



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Bureau of Health Information

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Bureau of Health Information (the Bureau), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and service group statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Bureau and the consolidated entity. The consolidated entity comprises the Bureau and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Bureau and the consolidated entity, as at 30 June 2011, and of the financial performance for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

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

The Board's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

My opinion does *not* provide assurance:

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

Independence

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

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



Peter Achterstraat
Auditor-General

30 September 2011
SYDNEY

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the Year Ended 30 June 2011

1 The Bureau of Health Information Reporting Entity

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

The Bureau of Health Information, as a reporting entity, comprises all the operating activities of the Bureau under its control. The Bureau is a not-for-profit entity (as profit is not its principal objective).

The Special Purpose Service Entity was established as a Division of the Government Service on 17 March 2006 in accordance with the Public Sector Employment and Management Act 2002 and the Health Services Act 1997. These Divisions provide personnel services to enable a Health Service to exercise its functions.

As a consequence the values in the annual financial statements presented herein consist of the Bureau (as the parent entity) and the consolidated financial statements of the economic entity. Notes capture both the parent and consolidated values with notes 3, 4, 13, 29, 31 and 36 being especially relevant.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These consolidated financial statements for the year ended 30 June 2011 have been authorised for issue by the Chief Executive on 29 September 2011.

2 Summary of Significant Accounting Policies

The Bureau of Health Information's financial statements are general purpose financial statements which have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the *Public Finance and Audit Act 1983*, *Public Finance and Audit Regulation 2010* and the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under Section 9(2) (n) of the Act. The requirements of the *Health Services Act 1997* and its regulations including the Accounts and Audit Determination for Public Health Organisations have also been observed.

Apart from the basis for the Bureau of Health Information's budget figures, the financial statements comply with the Financial Reporting Code for Budget Dependent General Government Sector Agencies. Further information on the budget figures can be found in Note 2(n).

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

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

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

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

No new or revised accounting standards or interpretations are adopted earlier than their prescribed date of application. Set out below are changes to be effected, their date of application and the possible impact on the financial statements of the Bureau of Health Information.

Accounting Standard/Interpretation

AASB 2010-07, Financial Instruments, arising from the issuance of AASB 9, Financial Instruments, in AASB 2009-5 in December 2010, has mandatory application from 1 July 2013 and will not be early adopted by the Bureau.

AASB 124 and AASB2009-12, *Related Party Transactions*, have application from 1 July 2011 but are assessed as having no material impact on the Bureau.

AASB 2009-14, *Amendments to Australian Interpretation - Prepayment of a Minimum Funding Requirement*, has application from 1 July 2011 and principally addresses contributions relating to future service. It has no impact on the Bureau.

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AASB 1053 and AASB 2010-2, *Application of Tiers of Australian Accounting Standards*, have application from 1 July 2013 but are assessed to have no impact on the Bureau which, as a tier 1 agency, will continue to provide full disclosures per the prescribed accounting standards.

AASB 2010-04, *Annual Improvements*, has application from 1 July 2011 and is assessed as having no material impact on the Bureau.

AASB 2010-5, *Editorial Corrections*, applies from 1 July 2011 and principally addresses editorial amendments to a range of Australian Accounting Standards and Interpretations. It is assessed as having no impact on the Bureau.

AASB 2010-6, *Disclosures on Transfers of Financial Assets*, has mandatory application from 1 July 2011 and is assessed as having no impact on the Bureau.

AASB 2010-8, *Deferred Tax: Recovery of Underlying Assets*, has mandatory application from 1 July 2012 but will have no impact on the Bureau.

AASB 2010-9, *Severe Hyperinflation and Removal of Fixed Dates for First Time Adopters*, has application from 1 July 2011 and is assessed as having no impact on the Bureau.

AASB 2010-10, *Removal of Fixed Dates for First Time Adopters*, has application from 1 July 2013 and is assessed as having no impact on the Bureau.

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

a) Employee Benefits and Other Provisions

i) Salaries & Wages, Annual Leave, Sick Leave and On-Costs

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

All Annual Leave employee benefits are reported as "Current" as there is an unconditional right to payment. Current liabilities are then further classified as "Short Term" or "Long Term" based on past trends and known resignations and retirements. Anticipated payments to be made in the next twelve months are reported as "Short Term". On-costs of 17% are applied to the value of leave payable at 30 June 2011, such on-costs being consistent with award conditions of annual leave loading and actuarial adjustment.

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

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

ii) Long Service Leave and Superannuation

Responsibility for Long Service Leave liability transferred to the Crown Entity with effect from 31 December 2010. As is the case with other Budget Sector agencies both the Defined Benefit Superannuation (State Authorities Superannuation Scheme and State Superannuation Scheme) and Long Service Leave liabilities are now assumed by the Crown Entity.

Long Service Leave is measured at present value in accordance with AASB119, *Employee Benefits*. This is based on the application of certain factors (specified in NSW Treasury Circular 11/06) to employees with five or more years of service, using current rates of pay. These approximate present value.

The Bureau's liability for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity. The Bureau accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of Employee Benefits". Any liability attached to Superannuation Guarantee Charge cover is reported in Note 10, "Payables".

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The superannuation expense for the financial year is determined by using the formulae specified by Treasury and communicated via the NSW Department of Health. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

iii) Other Provisions

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

b) Insurance

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

c) Finance Costs

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

d) Income Recognition

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

Rendering of Services

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

Grants and Contributions

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

NSW Department of Health Allocations

Payments are made by the NSW Department of Health on the basis of the allocation for the Health Service as adjusted for approved supplementations mostly for salary agreements and approved enhancement projects. This allocation is included in the Statement of Comprehensive Income before arriving at the "Result for the Year" on the basis that the allocation is earned in return for the health services provided on behalf of the Department. Allocations are normally recognised upon the receipt of Cash.

Investment Revenue

Interest revenue is recognised using the effective interest method as set out in *AASB139, Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with *AASB117 Leases* on a straight line basis over the lease term. Dividend revenue is recognised in accordance with *AASB118 Revenue* when the Health Service's right to receive payment is established.

Royalty revenue is recognised in accordance with *AASB118* on an accrual basis in accordance with the substance of the relevant agreement.

e) Accounting for the Goods & Services Tax (GST)

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

Bureau of Health Information
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* the amount of GST incurred by the Health Service as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and

* receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST

f) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Bureau. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition

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

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

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

g) Capitalisation Thresholds

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

h) Depreciation of Property, Plant and Equipment

Plant and Machinery	10.0%
Linen	25.0%
Furniture, Fittings and Furnishings	5.0%
Leasehold	20.0%

"Infrastructure Systems" means assets that comprise public facilities and which provide essential services and enhance the productive capacity of the economy including roads, bridges, water infrastructure and distribution works, sewerage treatment plants, seawalls and water reticulation systems.

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

i) Maintenance

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

j) Leased Assets

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

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

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

k) Payables

These amounts represent liabilities for goods and services provided to the Bureau and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

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

l) Equity Transfers

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

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

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

m) Equity and Reserves

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

n) Budgeted Amounts

The budgeted amounts are drawn from the budgets agreed with the NSW Health Department at the beginning of the financial reporting period and with any adjustments for the effects of additional supplementation provided. The budget figures are unaudited.

o) Service Group Statements Allocation Methodology

Expenses and revenues are assigned to service group 6.1 Teaching and Research as this group is the best fit for the Bureau although it is not considered to appropriately reflect the functions of the Bureau. Currently there is no alternative service group that could be applied within NSW Treasury guidelines.

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PARENT		CONSOLIDATION	
2011	(10 mnths) 2010	2011	(10 mnths) 2010
\$000	\$000	\$000	\$000
3. Employee Related			
Employee related expenses comprise the following:			
		1,481	472
		89	14
		7	0
		103	26
		12	3
		9	0
0	0	1,701	515
4. Personnel Services			
Personnel Services comprise the purchase from NSW Health of the following:			
1,481	472	Salaries and Wages	
89	14	Superannuation - Defined Contribution Plans	
7	0	Long Service Leave	
103	26	Annual Leave	
12	3	Sick Leave and Other Leave	
9	0	Workers' Compensation Insurance	
1,701	515	0	0
5. Other Operating Expenses			
4	2	Domestic Supplies and Services	4
1	0	Food Supplies	1
5	1	Fuel, Light and Power	5
270	134	General Expenses (See (a) below)	270
46	18	Information Management Expenses	46
		Maintenance (See (b) below)	
		Maintenance Contracts	1
37	23	New/Replacement Equipment under \$10,000	37
1	19	Repairs Maintenance/Non Contract	1
12	5	Postal and Telephone Costs	12
134	8	Printing and Stationery	134
60	39	Rental	60
0	34	Special Service Departments	0
193	189	Staff Related Costs	193
16	6	Travel Related Costs	16
780	491	780	491

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PARENT			CONSOLIDATION	
2011	(10 mnths) 2010		2011	(10 mnths) 2010
\$000	\$000		\$000	\$000
		(a) General Expenses include :-		
3	9	Advertising	3	9
1	0	Books, Magazines and Journals	1	0
		Consultancies		
51	0	- Operating Activities	51	0
5	1	Courier and Freight	5	1
22	20	Auditor's Remuneration - Financial statements	22	20
81	7	Data Recording and Storage	81	7
2	2	Membership/Professional Fees	2	2
1	0	Payroll Services	1	0
0	2	Security Services	0	2
0	0	Translator Services	0	0
92	67	Service Agreement Charges	92	67
12	26	Other	12	26
270	134		270	134
		(b) Reconciliation of Total Maintenance		
39	55	Maintenance Expense - Contracted Labour and Other (Non-Employee Related), included in Note 5	39	55
0	0	Employee Related/Personnel Services Maintenance Expense included in Notes 3 and 4	0	0
39	55	Total Maintenance Expenses included in Notes 3, 4 and 5	39	55

Bureau of Health Information
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PARENT			CONSOLIDATION	
2011	(10 mnths) 2010		2011	(10 mnths) 2010
\$000	\$000		\$000	\$000
		6. Depreciation and Amortisation		
8	0	Amortisation - Leasedhold Improvements	8	0
<u>8</u>	<u>0</u>		<u>8</u>	<u>0</u>

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(10 mnths)			(10 mnths)	
2011	2010		2011	2010
\$000	\$000		\$000	\$000
7. Investment Revenue				
		Interest		
26	5	- Other	26	5
.....
<u>26</u>	<u>5</u>		<u>26</u>	<u>5</u>

Bureau of Health Information
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8. Service Groups of the Health Service

Service Group 8.1 - Teaching and Research

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

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

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

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PARENT			CONSOLIDATION	
(10 mnths)			(10 mnths)	
2011	2010		2011	2010
\$000	\$000		\$000	\$000
9. Cash and Cash Equivalents				
312	693	Cash at Bank and On Hand	312	693
<u>312</u>	<u>693</u>		<u>312</u>	<u>693</u>
Cash & cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:				
312	693	Cash and Cash Equivalents (per Statement of Financial Position)	312	693
<u>312</u>	<u>693</u>	Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>312</u>	<u>693</u>

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

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PARENT			CONSOLIDATION	
2011	(10 mnths) 2010		2011	(10 mnths) 2010
\$000	\$000		\$000	\$000
		10. Receivables		
		Current		
0	0	(a) Sale of Goods and Services	0	0
0	0	Leave Mobility	0	0
24	0	Intra Health	24	0
81	29	Goods and Services Tax	81	29
105	29	Sub Total	105	29
0	0	Less Allowance for Impairment	0	0
105	29	Sub Total	105	29
105	29		105	29

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

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PARENT			CONSOLIDATION	
2011	(10 mnths) 2010		2011	(10 mnths) 2010
\$000	\$000		\$000	\$000
11. Property, Plant and Equipment				
		Leasehold Improvements - Fair Value		
80	80	Gross Carrying Amount	80	80
(8)	-----	Accumulated Depreciation and Impairment	(8)	-----
<u>72</u>	<u>80</u>	Net Carrying Amount	<u>72</u>	<u>80</u>
Total Property, Plant and Equipment At Net Carrying Amount				
<u>72</u>	<u>80</u>		<u>72</u>	<u>80</u>

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11. Property, Plant and Equipment - Reconciliation

	Leasehold Buildings	Total
	\$000	\$000
2011		
Net Carrying Amount at Start of Year	80	80
Additions	0	0
Reclassifications to Intangibles	0	0
Recognition of Assets Held for Sale	0	0
Disposals	0	0
Administrative Restructures - Transfers In/(Out)	0	0
Net Revaluation Increment Less Revaluation Decrements	0	0
Impairment Losses (Recognised in "Other Gains/Losses)	0	0
Depreciation Expense	(8)	(8)
Reclassifications	0	0
Net Carrying Amount at End of Year	72	72

	Leasehold Buildings	Total
	\$000	\$000
2010 (10 mnths)		
Net Carrying Amount at Start of Year	0	0
Additions	80	80
Reclassifications to Intangibles	0	0
Recognition of Assets Held for Sale	0	0
Disposals	0	0
Administrative Restructures - Transfers In/(Out)	0	0
Net Revaluation Increment Less Revaluation Decrements	0	0
Impairment Losses (Recognised in "Other Gains/Losses)	0	0
Depreciation Expense	0	0
Reclassifications	0	0
Net Carrying Amount at End of Year	80	80

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PARENT			CONSOLIDATION	
2011	(10 mnths) 2010		2011	(10 mnths) 2010
\$000	\$000		\$000	\$000
		12. Payables		
		Current		
		Accrued Salaries, Wages and On-Costs	27	13
		Taxation and Payroll Deductions	15	4
42	17	Accrued Liability - Purchase of Personnel Services		
30	0	Creditors	30	0
0	0	Interest	0	0
		Other Creditors		
0	0	- Capital Works	0	0
148	353	- Intra Health Liability	148	353
50	79	- Other	50	79
0	0	- Taxation	0	0
<u>270</u>	<u>449</u>		<u>270</u>	<u>449</u>

Intra Health Liability includes recoup of salaries for staff on secondment, SES salaries not yet invoiced by Department and services received not yet invoiced.

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

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PARENT		CONSOLIDATION	
2011	(10 mnths) 2010	2011	(10 mnths) 2010
\$000	\$000	\$000	\$000
13. Provisions			
Current Employee Benefits and Related On-Costs			
82	26	82	26
.....
<u>82</u>	<u>26</u>	<u>82</u>	<u>26</u>
Non-Current Employee Benefits and Related On-Costs			
0	0	0	0
.....
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Aggregate Employee Benefits and Related On-Costs			
82	26	82	26
0	0	0	0
.....
42	17	42	17
.....
<u>124</u>	<u>43</u>	<u>124</u>	<u>43</u>

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	PARENT	CONSOLIDATION
	(10 mnths) 2010 \$000	(10 mnths) 2010 \$000
14. Commitments for Expenditure		
(a) Other Expenditure Commitments		
Aggregate other expenditure contracted for the acquisition of contracted agency staff for at balance date and not provided for:		
Not later than one year	203	0
Total Other Expenditure Commitments (Including GST)	203	0

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15. Contingent Liabilities and Assets

At this point there are no contingent liabilities and assets that require reporting.

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	PARENT		CONSOLIDATION	
	2011	(10 mnths) 2010	2011	(10 mnths) 2010
	\$000	\$000	\$000	\$000
16. Reconciliation of Net Cash Flows from Operating Activities to Net Cost of Services				
Net Cash Flows from Operating Activities	693	693	(381)	693
Depreciation	(8)	0	(8)	0
Allowance for Impairment	0	0	0	0
Acceptance by the Crown Entity of Employee Superannuation Benefits	(1)	0	(1)	0
Decrease in Provisions	(56)	(26)	(56)	(26)
Increase / (Decrease) in Prepayments and Other Assets	75	29	75	29
(Increase)/ Decrease in Creditors	171	(369)	171	(369)
Net Gain/ (Loss) on Sale of Property, Plant and Equipment	0	0	0	0
NSW Health Department Recurrent Allocations	(2,263)	(1,329)	(2,263)	(1,329)
NSW Health Department Capital Allocations	0	0	0	0
Asset Sale Proceeds Transferred to the NSW Department of Health	0	0	0	0
Cash Reimbursements from the Government	0	0	0	0
Net Cost of Services	(2,463)	(1,002)	(2,463)	(1,002)

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PARENT AND CONSOLIDATED

17. Unclaimed Moneys

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

18. Budget Review - Parent and Consolidated

The actual end of year financial result was materially consistent with budget. There was a variance of \$64K.

Movements in the level of the NSW Department of Health Recurrent Allocation that have occurred since the time of the initial allocation on **01 July 2010** are as follows:

	\$000
Initial Allocation,	2,081
Special Projects - Treasury Project	231
Other - Rollover to FY 11/12 undistributed budget	(250)
Other - Rollover to FY 11/12 unexpensed budget	201
	<hr/>
Balance as per Statement of Comprehensive Income	<u><u>2,263</u></u>

Bureau of Health Information
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19. Increase/(Decrease) in Net Assets from Equity Transfers

Net assets of \$9 thousand transferred from the Bureau of Health Information with effect from 31 December 2010 from which time the Crown Entity assumed responsibility for the provision of Long Service Leave.

Assets and liabilities transferred are as follows:

	2011
	\$000
Liabilities	
LSL leave liabilities transferred to Crown	9

Increase/(Decrease) in Net Assets From Equity Transfers	<u>9</u>
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Refer to Note 20 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Bureau of Health Information
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20. Financial Instruments

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

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

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

(a) Financial Instrument Categories

PARENT

Financial Assets Class:	Category	Carrying	Carrying
		Amount	Amount
		2011	(10 mnths)
		\$000	2010
			\$000
Cash and Cash Equivalents (note 9)	N/A	312	693
Receivables (note 10) ¹	Loans and receivables (at amortised cost)	24	9
Total Financial Assets		<u>336</u>	<u>702</u>
Financial Liabilities			
Payables (note 12) ²	Financial liabilities measured at amortised cost	270	449
Total Financial Liabilities		<u>270</u>	<u>449</u>

Notes

1 Excludes statutory receivables and prepayments (ie not within scope of AASB 7)

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

Bureau of Health Information
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CONSOLIDATION

Financial Assets Class:	Category	Carrying	Carrying
		Amount	Amount
		2011	(10 mnths)
		\$000	2010
			\$000
Cash and Cash Equivalents (note 9)	N/A	312	693
Receivables (note 10) ¹	Loans and receivables (at amortised cost)	24	9
Total Financial Assets		<u>336</u>	<u>702</u>
Financial Liabilities			
Payables (note 12) ²	Financial liabilities measured at amortised cost	270	449
Total Financial Liabilities		<u>270</u>	<u>449</u>

Notes

1 Excludes statutory receivables and prepayments (ie not within scope of AASB 7)

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

(b) Credit Risk

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

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

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

Cash

Cash comprises cash on hand and bank balances deposited in accordance with Public Authorities (Financial Arrangements) Act approvals. Interest is earned on daily bank balances at rates of approximately 5.7% in 2010/11 compared to 3.39% in the previous year.

Receivables - trade debtors

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

\$000			
2011	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
<3 months overdue	24		
3 months - 6 months overdue			
> 6 months overdue			
<hr/>			
2010			
<3 months overdue	0		
3 months - 6 months overdue			
> 6 months overdue			

Notes

1 Each column in the table reports "gross receivables".

2 The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.

Bureau of Health Information
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(c) Liquidity Risk

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

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

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

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set by the NSW Department of Health. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

In those instances where settlement cannot be effected in accordance with the above, eg due to short term liquidity constraints, terms of payment are negotiated with creditors.

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

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Maturity Analysis and interest rate exposure of financial liabilities

	Interest Rate Exposure \$'000				Maturity Dates			
	Weighted Average Effective Int. Rate	Nominal Amount ¹	Fixed Interest Rate	Variable Interest Rate	Non - Interest Bearing	< 1 Yr	1-5 Yr	> 5Yr
	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2011								
Payables:								
Accrued Salaries		27			27		27	
Wages, On-Costs and Payroll Deductions		15			15		15	
Creditors		80			80		80	
Intra Health Liability		148			148		148	
		270			270		270	
2010 (10 months)								
Payables:								
Accrued Salaries		13			13		13	
Wages, On-Costs and Payroll Deductions		4			4		4	
Creditors		80			80		80	
Intra Health Liability		353			353		353	
		450			450		450	

Notes:

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

**Bureau of Health Information
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21. Post Balance Date Events

There are no significant issues that have arisen in preparation of the 30 June 2011 financial statements. In 2011/12, consistent with the revised Governance Framework of greater transparency and utility of health information, the Bureau of Health information will have expanded responsibilities as the independent expert in analysing and reporting patient outcome information to the public and clinicians. The Bureau will also have a role in commissioning the NSW Health Patient Survey and the analysis and publication of results.