 to 37 years
Plant & Equipment	5 to 10 years	5 to 10 years
Medical Equipment	5 to 10 years	5 to 10 years
Computers & Communication	3 years	3 years
Furniture & Fittings	1 to 10 years	1 to 10 years
Motor Vehicles	1 to 10 years	1 to 10 years
Intangible Assets	3 to 5 years	3 to 5 years

As part of the building valuation, building values were componentised and each component assessed for its useful life which is represented above.

#### (o) Net Gain / (Loss) on Non-Financial Assets

Net gain/(loss) on non-financial assets includes realised and unrealised gains and losses from revaluations, impairments and disposals of all physical assets and intangible assets.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

##### **Disposal of Non-Financial Assets**

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

##### **Impairment of Non-Financial Assets**

Apart from intangible assets with indefinite useful lives, all other assets are assessed annually for indications of impairment, except for:

- inventories;
- financial assets.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that same class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

#### **(p) Net Gain/(Loss) on Financial Instruments**

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

##### **Revaluations of Financial Instruments at Fair Value**

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets.

##### **Impairment of Financial Assets**

Financial Assets have been assessed for impairment in accordance with Australian Accounting Standards. Where a financial asset's fair value at balance date has reduced by 20 per cent or more than its cost price; or where its fair value has been less than its cost price for a period of 12 or more months, the financial instrument is treated as impaired.

In order to determine an appropriate fair value as at 30 June 2010 for its portfolio of financial assets, Dental Health Services Victoria obtained a valuation based on the best available advice using an estimated fair value through a reputable financial institution. This value was compared against valuation methodologies provided by the issuer as at 30 June 2010. These methodologies were critiqued and considered to be consistent with the standard market valuation techniques.

Prices obtained from both sources were compared and were generally consistent with the full portfolio. The above valuation process was used to quantify the level of impairment on the portfolio of financial assets as at year end.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

**(q) Payables**

These amounts consist predominantly of liabilities for goods and services.

Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to DHSV prior to the end of the financial year that are unpaid, and arise when DHSV becomes obliged to make future payments in respect of the purchase of these goods and services.

The normal credit terms are usually Nett 30 days.

**(r) Provisions**

Provisions are recognised when DHSV has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

**(s) Goods and Services Tax (GST)**

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

**(t) Employee Benefits**

**Wages and Salaries, Annual Leave and Accrued Days Off**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accrued days off which are expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee's services up to the reporting date, and are classified as current liabilities and measured at nominal values.

Those liabilities that Dental Health Services Victoria does not expect to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

**Long Service Leave**

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 1: Statement of Significant Accounting Policies (continued)**

**Current Liability - unconditional LSL** (representing 10 or more years of continuous service) is disclosed in the notes to the financial statements as a current liability even where DHSV does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value - component that *DHSV* does not expect to settle within 12 months; and
- nominal value - component that *DHSV* expects to settle within 12 months.

**Non-Current Liability - conditional LSL** (representing less than 10 years of continuous service) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. Conditional LSL is required to be measured at present value.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates of Commonwealth Government guaranteed securities in Australia.

**Superannuation**

**Defined contribution plans**

Contributions to defined contribution superannuation plans are expensed when incurred.

**Defined benefit plans**

The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by DHSV to the superannuation plans in respect of the services of current DHSV staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

Employees of DHSV are entitled to receive superannuation benefits and DHSV contributes to both the defined benefit and defined contribution plans. The defined benefit plans provide benefits based on years of service and final average salary.

The name and details of the major employee superannuation funds and contributions made by DHSV are as follows:

Fund	Contributions Paid or Payable for the year	
	2010	2009
	\$'000	\$'000
<b>Defined benefit plans:</b>		
Health Super	95	98
State Superannuation Fund - revised and new	119	192
<b>Defined contribution plans:</b>		
Health Super	1,886	1,872
VicSuper	-	4
Other	154	136
<b>Total</b>	<b>2,254</b>	<b>2,302</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

DHSV does not recognise any unfunded defined benefit liability in respect of the superannuation plans because DHSV has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial statements.

##### **Termination Benefits**

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits.

Liabilities for termination benefits are recognised when a detailed plan for the termination has been developed and a valid expectation has been raised with those employees affected that the terminations will be carried out. The liabilities for termination benefits are recognised in other creditors unless the amount or timing of the payments is uncertain, in which case they are recognised as a provision.

##### **On-Costs**

Employee benefit on-costs such as workers compensation, superannuation are recognised separately from the provision for employee benefits.

#### (u) **Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

##### **Finance Leases**

###### **Entity as lessor**

DHSV does not hold any finance lease arrangements with other parties.

###### **Operating Leases**

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Operating lease payments, including any contingent rentals, are recognised as an expense in the Comprehensive Operating Statement on a straight line basis over the lease term.

#### (v) **Income Recognition**

Income is recognised in accordance with AASB 118 *Revenue* and is recognised as to the extent it is earned. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

##### **Government Grants and other transfers of income (other than contributions of owners)**

Grants are recognised as income when DHSV gains control of the underlying assets in accordance with AASB 1004 *Contributions*. For reciprocal grants, DHSV is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, DHSV is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

##### Indirect Contributions from the Department of Health

- Insurance is recognised as revenue following advice from the Department of Health.
- Long Service Leave (LSL) - Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 14/2009.

##### Patient Fees

Patient fees are recognised as revenue at the time invoices are raised.

##### Private Practice Fees

Private practice fees are recognised as revenue at the time invoices are raised.

##### Donations and Other Bequests

Donations and bequests are recognised as revenue when received. If donations are for a special purpose, they may be appropriated to a reserve, such as specific restricted purpose reserve.

##### Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset.

##### Sale of Investments

The profit/loss on the sale of investments is recognised when the investment is realised.

#### (w) Fund Accounting

DHSV operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. DHSVs Capital and Specific Purpose Funds include unspent capital donations and receipts from fund-raising activities conducted solely in respect of these funds.

#### (x) Services Supported By Health Services Agreement and Services Supported By Hospital And Community Initiatives

Activities classified as Services Supported by Health Services Agreement (HSA) are substantially funded by the Department of Health and are also funded from other sources such as patients, while *Services Supported by Hospital and Community Initiatives* (Non HSA) are funded by DHSVs own activities or local initiatives and/or the Commonwealth.

#### (y) Resources Provided and Received Free of Charge or for Nominal Consideration

Resources provided or received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another Health Service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

#### (z) Property, Plant & Equipment Revaluation Surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current physical assets.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

**(aa) Financial Assets Available-for-Sale Revaluation Surplus**

The available-for-sale revaluation surplus arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold that portion of the reserve which relates to that financial asset is effectively realised, and is recognised in the Comprehensive Operating Statement. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognised in the Comprehensive Operating Statement.

**(ab) General Reserves**

A specific purpose internal reserve was established for research and innovation to support strategic research projects, seed grants, innovation awards, and postgraduate scholarships.

**(ac) Contributed Capital**

Consistent with Australian Accounting Interpretation 1038 Contributions by Owners Made to *Wholly-Owned Public Sector Entities and FRD 119 Contributions by Owners*, appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions that have been designated as contributed capital are also treated as contributed capital.

**(ad) Net Result Before Capital & Specific Items**

The subtotal entitled 'Net result Before Capital & Specific Items' is included in the Comprehensive Operating Statement to enhance the understanding of the financial performance of DHSV. This subtotal reports the result excluding items such as capital grants, assets received or provided free of charge, depreciation, and items of unusual nature and amount such as specific revenues and expenses. The exclusion of these items are made to enhance matching of income and expenses so as to facilitate comparability and consistency of results between years and Victorian Public Health Services. The 'Net result Before Capital & Specific Items' is used by the management of DHSV, the Department of Health and the Victorian Government to measure the ongoing performance of Health Services in operating hospital services.

Capital and specific items, which are excluded from this sub-total, comprise:

- . Capital purpose income, which comprises all tied grants, donations and bequests received for the purpose of acquiring non-current assets, such as capital works, plant and equipment or intangible assets. It also includes donations of plant and equipment (refer note 1 (y)). Consequently the recognition of revenue as capital purpose income is based on the intention of the provider of the revenue at the time the revenue is provided.
- . Specific income/expense, comprise the following items, where material:
  - Write-down of inventories;
  - Non-current asset revaluation increments/decrements;
  - Reversals of provisions; and
  - Funding/Purchase of capital items for Agencies



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

- . Impairment of financial and non-financial assets, includes all impairment losses (and reversal of previous impairment losses), which have been recognised in accordance with note 1 (o) and (p).
- . Depreciation and amortisation, as described in note 1 (l) and (n)
- . Assets provided free of charge, as described in note 1 (y)
- . Expenditure using capital purpose income, which comprises expenditure which either falls below the asset capitalisation threshold (note 1 (k), (l) and (n)) or doesn't meet asset recognition criteria and therefore does not result in the recognition of an asset in the balance sheet, where funding for that expenditure is from capital purpose income.

#### (ae) Category Groups

DHSV has used the following category group for reporting purposes for the current and previous financial years.

**Other Services excluded from Australian Health Care Agreement (AHCA) (Other)** comprises revenue/expenditure for Dental Health services including general and specialist dental care, school dental services and clinical education. Health and Community Initiatives also fall in this category group.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

##### (af) New Accounting Standards and Interpretations

Certain new Australian accounting standards and interpretations have been published that are not mandatory for the 30 June 2010 reporting period. As at 30 June 2010, the following standards and interpretations had been issued but were not mandatory for the reporting period ending 30 June 2010. The Department of Treasury and Finance decides which entities it applies to and what the impact will be for them. DHSV has not and does not intend to adopt these standards early as their impact to the annual statements would not be material.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on DHSVs Financial Statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 Financial Instruments: recognition and measurement).	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 124 Related party disclosures (Dec 2009)	Government related entities have been granted partial exemption with certain disclosure requirements.	Beginning 1 Jan 2011	Preliminary assessment suggests that impact is insignificant. However, the Health Service is still assessing the detailed impact and whether to adopt early.
AASB 2009-5 Further amendments to Australian Accounting Standards arising from the annual improvements project (AASB 5, 8, 101, 107, 117, 118, 136 and 139)	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-8 Amendments to Australian Accounting Standards - group cash-settled share-based payment transactions (AASB2)	The amendments clarify the scope of AASB 2.	Beginning 1 Jan 2010	No impact. AASB 2 does not apply to Health Services, consequently this standard does not apply.
AASB 2009-9 Amendments to Australian Accounting Standards - additional exemptions for first-time adopters (AASB 1)	Applies to entities adopting Australian Accounting Standards for the first time to ensure entities will not face undue cost or effort in the transition process in particular situations.	Beginning 1 Jan 2010	No impact. Relates only to first time adopters of Australian Accounting Standards.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on DHSVs Financial Statements
AASB 2009-10 Amendments to Australian Accounting Standards - classification of rights issues (AASB 132)	The standard makes amendments to AASB 132, stating that rights issues must now be classed as equity rather than derivative liabilities.	Beginning 1 Feb 2010	No impact. The Health Service does not issue rights, warrants and options, consequently the amendment does not impact on the statements.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (AASB 1,3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12)	This gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-12 Amendments to Australian Accounting Standards (AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 and 1031 and Interpretations 2, 4, 16, 1039 and 1052)	This standard amends AASB 8 to require an entity to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered as single customer for purposes of certain operating segment disclosures.  This standard also makes numerous editorial amendments to other AASs.	Beginning 1 Jan 2011	This amendment only applies to those entities to whom AASB 8 applies which are for-profit entities except for-profit government departments.
AASB 2009-13 Amendments to Australian Accounting Standards arising from interpretation 19 (AASB 1)	Consequential amendment to AASB 1 arising from publication of Interpretation 19.	Beginning 1 Jul 2010	The Health Service does not extinguish financial liabilities with equity instruments, therefore requirements of Interpretation 19 and related amendments have no impact.
AASB 2009-14 Amendments to Australian Interpretation - Prepayments of a minimum funding requirement (AASB Interpretation 14)	Amendment to Interpretation 14 arising from the issuance of prepayments of a minimum funding requirement.	Beginning 1 Jan 2011	Expected to have no significant impact.
AASB 2010-1 Amendments to Australian Accounting Standards - Limited Exemption from Comparative AASB 7 Disclosures for First-time Adopters (AASB 1 & AASB 7)	This amendment provides limited exemptions from the requirements of adhering to AASB 1 and AASB 7 that arise from AASB 2009-2.	Beginning 1 Jul 2010	These exemptions are unlikely to have an impact on the Health Service because it is not a first time adoption.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 1: Statement of Significant Accounting Policies (continued)

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on DHSVs Financial Statements
Erratum General Terminology changes	Editorial amendments to a range of Australian Accounting Standards and Interpretations.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	Guidance to assist entity in accounting for transactions that involves extinguishing a liability fully or partially by issuing equity instruments to the creditor	Beginning 1 Jul 2010	The impact of this interpretation only affects entities that issue equity instruments.
AASB 1053 Application of Different Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Beginning 1 Jul 2013	The impact of this Standard may affect disclosures in the financial reports of certain types of entities (public sector entities [except whole of government and general government sector]) where reduced disclosure requirements may apply. The Standard does not affect the operating result or financial position.
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 1 Jul 2013	Does not affect financial measurement or recognition, so is not expected to have any impact on financial result or position. May reduce some note disclosures in financial statements.

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 2: Revenue**

	<b>HSA 2010 \$'000</b>	<b>HSA 2009 \$'000</b>	<b>Non HSA 2010 \$'000</b>	<b>Non HSA 2009 \$'000</b>	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Revenue from Operating Activities</b>						
Government Grants						
- Department of Health	117,498	113,271	-	-	117,498	113,271
<b>Total Government Grants</b>	<b>117,498</b>	<b>113,271</b>	<b>-</b>	<b>-</b>	<b>117,498</b>	<b>113,271</b>
Indirect Contributions by Department of Health						
- Insurance	503	454	-	-	503	454
- Long Service Leave	(25)	405	-	-	(25)	405
<b>Total Indirect Contributions by Department of Health</b>	<b>478</b>	<b>859</b>	<b>-</b>	<b>-</b>	<b>478</b>	<b>859</b>
Patient Fees						
Patient Fees (refer note 2b)	3,146	2,966	-	-	3,146	2,966
<b>Total Patient Fees</b>	<b>3,146</b>	<b>2,966</b>	<b>-</b>	<b>-</b>	<b>3,146</b>	<b>2,966</b>
Business Units & Specific Purpose Funds						
- Technical Support	-	-	4,431	4,673	4,431	4,673
- Overseas Dentists Training Programme	-	-	974	1,024	974	1,024
- Car Park	-	-	-	1	-	1
- Property Income	-	-	186	114	186	114
<b>Total Business Units &amp; Specific Purpose Funds</b>	<b>-</b>	<b>-</b>	<b>5,591</b>	<b>5,812</b>	<b>5,591</b>	<b>5,812</b>
Donations and Bequests	15	1	-	-	15	1
Other Revenue from Operating Activities	3,142	5,235	-	-	3,142	5,235
<b>Sub-Total Revenue from Operating Activities</b>	<b>124,279</b>	<b>122,332</b>	<b>5,591</b>	<b>5,812</b>	<b>129,870</b>	<b>128,144</b>
<b>Revenue from Non-Operating Activities</b>						
Interest	1,327	1,105	-	-	1,327	1,105
<b>Sub-Total Revenue from Non-Operating Activities</b>	<b>1,327</b>	<b>1,105</b>	<b>-</b>	<b>-</b>	<b>1,327</b>	<b>1,105</b>
<b>Revenue from Capital Purpose Income</b>						
State Government Capital Grants						
- Targeted Capital Works and Equipment	150	-	-	-	150	-
- Other	1,169	1,658	-	-	1,169	1,658
Net Gain on Disposal of Non-Financial Assets (refer note 2c)	-	-	26	264	26	264
Other Capital Purpose Income	-	45	-	-	-	45
<b>Sub-Total Revenue from Capital Purpose Income</b>	<b>1,319</b>	<b>1,703</b>	<b>26</b>	<b>264</b>	<b>1,345</b>	<b>1,967</b>
Specific Income (refer note 2d)	2,280	4,424	-	-	2,280	4,424
<b>Total Revenue (refer to note 2a)</b>	<b>129,205</b>	<b>129,564</b>	<b>5,617</b>	<b>6,076</b>	<b>134,822</b>	<b>135,640</b>

Indirect contributions by Department of Health: Department of Health makes certain payments on behalf of DHSV. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 2a: Analysis of Revenue by Source

	<b>Total (Other)</b>	<b>Total (Other)</b>
	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from Services Supported by Health Services Agreement</b>		
Government Grants	117,498	113,271
Indirect contributions by Department of Health	478	859
Patient Fees (refer note 2b)	3,146	2,966
Donations & Bequests (non capital)	15	1
Other Revenue from Operating Activities	3,142	5,235
Interest	1,327	1,105
Capital Purpose Income (refer note 2)	1,319	1,703
Specific Income (refer note 2d)	2,280	4,424
<b>Sub-Total Revenue from Services Supported by Health Services Agreement</b>	<b>129,205</b>	<b>129,564</b>
<b>Revenue from Services Supported by Hospital and Community Initiatives</b>		
Business Units & Specific Purpose Funds	5,591	5,812
Capital Purpose Income (refer note 2)	26	264
<b>Sub-Total Revenue from Services Supported by Hospital and Community Initiatives</b>	<b>5,617</b>	<b>6,076</b>
<b>Total Revenue</b>	<b>134,822</b>	<b>135,640</b>

Indirect contributions by Department of Health:

Department of Health makes certain payments on behalf of DHSV. These amounts have been brought to account in determining the operating result for the year by recording them as revenue and expenses.

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 2b: Patient Fees**

**Patient Fees Raised**

**Recurrent:**

Other (Dental outpatients)

**Total Recurrent**

<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
3,146	2,966
<b>3,146</b>	<b>2,966</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 2c: Net Gain on Disposal of Non-Financial Assets

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Proceeds from Disposals of Non-Current Assets</b>		
Motor Vehicles	370	425
Medical Equipment	8	113
Office Equipment	-	1
Computer & Communication	-	3
<b>Total Proceeds from Disposal of Non-Current Assets</b>	<b>378</b>	<b>542</b>
<b>Less: Written Down Value of Non-Current Assets Sold</b>		
Motor Vehicles	352	250
Medical Equipment	-	28
<b>Total Written Down Value of Non-Current Assets Sold</b>	<b>352</b>	<b>278</b>
<b>Net gains on Disposal of Non-Current Assets</b>	<b>26</b>	<b>264</b>



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 2d: Specific Income

	Total 2010 \$'000	Total 2009 \$'000
<b>Specific Income</b>		
Funding Received from Department of Health to Purchase Dental Equipment on Behalf of External Dental Agencies	2,162	4,124
Reversal of WorkCover provisions from prior year	118	300
<b>TOTAL</b>	<b>2,280</b>	<b>4,424</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 3: Expenses

	HSA 2010 \$'000	HSA 2009 \$'000	Non HSA 2010 \$'000	Non HSA 2009 \$'000	Total 2010 \$'000	Total 2009 \$'000
<b>Employee Benefits</b>						
Salaries & Wages	24,320	24,946	454	519	24,774	25,465
WorkCover Premium	386	512	4	3	390	515
Departure Packages	248	162	-	-	248	162
Long Service Leave	636	826	9	20	645	846
Superannuation	2,227	2,266	27	36	2,254	2,302
<b>Total Employee Benefits</b>	<b>27,817</b>	<b>28,712</b>	<b>494</b>	<b>578</b>	<b>28,311</b>	<b>29,290</b>
<b>Non Salary Labour Costs</b>						
Fees for Visiting Medical Officers	25	79	-	-	25	79
Agency Costs - Nursing	69	84	-	-	69	84
Agency Costs - Other	222	956	22	12	244	968
<b>Total Non Salary Labour Costs</b>	<b>316</b>	<b>1,119</b>	<b>22</b>	<b>12</b>	<b>338</b>	<b>1,131</b>
<b>Supplies and Consumables</b>						
Drug Supplies	533	506	-	-	533	506
Medical & Surgical Supplies	4,066	3,597	95	97	4,161	3,694
<b>Total Supplies and Consumables</b>	<b>4,599</b>	<b>4,103</b>	<b>95</b>	<b>97</b>	<b>4,694</b>	<b>4,200</b>
<b>Other Expenses from Continuing Operations</b>						
Domestic Services & Supplies	1,107	1,097	-	-	1,107	1,097
Fuel, Light, Power and Water	447	374	-	-	447	374
Insurance costs funded by DH	503	454	-	-	503	454
Motor Vehicle Expenses	239	305	-	-	239	305
Repairs & Maintenance	423	342	-	39	423	381
Maintenance Contracts	279	275	-	-	279	275
Patient Transport	6	7	-	-	6	7
Bad & Doubtful Debts	252	210	-	-	252	210
Lease Expenses	256	282	6	9	262	291
Other Administrative Expenses	4,916	5,641	3,926	3,675	8,842	9,316
Transfer Payments:						
- Output Funding for Dental Services (DH Agencies)	69,342	64,409	-	-	69,342	64,409
- Victorian Denture Scheme ( Private Practitioners)	6,481	7,959	-	-	6,481	7,959
- Victorian General Dental Scheme ( Private Practitioners)	2,144	2,201	-	-	2,144	2,201
- Victorian Emergency Dental Scheme (Private Practitioners)	4,813	4,536	-	-	4,813	4,536
- School Dental Services (Private Practitioners)	15	231	-	-	15	231
Audit Fees						
- VAGO - Audit of Financial Statements	27	21	-	-	27	21
- Other	88	115	-	-	88	115
<b>Total Other Expenses from Continuing Operations</b>	<b>91,338</b>	<b>88,459</b>	<b>3,932</b>	<b>3,723</b>	<b>95,270</b>	<b>92,182</b>
<b>Expenditure using Capital Purpose Income</b>						
Other Expenses	274	128	-	-	274	128
<b>Total Expenditure using Capital Purpose Income</b>	<b>274</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>274</b>	<b>128</b>
Impairment of Non-Financial Assets (impairment associated with assets transferred to Community agencies)	-	-	-	117	-	117
Impairment of Financial Assets						
- Available-for-Sale Financial Assets	-	-	-	2,730	-	2,730
Available-for-Sale Revaluation Reserve loss recognised	-	-	-	60	-	60
Depreciation and Amortisation	-	-	5,290	3,710	5,290	3,710
Specific Expense (refer note 3c)	-	-	2,422	2,078	2,422	2,078
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,712</b>	<b>8,695</b>	<b>7,712</b>	<b>8,695</b>
<b>Total Expenses</b>	<b>124,344</b>	<b>122,521</b>	<b>12,255</b>	<b>13,105</b>	<b>136,599</b>	<b>135,626</b>

This note relates to revenues above the net result line only, and does not reconcile to comprehensive income.

**DENTAL HEALTH SERVICES VICTORIA****Notes to the Financial Statements**

30 June 2010

**Note 3a: Analysis of Expenses by Source**

	<b>Total(Other) 2010 \$'000</b>	<b>Total(Other) 2009 \$'000</b>
<b>Services Supported by Health Services Agreement</b>		
Employee Benefits	27,817	28,712
Non Salary Labour Costs	316	1,119
Supplies & Consumables	4,599	4,103
Other Expenses from Continuing Operations	91,338	88,459
<b>Sub-Total Expenses from Services Supported by Health Services Agreement</b>	<b>124,070</b>	<b>122,393</b>
<b>Services Supported by Hospital and Community Initiatives</b>		
Employee Benefits	494	578
Non Salary Labour Costs	22	12
Supplies & Consumables	95	97
Other Expenses from Continuing Operations	3,932	3,723
<b>Sub-Total Expenses from Services Supported by Hospital and Community Initiatives</b>	<b>4,543</b>	<b>4,410</b>
<b>Expenditures using Capital Purpose Income</b>		
Other Expenses	274	128
<b>Sub-Total Expenditure using Capital Purpose Income</b>	<b>274</b>	<b>128</b>
Impairment of Non-Financial Assets (refer note 3)	-	117
Impairment of Financial Assets	-	2,730
Available-for-Sale Revaluation Reserve loss recognised	-	60
Depreciation and Amortisation (refer note 4)	5,290	3,710
Specific Expenses (refer note 3c)	2,422	2,078
<b>Sub-Total Expenses from Services Supported by Health Service Agreement and by Hospital and Community Initiatives</b>	<b>7,712</b>	<b>8,695</b>
<b>Total Expenses</b>	<b>136,599</b>	<b>135,626</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 3b: Analysis of Expenses by Internal and Restricted Specific Purpose Funds for Services Supported by Hospital and Community Initiatives

	<u>Total</u> <u>2010</u> <u>\$'000</u>	<u>Total</u> <u>2009</u> <u>\$'000</u>
Technical Support	4,052	3,726
Overseas Dentists Training Program	582	684
<b>TOTAL</b>	<b><u>4,634</u></b>	<b><u>4,410</u></b>

**DENTAL HEALTH SERVICES VICTORIA**

**Notes to the Financial Statements**

30 June 2010

**Note 3c: Specific Expense**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Specific Expense</b>		
Amounts Paid for the Purchase of Dental Equipment on Behalf of External Dental Agencies	2,422	2,078
<b>TOTAL</b>	<b>2,422</b>	<b>2,078</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 4: Depreciation and Amortisation

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Depreciation</b>		
Buildings	3,100	1,299
Plant & Equipment	14	17
Medical Equipment	400	588
Computers and Communication	699	750
Furniture and Fittings	21	25
Motor Vehicles	290	243
<b>Total Depreciation</b>	<b>4,524</b>	<b>2,922</b>
<b>Amortisation</b>		
Intangible Assets	766	788
<b>Total Depreciation &amp; Amortisation</b>	<b>5,290</b>	<b>3,710</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 5: Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash assets includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
Cash on Hand	6	5
Cash at Bank	335	795
Short-Term Deposit*	4,908	16,349
<b>TOTAL</b>	<b>5,249</b>	<b>17,149</b>
<b>Represented by:</b>		
Cash for Health Service Operations (as per Cash Flow Statement)	<b>5,249</b>	<b>17,149</b>

\*Includes term deposits with original maturity of up to 3 months. Other term deposits included in Other Financial

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 6: Receivables

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>CURRENT</b>		
<b>Contractual</b>		
Inter-Hospital Debtors	138	180
Trade Debtors	892	1,091
Patient Fees	580	529
Accrued Investment Income	126	87
Accrued Revenue - Cost Recovery	519	247
Less Allowance for Doubtful Debts		
Trade Debtors	(33)	(33)
Patient Fees	(162)	(146)
	<u>2,060</u>	<u>1,955</u>
<b>Statutory</b>		
GST Receivable	223	288
	<u>223</u>	<u>288</u>
<b>TOTAL CURRENT RECEIVABLES</b>	<b><u>2,283</u></b>	<b><u>2,243</u></b>
<b>NON CURRENT</b>		
<b>Statutory</b>		
Long Service Leave - DH	138	163
<b>TOTAL NON-CURRENT RECEIVABLES</b>	<b><u>138</u></b>	<b><u>163</u></b>
<b>TOTAL RECEIVABLES</b>	<b><u>2,421</u></b>	<b><u>2,406</u></b>

#### (a) Movement in the Allowance for doubtful debts

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
Balance at beginning of year	179	163
Amounts written off during the year	(236)	(194)
Increase in allowance recognised in profit or loss	252	210
<b>Balance at end of year</b>	<b><u>195</u></b>	<b><u>179</u></b>

#### (b) Ageing analysis of receivables

Please refer to note 17(b) for the ageing analysis of receivables

#### (c) Nature and extent of risk arising from receivables

Please refer to note 17(b) for the nature and extent of credit risk arising from receivables



# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

### Note 7: Other Financial Assets

	Operating Fund	
	Total 2010 \$'000	Total 2009 \$'000
<b>CURRENT</b>		
<i>Term Deposit</i>		
Australian Dollar Term Deposits*	17,000	-
<b>Total Current</b>	<u>17,000</u>	<u>-</u>
<b>NON CURRENT</b>		
<i>Debt Securities</i>		
Asset Management Fund (ANZ Asprit II)	1,808	1,718
<b>Total Non Current</b>	<u>1,808</u>	<u>1,718</u>
<b>TOTAL</b>	<u>18,808</u>	<u>1,718</u>
<b>Represented by:</b>		
Health Service Investments	<u>18,808</u>	<u>1,718</u>

#### (a) Ageing analysis of other financial assets

Please refer to note 17(b) for the ageing analysis of other financial assets

#### (b) Nature and extent of risk arising from other financial assets

Please refer to note 17 (b) for the nature and extent of credit risk arising from other financial assets

\*Includes term deposits with original maturity period of more than 3 months but less than 1 year.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 8: Inventories

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>CURRENT</b>		
<b>Medical and Surgical Lines</b>		
At Cost	547	713
Total Medical and Surgical Lines	547	713
<b>Engineering Stores</b>		
At Cost	194	222
Loss of Service Potential	(4)	(4)
Total Engineering Stores	190	218
<b>TOTAL INVENTORIES</b>	<b>737</b>	<b>931</b>

#### Note 9: Other Assets

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>CURRENT</b>		
Prepayments	229	73
Minor Works in Progress	313	2,832
<b>TOTAL</b>	<b>542</b>	<b>2,905</b>

**DENTAL HEALTH SERVICES VICTORIA****Notes to the Financial Statements**

30 June 2010

**Note 10: Property, Plant & Equipment**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Land</b>		
Land at fair value	15,665	15,665
<b>Total Land</b>	<b>15,665</b>	<b>15,665</b>
<b>Buildings</b>		
Buildings at fair value	66,306	64,879
Less Accumulated Depreciation	3,140	40
<b>Total Buildings</b>	<b>63,166</b>	<b>64,839</b>
<b>Plant and Equipment</b>		
Plant and Equipment at fair value	95	95
Less Accumulated Depreciation	14	-
<b>Total Plant and Equipment</b>	<b>81</b>	<b>95</b>
<b>Medical Equipment</b>		
Medical Equipment at fair value	2,998	2,218
Less Accumulated Depreciation	416	16
<b>Total Medical Equipment</b>	<b>2,582</b>	<b>2,202</b>
<b>Computers and Communication</b>		
Computers and Communication at fair value	1,627	1,382
Less Accumulated Depreciation	1,044	345
<b>Total Computers and Communications</b>	<b>583</b>	<b>1,037</b>
<b>Furniture and Fittings</b>		
Furniture and Fittings at fair value	54	54
Less Accumulated Depreciation	24	3
<b>Total Furniture &amp; Fittings</b>	<b>30</b>	<b>51</b>
<b>Motor Vehicles</b>		
Motor Vehicles at fair value	3,357	2,787
Less Accumulated Depreciation	336	59
<b>Total Motor Vehicles</b>	<b>3,021</b>	<b>2,728</b>
<b>TOTAL</b>	<b>85,128</b>	<b>86,617</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 10: Property, Plant & Equipment (Continued)

Reconciliations of the carrying amounts of each class of asset at the beginning and end of the previous and current financial year are set out below.

	Land \$000	Buildings \$000	Plant & Equipment \$000	Medical Equipment \$000	Computers & Commncntns \$000	Furniture & Fittings \$000	Motor Vehicles \$000	Total \$000
<b>Balance at 1 July 2008</b>	7,674	42,701	143	2,348	796	45	1,932	55,639
Additions	-	23,452	-	205	991	36	1,289	25,973
Disposals	-	-	-	(28)	-	-	(250)	(278)
Impairment losses recognised in net result	-	(15)	(31)	(66)	-	(5)	-	(117)
Revaluation increments	7,991	-	-	331	-	-	-	8,322
Depreciation and Amortisation (note 4)	-	(1,299)	(17)	(588)	(750)	(25)	(243)	(2,922)
<b>Balance at 1 July 2009</b>	<b>15,665</b>	<b>64,839</b>	<b>95</b>	<b>2,202</b>	<b>1,037</b>	<b>51</b>	<b>2,728</b>	<b>86,617</b>
Additions	-	1,427	-	780	245	-	935	3,387
Disposals	-	-	-	-	-	-	(352)	(352)
Depreciation and Amortisation (note 4)	-	(3,100)	(14)	(400)	(699)	(21)	(290)	(4,524)
<b>Balance at 30 June 2010</b>	<b>15,665</b>	<b>63,166</b>	<b>81</b>	<b>2,582</b>	<b>583</b>	<b>30</b>	<b>3,021</b>	<b>85,128</b>

#### Land and buildings carried at valuation

An independent valuation of DHSVs property, plant and equipment was performed by the *Valuer-General Victoria* to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments.

Other property, plant and equipment were revalued by management to determine their fair value.

The effective date of the valuation is *30 June 2010*.

# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

### Note 11: Intangible Assets

	<u>Total 2010 \$'000</u>	<u>Total 2009 \$'000</u>
Software	2,396	2,396
Less Accumulated Amortisation	2,200	1,434
<b>Total Written Down Value</b>	<u><u>196</u></u>	<u><u>962</u></u>

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the previous and current financial year:

	<u>Total \$'000</u>
<b>Balance at 1 July 2008</b>	<u>1,490</u>
Additions	260
Amortisation (note 4)	(788)
<b>Balance at 1 July 2009</b>	<u>962</u>
Amortisation (note 4)	(766)
<b>Balance at 30 June 2010</b>	<u><u>196</u></u>

# DENTAL HEALTH SERVICES VICTORIA

## Notes to the Financial Statements

30 June 2010

### Note 12: Payables

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>CURRENT</b>		
<b>Contractual</b>		
Trade Creditors	10,250	7,993
Accrued Expenses	1,979	2,462
Salary Packaging	57	68
	<u>12,286</u>	<u>10,523</u>
<b>Statutory</b>		
GST Payable	63	109
	<u>63</u>	<u>109</u>
<b>TOTAL CURRENT</b>	<b><u>12,349</u></b>	<b><u>10,632</u></b>

#### (a) Maturity analysis of payables

Please refer to Note 17(c) for the ageing analysis of payables

#### (b) Nature and extent of risk arising from payables

Please refer to Note 17(c) for the nature and extent of risks arising from payables

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 13: Employee Benefits and Related On-Costs Provisions

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Current Provisions</b>		
Employee Benefits		
- unconditional and expected to be settled within 12 months	1,960	1,987
- unconditional and expected to be settled after 12 months	3,233	3,013
	<u>5,193</u>	<u>5,000</u>
Provisions related to employee benefit on-costs		
- Unconditional and expected to be settled within 12 months (nominal)	214	222
- Unconditional and expected to be settled after 12 months (present value)	316	295
	<u>530</u>	<u>517</u>
<b>Total Current Provisions</b>	<b><u>5,723</u></b>	<b><u>5,517</u></b>
<b>Non-Current Provisions</b>		
Employee Benefits	678	629
Provisions related to employee benefit on-costs	68	65
<b>Total Non-Current Provisions</b>	<b><u>746</u></b>	<b><u>694</u></b>
<b>Current Employee Benefits</b>		
Unconditional LSL entitlements	2,865	2,661
Annual leave entitlements	1,430	1,357
Accrued Wages and Salaries	778	863
Accrued Days Off	120	119
<b>Non-Current Employee Benefits</b>		
Conditional long service leave entitlements (present value)	678	629
<b>Total Employee Benefits</b>	<b><u>5,871</u></b>	<b><u>5,629</u></b>
<b>On-Costs</b>		
Current On-Costs	530	517
Non-Current On-Costs	68	65
<b>Total On-Costs</b>	<b><u>598</u></b>	<b><u>582</u></b>
<b>Total Employee Benefits and Related On-Costs</b>	<b><u>6,469</u></b>	<b><u>6,211</u></b>
<b>Movement in Long Service Leave:</b>		
<b>Balance at start of year</b>	3,714	3,998
Provision made during the year		
- Revaluations	(68)	193
- Expense recognising employee service	713	653
Settlement made during the year	(374)	(1,130)
<b>Balance at end of year</b>	<b><u>3,985</u></b>	<b><u>3,714</u></b>

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 14: Other Liabilities**

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>CURRENT</b>		
Income in Advance	664	559
<b>TOTAL</b>	<b>664</b>	<b>559</b>



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 15: Equity

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>(a) Reserves</b>		
<b>Property, Plant &amp; Equipment Revaluation Surplus<sup>1</sup></b>		
Balance at the beginning of the reporting period	41,469	10,489
Revaluation Increment/(Decrements)		
- Land	-	7,991
- Medical Equipment	-	331
- Motor Vehicles	-	69
- Buildings	-	22,589
<b>Balance at the end of reporting period*</b>	<b>41,469</b>	<b>41,469</b>
*Represented by:		
- Buildings	25,574	25,574
- Medical Equipment	331	331
- Motor Vehicles	69	69
- Land	15,495	15,495
Total	<b>41,469</b>	<b>41,469</b>
<b>General Purpose Reserve</b>		
Balance at the beginning of the reporting period	512	512
Balance at the end of the reporting period	512	512
<b>Financial Assets Available-for-Sale Revaluation Deficit<sup>2</sup></b>		
Balance at the beginning of the reporting period	(282)	(1,684)
Valuation gain/(loss) recognised	90	(1,388)
Cumulative loss transferred to Operating Statement on sale of financial assets	-	60
Cumulative loss transferred to Operating Statement on impairment of financial assets	-	2,730
Balance at the end of the reporting period	<b>(192)</b>	<b>(282)</b>
<b>Total Reserves</b>	<b>41,789</b>	<b>41,699</b>
 (1) The property, plant & equipment asset revaluation surplus arises on the revaluation of property, plant & equipment.		
 (2) The financial assets available-for-sale revaluation deficit arises on the revaluation of available-for-sale financial assets. Where a revalued financial asset is sold, that portion of the reserve which relates to the financial asset, and effectively realised, is recognised in the profit and loss. Where a revalued financial asset is impaired that portion of the reserve which relates to that financial asset is recognised in profit and loss.		
<b>(b) Contributed Capital</b>		
Balance at the beginning of the reporting period	54,516	54,516
Balance at the end of the reporting period	54,516	54,516
<b>(c) Accumulated Deficits</b>		
Balance at the beginning of the reporting period	(929)	(943)
Net Result for the Year	(1,777)	14
Balance at the end of the reporting period	<b>(2,706)</b>	<b>(929)</b>
<b>(d) Total Equity at end of financial year</b>	<b>93,599</b>	<b>95,286</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 16: Reconciliation of Net Result for the Year to Net Cash Inflow from Operating Activities

	<b>Total 2010 \$'000</b>	<b>Total 2009 \$'000</b>
<b>Net Result for the Year</b>	(1,777)	14
Depreciation & Amortisation	5,290	3,710
Impairment of Non-Current Assets	-	117
Impairment of Financial Assets	-	2,790
Provision for Bad and Doubtful Debts	252	210
Net Gain from Sale of Plant and Equipment	(26)	(264)
Change in Operating Assets & Liabilities		
Increase/(Decrease) in Payables	1,717	(3,262)
Increase/(Decrease) in Income in Advance	105	(892)
Increase/(Decrease) in Employee Benefits	258	(412)
(Increase)/Decrease in Non Current Receivables	25	(163)
(Increase)/Decrease in Other Current Assets	2,363	(109)
Increase in Current Receivables	(292)	(635)
(Increase)/Decrease in Inventory	194	(35)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>8,109</b>	<b>1,069</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 17: Financial Instruments

##### (a) Financial Risk Management Objectives and Policies

DHSVs principal financial instruments comprise of:

- Cash Assets
- Term Deposits
- Receivables (excluding statutory receivables)
- Investment in Managed Investment Schemes

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, basis of measurement and the basis on which income and expenses are recognised, with respect to each financial liability and equity instrument are disclosed in note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage DHSV financial risks within the government policy parameters.

##### Categorisation of financial instruments

Details of each category in accordance with AASB 139 are disclosed below:

	Carrying Amount 2010 \$'000	Carrying Amount 2009 \$'000
<b>Financial Assets</b>		
Cash and cash equivalents	5,249	17,149
Other financial assets		
Term deposits	17,000	-
Receivables	2,060	1,955
Available for sale	1,808	1,718
<b>Total Financial Assets<sup>(i)</sup></b>	<b>26,117</b>	<b>20,822</b>
<b>Financial Liabilities</b>		
At amortised cost	12,950	11,082
<b>Total Financial Liabilities<sup>(ii)</sup></b>	<b>12,950</b>	<b>11,082</b>

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit recoverable)

(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payables)

**DENTAL HEALTH SERVICES VICTORIA****Notes to the Financial Statements**

30 June 2010

**Note 17: Financial Instruments (Continued)****Net holding gain/(loss) on financial instruments by category**

	<b>Carrying Amount 2010 \$'000</b>	<b>Carrying Amount 2009 \$'000</b>
<b>Financial Assets</b>		
Cash and cash equivalents <sup>(i)</sup>	1,327	1,105
Receivables <sup>(i)</sup>	-	-
Available for sale <sup>(i)</sup>	-	(2,790)
<b>Total Financial Assets</b>	<b>1,327</b>	<b>(1,685)</b>
<b>Financial Liabilities</b>		
At amortised cost <sup>(ii)</sup>	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>

( i ) For cash and cash equivalents, receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the interest revenue minus any impairment recognised in the net result;

(ii) For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense.

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 17: Financial Instruments (continued)**

**(b) Credit Risk**

DHSV has minimal credit risk exposure. The \$5.0M CDO is now fully impaired (2008-2009 - \$2.73M and 2007-2008 - \$2.27M). The remaining available-for-sale investment is capital protected.

DHSV's exposure to credit risk by ageing periods is set out in the following table. For interest rates applicable to each class of asset refer to individual notes to the financial statements.

**Ageing analysis of Financial Assets as at 30 June**

	Consol'd Carrying Amount	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing	Not Past Due and Not Impaired	Past Due But Not Impaired					Impaired Financial Assets \$'000
						Less than 1 Month	1 - 3 Months	3 months 1 Year	1 - 5 Years	Over 5 Years	
2010	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>											
Cash and Cash Equivalents	5,249	-	5,243	6	5,249	-	-	-	-	-	-
Receivables											
- Trade debtors	997	-	-	997	574	311	26	86	-	-	-
- Other receivables	1,063	-	-	1,063	687	137	111	128	-	-	-
Other financial assets											
- Term Deposits	17,000	-	17,000	-	17,000	-	-	-	-	-	-
- Debt securities (ANZ Asprit II)	1,808	-	-	1,808	1,808	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>26,117</b>	<b>-</b>	<b>22,243</b>	<b>3,874</b>	<b>25,318</b>	<b>448</b>	<b>137</b>	<b>214</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2009</b>											
<b>Financial Assets</b>											
Cash and Cash Equivalents	17,149	-	17,144	5	17,149	-	-	-	-	-	-
Receivables											
- Trade debtors	1,238	-	-	1,238	633	173	328	104	-	-	-
- Other receivables	717	-	-	717	378	125	103	111	-	-	-
Other financial assets											
- Term Deposits	-	-	-	-	-	-	-	-	-	-	-
- Debt securities (ANZ Asprit II)	1,718	-	-	1,718	1,718	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>20,822</b>	<b>-</b>	<b>17,144</b>	<b>3,678</b>	<b>19,878</b>	<b>298</b>	<b>431</b>	<b>215</b>	<b>-</b>	<b>-</b>	<b>-</b>

Ageing analysis of financial assets exclude types of statutory financial assets (i.e. GST input tax credit)

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 17: Financial Instruments (continued)

##### (c) Liquidity Risk

The following table discloses the contractual maturity analysis of DHSVs financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

##### Maturity analysis of financial liabilities as at 30 June

	Carrying Amount \$'000	Contractual Cash Flows \$'000	Maturity Dates				
			Less than 1 Month \$'000	1 - 3 Months \$'000	3 months - 1 Year \$'000	1 - 5 Years \$'000	Over 5 Years \$'000
<b>2010</b>							
<b>Financial Liabilities</b>							
Payables	12,286	12,286	12,286	-	-	-	-
Other Liabilities	664	664	664	-	-	-	-
<b>Total Financial Liabilities</b>	<b>12,950</b>	<b>664</b>	<b>664</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2009</b>							
<b>Financial Liabilities</b>							
Payables	10,523	10,523	10,523	-	-	-	-
Other Liabilities	559	559	559	-	-	-	-
<b>Total Financial Liabilities</b>	<b>11,082</b>	<b>559</b>	<b>559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Ageing analysis of financial liabilities exclude types of statutory financial liabilities (i.e. GST payable)

##### (d) Market Risk

DHSVs exposure to market risk is primarily through interest rate risk . There are insignificant exposures to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraph below.

##### *Currency Risk*

DHSV is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

##### *Interest Rate Risk*

DHSVs financial liabilities are non interest bearing as they are made up of purchases of supplies and consumables.

##### *Other Price Risk*

DHSV does not have any exposure to other price risks.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 17: Financial Instruments (continued)

##### (d) Market Risk (continued)

#### Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

	Weighted Average Effective Interest Rates (%)	Carrying Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non Interest Bearing \$'000
<b>2010</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents <sup>(i)</sup>	3.52	5,249	-	5,243	6
Receivables					
- Trade debtors	-	997	-	-	997
- Other receivables	-	1,063	-	-	1,063
Other financial assets					
- Term Deposits	5.12	17,000	-	17,000	-
- Debt securities	-	1,808	-	-	1,808
		<b>26,117</b>	<b>-</b>	<b>22,243</b>	<b>3,874</b>
<b>Financial Liabilities</b>					
Payables	-	12,286	-	-	12,286
Other Financial Liabilities					
- Income in advance	-	664	-	-	664
		<b>12,950</b>	<b>-</b>	<b>-</b>	<b>12,950</b>
<b>2009</b>					
Cash and Cash Equivalents <sup>(i)</sup>	4.30	17,149	-	17,144	5
Receivables					
- Trade debtors	-	1,238	-	-	1,238
- Other receivables	-	717	-	-	717
Other financial assets					
- Term Deposits	-	-	-	-	-
- Debt securities	-	1,718	-	-	1,718
		<b>20,822</b>	<b>-</b>	<b>17,144</b>	<b>3,678</b>
<b>Financial Liabilities</b>					
Payables	-	10,523	-	-	10,523
Other Financial Liabilities					
- Income in advance	-	559	-	-	559
		<b>11,082</b>	<b>-</b>	<b>-</b>	<b>11,082</b>

(i) The carrying amount exclude types of statutory financial assets and liabilities (i.e. GST input tax credit and GST payable)

**DENTAL HEALTH SERVICES VICTORIA**

**Notes to the Financial Statements**

30 June 2010

**Note 17: Financial Instruments (continued)**

**(d) Market Risk (continued)**

*Sensitivity Disclosure Analysis*

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Reserve Bank of Australia)

- A parallel shift of +1% and -1% in marked interest rates (AUD) from year-end rates of 6%;
- A parallel shift of +1% and -1% in inflation rate from year end rates of 2%

The following table discloses the impact on net operating result and equity for each category of financial instrument held by DHSV at year end as presented to key management personnel, if changes in the relevant risk occur.

	Carrying Amount	Interest Rate Risk				Other Price Risk			
		-1%		+1%		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>2010</b>	<b>\$'000</b>								
<b>Financial Assets</b>									
Cash and Cash Equivalents	5,249	(52)	(52)	52	52	-	-	-	-
Receivables									
- Trade debtors	997	-	-	-	-	-	-	-	-
- Other receivables	1,063	-	-	-	-	-	-	-	-
Other Financial Assets									
- Term Deposits	17,000	(170)	(170)	170	170	-	-	-	-
- Debt securities	1,808	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>									
Payables	12,286	-	-	-	-	-	-	-	-
Other Financial Liabilities									
- Income in Advance	664	-	-	-	-	-	-	-	-
		(222)	(222)	222	222	-	-	-	-
<b>2009</b>									
<b>Financial Assets</b>									
Cash and Cash Equivalents	17,149	(171)	(171)	171	171	-	-	-	-
Receivables									
- Trade debtors	1,238	-	-	-	-	-	-	-	-
- Other receivables	717	-	-	-	-	-	-	-	-
Other Financial Assets									
- Term Deposits	-	-	-	-	-	-	-	-	-
- Debt securities	1,718	-	-	-	-	-	-	-	-
<b>Financial Liabilities</b>									
Payables	10,523	-	-	-	-	-	-	-	-
Other Financial Liabilities									
- Income in Advance	559	-	-	-	-	-	-	-	-
		(171)	(171)	171	171	-	-	-	-

The carrying amount exclude types of statutory financial assets and liabilities (i.e. GST input tax credit and GST payable)



## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 17: Financial Instruments (continued)

##### (e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- the fair value of financial instrument assets and liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- the fair value of other financial instrument assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

DHSV considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

##### Comparison between carrying amount and fair value

	Carrying Amount 2010 \$'000	Fair Value 2010 \$'000	Carrying Amount 2009 \$'000	Fair Value 2009 \$'000
<b>Financial Assets</b>				
Cash and Cash Equivalents	5,249	5,249	17,149	17,149
Receivables				
- Trade debtors	997	997	1,238	1,238
- Other receivables	1,063	1,063	717	717
Other Financial Assets				
- Term Deposits	17,000	17,000	-	-
- Debt securities	1,808	1,808	1,718	1,718
<b>Total Financial Assets</b>	<b>26,117</b>	<b>26,117</b>	<b>20,822</b>	<b>20,822</b>
<b>Financial Liabilities</b>				
Payables	12,286	12,286	10,523	10,523
Other Financial Liabilities				
- Income in Advance	664	664	559	559
<b>Total Financial Liabilities</b>	<b>12,950</b>	<b>12,950</b>	<b>11,082</b>	<b>11,082</b>

**DENTAL HEALTH SERVICES VICTORIA**  
**Notes to the Financial Statements**  
30 June 2010

**Note 17: Financial Instruments (continued)**

**(e) Fair Value (continued)**

**Financial assets measured at fair value**

	Carrying Amount as at 30 June \$'000	Fair value measurement at end of reporting period using		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>2010</b>				
<b>Available for sale financial assets</b>				
Debt securities	1,808	-	1,808	-
<b>Total Financial Assets</b>	<b>1,808</b>	<b>-</b>	<b>1,808</b>	<b>-</b>
<b>2009</b>				
<b>Available for sale financial assets</b>				
Debt securities	1,718	-	1,718	-
<b>Total Financial Assets</b>	<b>1,718</b>	<b>-</b>	<b>1,718</b>	<b>-</b>

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 18a: Responsible Persons Disclosures

In accordance with the Ministerial Directions issued by the Minister of Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

	<b>Period</b>	
<b>Responsible Ministers:</b>		
The Honourable Daniel Andrews, MLA Minister for Health		
<b>Governing Boards</b>		
Mr. Michael Ellis (Chair)	01-July-2009	30-June-2010
Dr. Brian Stagoll	01-July-2009	30-June-2010
Ms. Kellie Ann Jolly	01-July-2009	30-June-2010
Dr. Errol Katz	01-July-2009	30-June-2010
Mr Kevin Quigley	01-July-2009	30-June-2010
Ms. Helen O'Kane	01-July-2009	30-June-2010
Ms. Anne Lyon	01-July-2009	30-June-2010
Ms Kathryn Bell	01-July-2009	30-June-2010
Ms Joe Manton	01-July-2009	31-December-2009
<b>Accountable Officers</b>		
Mr. Felix Pintado	01-July-2009	30-June-2010

#### Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands;

	<b>2010</b>	<b>2009</b>
	<b>No.</b>	<b>No.</b>
<b>Income Band</b>		
\$0 - \$9,999	1	1
\$10,000 - \$19,999	7	7
\$30,000 - \$39,999	1	1
\$260,000 - \$269,999	-	1
\$300,000 - \$309,999	1	-
<b>Total Numbers</b>	<b>10</b>	<b>10</b>
<b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b>	<b>\$ 484,768</b>	<b>\$ 439,371</b>

Amounts relating to Responsible Ministers are reported in the financial statements of the Department of Premier and Cabinet.

#### Other Transactions of Responsible Persons and their related Parties.

There were no other transactions with Responsible Persons and their Related Parties.

## DENTAL HEALTH SERVICES VICTORIA

### Notes to the Financial Statements

30 June 2010

#### Note 18b: Executive Officer Disclosures

##### Executive Officers' Remuneration

The numbers of executive officers other than the Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Total remuneration included bonus, long-service leave, and redundancy payments.

	Total Remuneration		Base Remuneration	
	2010	2009	2010	2009
	No.	No.	No.	No.
\$150,000 - \$159,999	1	1	1	1
\$160,000 - \$169,999	1	1	1	1
\$180,000 - \$189,999	1	1	1	1
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Total Remuneration</b>	<b>\$ 507,875</b>	<b>\$ 505,266</b>	<b>\$ 507,875</b>	<b>\$ 497,415</b>

## **DENTAL HEALTH SERVICES VICTORIA**

### **Notes to the Financial Statements**

30 June 2010

#### **Note 19: Commitments for Expenditure**

DHSV had no outstanding commitments for expenditure at 30 June 2010 (2009 - Nil).

#### **Note 20: Contingent Assets and Contingent Liabilities**

There are no contingent assets and contingent liabilities at 30 June 2010 (2009 - Nil).

#### **Note 21: Events Occurring after the Balance Sheet Date**

There were no events occurring after reporting date which require additional information to be disclosed.