



INDEPENDENT AUDITOR'S REPORT

Bureau of Health Information

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Bureau of Health Information (the Bureau), which comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity, 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 2014, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

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

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

The Board's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures 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 it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information 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 roles by the possibility of losing clients or income.



Steven Martin
Assistant Auditor-General

26 September 2014
SYDNEY

**Bureau of Health Information
Certification of the Parent / Consolidated Financial Statements
for the year ended 30 June 2014**

Pursuant to Section 45F of the *Public Finance and Audit Act 1983*:

- 1) The financial statements of the Bureau of Health Information for the year ended 30 June 2014 have been prepared in accordance with:
 - a) Australian Accounting Standards (which include Australian Accounting Interpretations);
 - b) the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulations 2010* and the Treasurer's Directions; and
 - c) the Financial Reporting Code for the NSW General Government Sector Entities.
- 2) The financial statements exhibit a true and fair view of the financial position and the financial performance of the Bureau of Health Information; and
- 3) There are no circumstances which would render any particulars in the accounts to be misleading or inaccurate.



**Warren Clarke
A/Chief Finance
Officer**

26 September 2014



**Dr Jean-Frédéric Lévesque
Chief Executive Officer**

26 September 2014



**Liz Rummery AM
A/Chairperson, Bureau of
Health Information**

26 September 2014

Bureau of Health Information
Statement of Comprehensive Income for the year ended 30 June 2014

PARENT							CONSOLIDATION		
Actual	Budget Unaudited	Actual		Notes	Actual	Budget Unaudited	Actual		
2014 \$000	2014 \$000	2013 \$000			2014 \$000	2014 \$000	2013 \$000		
			Expenses excluding losses						
			Operating Expenses						
---	---	---	Employee Related	3	3,396	3,801	2,420		
3,292	3,698	2,391	Personnel Services	4	---	---	---		
3,655	3,519	1,788	Other Operating Expenses	5	3,655	3,519	1,788		
30	16	15	Depreciation and Amortisation	2(g), 6	30	16	15		
20	---	---	Grants and Subsidies	7	20	---	---		
6,997	7,233	4,194	Total Expenses excluding losses		7,101	7,336	4,223		
			Revenue						
7,198	7,198	3,821	NSW Ministry of Health Recurrent Allocations	2(c)	7,198	7,198	3,821		
---	---	---	Acceptance by the Crown Entity of Employee Benefits	2(a)(ii), 10	104	103	29		
43	9	28	Investment Revenue	8	43	9	28		
81	---	---	Grants and Contributions	9	81	---	---		
7,322	7,207	3,849	Total Revenue		7,426	7,310	3,878		
----	----	(5)	Gain / (Loss) on Disposal	11	----	----	(5)		
----	----	(52)	Other Gains / (Losses)	12	----	----	(52)		
325	(26)	(402)	Net Result	21	325	(26)	(402)		
325	(26)	(402)	TOTAL COMPREHENSIVE INCOME		325	(26)	(402)		

The accompanying notes form part of these financial statements.

Bureau of Health Information
Statement of Financial Position as at 30 June 2014

PARENT			CONSOLIDATION			
Actual	Budget Unaudited	Actual	Notes	Actual	Budget Unaudited	Actual
2014 \$000	2014 \$000	2013 \$000		2014 \$000	2014 \$000	2013 \$000
ASSETS						
Current Assets						
132	245	245		132	245	245
301	121	120	14	301	121	120
<u>433</u>	<u>366</u>	<u>365</u>		<u>433</u>	<u>366</u>	<u>365</u>
Non-Current Assets						
52	11	27		52	11	27
595	83	83	16	595	83	83
<u>647</u>	<u>94</u>	<u>110</u>		<u>647</u>	<u>94</u>	<u>110</u>
<u>647</u>	<u>94</u>	<u>110</u>		<u>647</u>	<u>94</u>	<u>110</u>
<u>1,080</u>	<u>460</u>	<u>475</u>		<u>1,080</u>	<u>460</u>	<u>475</u>
LIABILITIES						
Current Liabilities						
664	525	525		664	525	525
316	271	262	17	316	271	262
<u>980</u>	<u>796</u>	<u>787</u>	18	<u>980</u>	<u>796</u>	<u>787</u>
Non-Current Liabilities						
3	3	2		3	3	2
86	-----	-----	18	86	-----	-----
<u>89</u>	<u>3</u>	<u>2</u>	19	<u>89</u>	<u>3</u>	<u>2</u>
<u>1,069</u>	<u>799</u>	<u>789</u>		<u>1,069</u>	<u>799</u>	<u>789</u>
<u>11</u>	<u>(339)</u>	<u>(314)</u>		<u>11</u>	<u>(339)</u>	<u>(314)</u>
EQUITY						
11	(339)	(314)		11	(339)	(314)
<u>11</u>	<u>(339)</u>	<u>(314)</u>		<u>11</u>	<u>(339)</u>	<u>(314)</u>

The accompanying notes form part of these financial statements.

Bureau of Health Information
Statement of Changes in Equity for the year ended 30 June 2014

PARENT AND CONSOLIDATION	Notes	Accumulated Funds \$000	Total \$000
Balance at 1 July 2013		(314)	(314)
Total Equity at 1 July 2013		(314)	(314)
Net Result for the year		325	325
Total Comprehensive Income for the year		325	325
Balance at 30 June 2014		11	11
Balance at 1 July 2012		85	85
Total Equity at 1 July 2012		85	85
Net Result for the year		(402)	(402)
Total Comprehensive Income for the year		(402)	(402)
Transactions With Owners In Their Capacity As Owners			
Increase/(Decrease) in Net Assets From Equity Transfers	23	3	3
Balance at 30 June 2013		(314)	(314)

The accompanying notes form part of these financial statements.

Bureau of Health Information
Statement of Cash Flows for the year ended 30 June 2014

PARENT			CONSOLIDATION			
Actual	Budget <i>Unaudited</i>	Actual	Notes	Actual	Budget <i>Unaudited</i>	Actual
2014 \$000	2014 \$000	2013 \$000		2014 \$000	2014 \$000	2013 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
—	—	—		(3,284)	(3,744)	(2,322)
(21)	(1)	—		(21)	(1)	—
(7,058)	(7,482)	(4,146)		(3,774)	(3,738)	(1,824)
(7,079)	(7,483)	(4,146)		(7,079)	(7,483)	(4,146)
Receipts						
7,198	7,198	3,821		7,198	7,198	3,821
21	21	—		21	21	—
(65)	—	62		(65)	—	62
43	9	28		43	9	28
81	—	—		81	—	—
255	255	34		255	255	34
7,533	7,483	3,945		7,533	7,483	3,945
454	---	(201)	21	454	---	(201)
CASH FLOWS FROM INVESTING ACTIVITIES						
—	—	21		—	—	21
(567)	—	(29)		(567)	—	(29)
(567)	---	(8)		(567)	---	(8)
(113)	—	(209)		(113)	—	(209)
245	245	454		245	245	454
132	245	245	14	132	245	245

The accompanying notes form part of these financial statements.

Bureau of Health Information
Service Group Statements
for the year ended 30 June 2014

BUREAU EXPENSES AND INCOME	Service Group 6.1 * Teaching And Research				Not Attributable				Total			
	2014		2013		2014		2013		2014		2013	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Expenses excluding losses												
Operating Expenses	3,396	2,420							3,396		2,420	
Employee Related	3,654	1,789							3,654		1,789	
Other Operating Expenses	30	15							30		15	
Depreciation and Amortisation	20								20			
Grants and Subsidies	1								1			
Payments to Affiliated Health Organisations												
Total Expenses excluding losses	7,101	4,224							7,101		4,224	
Revenue												
NSW Ministry of Health Recurrent Allocations **			7,198		3,821				7,198		3,821	
Acceptance by the Crown Entity												
of Employee Benefits and Other Liabilities	104	29							104		29	
Investment Revenue	43	28							43		28	
Grants and Contributions	81								81			
Total Revenue	228	57	7,198		3,821				7,426		3,878	
Gain / (Loss) on Disposal												
Other Gains / (Losses)												
Net Result	(6,873)	(4,224)	7,198		3,821				325		(403)	
Total Comprehensive Income	(6,873)	(4,224)	7,198		3,821				325		(403)	

* The name and purpose of each service group is summarised in Note 13

** Allocations are made on an entity basis and not to individual Service Groups. Consequently, allocations must be included in "Not Attributable" column.

Bureau of Health Information
Service Group Statements (Continued)
for the year ended 30 June 2014

BUREAU ASSETS AND LIABILITIES	Service Group 6.1 - Teaching And Research		Not Attributable		Total	
	2014	2013	2014	2013	2014	2013
	\$000	\$000	\$000	\$000	\$000	\$000
ASSETS						
Current Assets						
Cash and Cash Equivalents	132	245			132	245
Receivables	301	120			301	120
Total Current Assets	433	365			433	365
Non-Current Assets						
Property, Plant and Equipment						
- Plant and Equipment	52	27			52	27
- Leasehold Improvements	595	83			595	83
Total Non-Current Assets	647	110			647	110
TOTAL ASSETS	1,080	475			1,080	475
LIABILITIES						
Current Liabilities						
Payables	665	525			665	525
Provisions	316	262			316	262
Total Current Liabilities	981	787			981	787
Non-Current Liabilities						
Provisions	3	2			3	2
Other	86				86	
Total Non-Current Liabilities	89	2			89	2
TOTAL LIABILITIES	1,070	789			1,070	789
NET ASSETS	10	(314)			10	(314)

* The name and purpose of each service group is summarised in Note 13

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

1. The Reporting Entity

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

The Bureau as a reporting entity, comprises all the entities under its control, namely:

- * The Bureau of Health Information Special Purpose Service Entity which was established as a Division of the Health Service on 1 September 2009 in accordance with the Health Services Act 1997. This Division provides personnel services to enable the Bureau to exercise its functions.

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

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

These consolidated financial statements for the year ended 30 June 2014 have been authorised for issue by the Chief Executive and Chair of the Board on 26 September 2014.

2. Summary of Significant Accounting Policies

Basis of Preparation

The Bureau's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations), the requirements of the Health Services Act 1997 and its regulations (including observation of the Accounts and Audit Determination for Public Health Organisations), the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010, and the Treasurers' Directions. Apart from the basis for the Bureau's budget figures, the financial statements comply with the Financial Reporting Code for NSW General Government Sector Entities. Further information on the budget figures can be found at Note 2(p).

The financial statements of the Bureau have been prepared on a going concern basis.

The Secretary of Health, the Chair of Bureau of Health Information Board and the Chief Executive, have agreed to service and funding levels for the forward financial year. The service agreement sets out the level of financial resources for public health services under the Bureau's control and the source of these funds. By agreement, the Service Agreement requires local management to control its financial liquidity and in particular meet benchmarks for the payment of creditors. Where the Bureau fails to meet Service Agreement performance standards, the Ministry of Health as the state manager can take action in accordance with annual performance framework requirements, including financial support and increased management interaction by the Ministry.

Other mitigating circumstances why the going concern is appropriate include:

- * Appropriated funds, combined with other revenues earned, are applied to pay debts as and when they become due and payable.
- * The Bureau has the capacity to review timing of subsidy cashflows to ensure that they can pay debts as and when they become due and payable.

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

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

Comparative Information

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

Statement of Compliance

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

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

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability can be used to approximate the present value of the annual leave liability. Or costs of 14.9% are applied to the value of leave payable at 30 June 2014 (comparable on-costs for 30 June 2013 were 13.2%). The Bureau has assessed the actuarial advice based on the Bureau's circumstances and has determined that the effect of discounting is immaterial to annual leave.

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.

ii) Long Service Leave and Superannuation

The Bureau's liability for Long Service Leave and defined benefit superannuation (State Authorities Superannuation Scheme and State Superannuation Scheme) are assumed by the Crown Entity.

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

Long Service Leave is measured at present value in accordance with AASB 119, Employee Benefits. This is based on the application of certain factors (specified in NSW Treasury Circular 14/04) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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

iii) Consequential On-Costs

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

iv) 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 Entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

c) 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.

Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139, Financial Instruments: Recognition and Measurement.

Grants and Contributions

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

NSW Ministry of Health Allocations

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

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

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

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

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

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

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

e) Acquisition of Assets

Assets acquired are initially recognised at cost. 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 requirements of other Australian Accounting Standards.

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

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

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

f) Capitalisation Thresholds

Individual items of Property, Plant & Equipment are capitalised where their cost is \$10,000 or above.

g) Depreciation of Property, Plant and Equipment

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

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

Buildings	2.5%
Computer Equipment	20.0%
Motor Vehicle Sedans	12.5%
Office Equipment	10.0%
Plant and Machinery	10.0%
Leasehold Improvements	10-17.39%

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

h) 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.

i) Leased Assets

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

Where a non-current asset is acquired by means of a finance lease, at the commencement of the lease term, the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments, at the inception of the lease. 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.

j) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the net result for the year, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale", must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

k) De-recognition of financial assets and financial liabilities

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

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

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

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

l) 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.

m) Fair Value Hierarchy

A number of the Bureau's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

For non-specialised assets with short useful lives, AASB 13 allows recognition at depreciated historical cost as an acceptable surrogate for fair value as differences are considered immaterial. Thus the values for Plant & Equipment and Leasehold Improvements are not required to be reported under the fair value hierarchy.

n) Equity Transfers

The transfer of net assets between entity as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector entities 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 AASB 1004, Contributions and Australian Interpretation 1038 ,Contributions by Owners Made to Wholly-Owned Public Sector Entities.

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

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

o) Equity and Reserves

(i) Accumulated Funds

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

p) Budgeted Amounts

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

q) Service Group Statements Allocation Methodology

Using the statistical data for twelve months ending 30 June 2013, the data is then adjusted for any material change in service delivery or funding distribution, occurring in the 2013-14 year.

In respect of assets and liabilities the Ministry requires the Bureau take action to identify those components that can be specifically identified and reported by service groups.

The Bureau of Health Information operates in one service group, namely teaching and research.

r) Changes in Accounting Policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2013-14

The accounting policies applied in 2013-14 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have impacted in 2013-14 and have been applied for the first time as follows:

AASB 13, AASB 2011-8 and AASB 2012-1, Fair Value Measurement have mandatory application from 1 January 2013 and address, inter alia, the assumptions that market participants would use when pricing the asset or liability. No impact to prior year values, increased note disclosures, refer note 2m).

AASB 119, AASB 2011-10 and AASB 2011-11, regarding employee entitlements, have mandatory application from 1 January 2013 and cover the recognition and measurement of short term and long term employee benefits. Refer Note 3 and 18.

AASB 2012-2, Amendments to Australian Accounting Standard - Offsetting Financial Assets and Financial Liabilities, has application for reporting periods starting on or after 1 January 2013 and seeks to address some of the offsetting criteria of AASB 7. Minor Adjustment has been made to note 24.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise. The following new Australian Accounting Standards have not been applied and are not yet effective. The possible impact of these Standards in the period of initial application includes:

AASB 2010-7, regarding Financial Instruments has mandatory application from 1 July 2015 and comprise changes to improve and simplify the approach for classification and measurement of financial assets. The change is not expected to materially impact the financial statements.

AASB 2011-7, Amendments to Australian Accounting Standards for the consolidation and joint arrangement standards, arise from the issuance of AASB 10, AASB 11, AASB 12, AASB 127, and AASB 128. For not for profit entities, the changes have application from 1 July 2014. Based on the initial high level assessment performed by the Ministry of Health, this standard has been assessed as having no material effect. The Bureau in conjunction with the Ministry will be performing a detailed review of the impact of the standard to assess if any small foundations, trust or any other type of entities are controlled, noting if such relationship exists, it is still likely to be immaterial.

AASB 1055 and AASB 2013-1, regarding Budgetary Reporting has application from 1 July 2014. Any changes in future disclosures will be determined by the policies adopted for whole of government reporting.

AASB 9, Financial Instruments, has application from 1 Jan 2017. Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

AASB 1031, Materiality, is applicable to annual reporting periods beginning on or after 1 January 2014. This Standard provides references to other Standards and the Framework that contain guidance on materiality.

AASB 2012-3, Amendments to Australian Accounting Standard - Offsetting Financial Assets and Financial Liabilities, has application from 1 January 2014 and seeks to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.

AASB 2013-3, Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets, has application from 1 July 2014.

AASB 2013-6, Amendments to AASB 136 arising from Reduced Disclosure Requirements, has application from 1 July 2014.

AASB 2013-8, Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities, has application from 1 July 2014.

AASB 2013-9, Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments has application from 1 July 2014.

AASB 2014-1, Amendments to Australian Accounting Standards is a summary of changes and impacts on wording arising from changes in other standards issued by the Australian Accounting Standards Board which have been already assessed above. This standard has application from 1 July 2014.

AASB 2014-2, Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements which should have minimal impact due to exemptions not applying to General Government Sector Entities. This standard has application from 1 July 2014.

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
3. Employee Related				
Employee related expenses comprise the following:				
-----	-----	Salaries and Wages	2,663	1,970
-----	-----	Overtime	17	-----
-----	-----	Superannuation - Defined Benefit Plans	1	1
-----	-----	Superannuation - Defined Contribution Plans	228	165
-----	-----	Long Service Leave	112	31
-----	-----	Annual Leave	198	181
-----	-----	Sick Leave and Other Leave	168	63
-----	-----	Workers' Compensation Insurance	9	9
-----	-----		<u>3,396</u>	<u>2,420</u>
9	33	Advertising	9	33
40	15	Auditor's Remuneration - Audit of Financial Statements	40	15
205	96	Consultancies	205	96
167	-----	Contractors	167	-----
82	100	Corporate Support Services	82	100
363	51	Data, Records and Storage	363	51
5	6	Domestic Supplies and Services	5	6
4	2	Food Supplies	4	2
2	4	Fuel, Light and Power	2	4
9	24	Other	9	24
55	244	Information Management Expenses	55	244
1	2	Insurance	1	2
75	154	Maintenance	75	154
8	4	Motor Vehicle Expenses	8	4
2,053	611	Patient Survey Costs	2,053	611
13	4	Postal and Telephone Costs	13	4
73	47	Printing and Stationery	73	47
112	74	Rental	112	74
323	265	Staff Related Costs	323	265
56	52	Travel Related Costs	56	52
<u>3,655</u>	<u>1,788</u>		<u>3,655</u>	<u>1,788</u>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
		6. Depreciation and Amortisation		
3	4	Depreciation - Plant and Equipment	3	4
27	11	Amortisation - Leasehold Improvements	27	11
30	15		30	15
		7. Grants and Subsidies		
20	-----	Grants to Research Organisations	20	-----
20	-----		20	-----

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT

CONSOLIDATION

2014
\$000

2013
\$000

2014
\$000

2013
\$000

8. Investment Revenue

43

28

Interest

43

28

43

28

43

28

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
9. Grants and Contributions				
81	-----	Cancer Institute Grants	81	-----
<u>81</u>	<u>-----</u>		<u>81</u>	<u>-----</u>
 10. Acceptance by the Crown Entity of employee benefits				
The following liabilities and expenses have been assumed by the Crown Entity:				
-----	-----	Superannuation-defined benefit	2	1
-----	-----	Long Service Leave	103	28
<u>-----</u>	<u>-----</u>		<u>105</u>	<u>29</u>
 11. Gain / (Loss) on Disposal				
-----	28	Property, Plant and Equipment	-----	28
-----	2	Less: Accumulated Depreciation	-----	2
<u>-----</u>	<u>26</u>	Written Down Value	<u>-----</u>	<u>26</u>
-----	21	Less: Proceeds from Disposal	-----	21
<u>-----</u>	<u>(5)</u>	Gain/(Loss) on Disposal of Property, Plant and Equipment	<u>-----</u>	<u>(5)</u>
<u>-----</u>	<u>(5)</u>	Total Gain/(Loss) on Disposal	<u>-----</u>	<u>(5)</u>
 12. Other Gains / (Losses)				
-----	(52)	Impairment of Receivables	-----	(52)
<u>-----</u>	<u>(52)</u>		<u>-----</u>	<u>(52)</u>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

13. Service Groups of the Bureau

Service Group 6.1 - Teaching and Research

Service Description:

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

Objective:

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

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

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014	2013		2014	2013
\$000	\$000		\$000	\$000
14. Cash and Cash Equivalents				
132	245	Cash at Bank and On Hand	132	245
132	245		132	245
<p>For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short-term deposits.</p> <p>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:</p>				
132	245	Cash and Cash Equivalents (per Statement of Financial Position)	132	245
132	245	Closing Cash and Cash Equivalents (per Statement of Cash Flows)	132	245

Refer to Note 24 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
		15. Receivables		
		Current		
80	-----	Intra Health Receivables	80	-----
221	120	Goods and Services Tax	221	120
301	120	Sub Total	301	120
301	120		301	120
		(a) Movement in the Allowance for Impairment Other Debtors		
-----	51	Balance at Commencement of Reporting Period	-----	51
-----	(51)	Amounts written off during the period	-----	(51)
-----	-----		-----	-----

*Details regarding credit risk, liquidity risk and market risk,
including financial assets that are either past due or impaired
are disclosed in Note 24.*

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
16. Property, Plant and Equipment				
Plant and Equipment - Fair Value				
57	29	Gross Carrying Amount	57	29
<u>5</u>	<u>2</u>	Less: Accumulated Depreciation and Impairment	<u>5</u>	<u>2</u>
<u>52</u>	<u>27</u>	Net Carrying Amount	<u>52</u>	<u>27</u>
Leasehold Improvements - Fair Value				
651	112	Gross Carrying Amount	651	112
<u>56</u>	<u>29</u>	Less: Accumulated Depreciation and Impairment	<u>56</u>	<u>29</u>
<u>595</u>	<u>83</u>	Net Carrying Amount	<u>595</u>	<u>83</u>
<u>647</u>	<u>110</u>	Total Property, Plant and Equipment At Net Carrying Amount	<u>647</u>	<u>110</u>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT & CONSOLIDATION

16. Property, Plant and Equipment - Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Plant and Equipment	Leasehold Improvements	Total
	\$000	\$000	\$000
2014			
Net Carrying Amount at Start of Year	27	83	110
Additions	28	539	567
Depreciation Expense	(3)	(27)	(30)
Net Carrying Amount at End of Year	52	595	647

	Plant and Equipment	Leasehold Improvements	Total
	\$000	\$000	\$000
2013			
Net Carrying Amount at Start of Year	28	94	122
Additions	29	----	29
Disposals	(26)	----	(26)
Depreciation Expense	(4)	(11)	(15)
Net Carrying Amount at End of Year	27	83	110

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
		17. Payables		
		Current		
----	----	Accrued Salaries, Wages and On-Costs	96	87
----	----	Taxation and Payroll Deductions	6	5
102	92	Accrued Liability - Purchase of Personnel Services	----	----
390	126	Creditors	390	126
		Other Creditors		
80	287	- Intra Health Liability	80	287
92	20	- Other	92	20
664	525		664	525
664	525		664	525

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 24.

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
18. Provisions				
Current				
-----	-----	Annual Leave - Short Term Benefit	158	-----
-----	-----	Annual Leave - Long Term Benefit	110	223
-----	-----	Long Service Leave Consequential On-Costs	48	39
316	262	Provision for Personnel Services Liability	-----	-----
<u>316</u>	<u>262</u>	Total Current Provisions	<u>316</u>	<u>262</u>
Non-Current				
-----	-----	Long Service Leave Consequential On-Costs	3	2
3	2	Provision for Personnel Services Liability	-----	-----
<u>3</u>	<u>2</u>	Total Non-Current Provisions	<u>3</u>	<u>2</u>
Aggregate Employee Benefits and Related On-Costs				
-----	-----	Provisions - Current	316	262
-----	-----	Provisions - Non-Current	3	2
-----	-----	Accrued Salaries, Wages and On-Costs (Note 17)	102	92
421	356	Liability - Purchase of Personnel Services	-----	-----
<u>421</u>	<u>356</u>		<u>421</u>	<u>356</u>
19. Other Liabilities				
Non-Current				
86	-----	Other	86	-----
<u>86</u>	<u>-----</u>		<u>86</u>	<u>-----</u>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
		20. Commitments for Expenditure		
		(a) Operating Lease Commitments		
		Future non-cancellable operating lease rentals not provided for and payable:		
		Not later than one year	233	68
233	68	Later than one year and not later than five years	931	40
931	40	Later than five years	116	-----
116	-----		-----	-----
		Total Operating Lease Commitments (Including GST)	1,280	108

The operating lease commitments above is for leased buildings. Amount includes 10% GST

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT			CONSOLIDATION	
2014 \$000	2013 \$000		2014 \$000	2013 \$000
21. Reconciliation of Cash Flows from Operating Activities to Net Result				
454	(201)	Net Cash Flows from Operating Activities	454	(201)
(30)	(15)	Depreciation	(30)	(15)
-----	(52)	Allowance for Impairment	-----	(52)
(55)	(57)	(Increase)/ Decrease in Provisions	(55)	(57)
196	26	Increase / (Decrease) in Prepayments and Other Assets	196	26
(240)	(98)	(Increase)/ Decrease in Creditors	(240)	(98)
-----	(5)	Net Gain/ (Loss) on Sale of Property, Plant and Equipment	-----	(5)
325	(402)	Net Result	325	(402)

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

PARENT AND CONSOLIDATION

22. Budget Review - Parent and Consolidated

Net Result

The Bureau's total expenses for the year were \$234k favourable due to the capitalisation of the fitout for the new office accommodation as per the Accounting Standards. The net operating result in the Statement of Comprehensive income is a \$324k profit. This includes revenue received for work undertaken on behalf of other Health Agencies and also interest revenue from the bank. Overall the net result is \$351k favourable to budget.

There has been successful recruitment to vacant positions during the financial year in line with business requirements for activities being undertaken. The increase in operating costs this financial year was due to the patient survey project being undertaken for the first full year.

Assets and Liabilities

Assets for the Bureau increased significantly during the financial year due to the office relocation and related fitout.

Cash Flows

Employee related cash flow actuals is \$460k less than budget due to this cash being redirected to investing activities instead of operating activities.

Movements in the level of the NSW Ministry of Health Recurrent Allocation that have occurred since the time of the initial allocation on 01 July 2013 are as follows:

	\$000
Initial Allocation, 1 July 2013	5,491
Award Increases	38
Special Projects - Patient Survey	1,669
	<hr/>
Balance as per Statement of Comprehensive Income	7,198
	<hr/> <hr/>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

23. Increase/(Decrease) in Net Assets from Equity Transfers

	2014	2013
	\$000	\$000
Equity transfers effected comprised:		
Crown Entity - Recreation leave adjustment		3
	-----	<u>3</u>
Assets and Liabilities transferred are as follows:		
	2014	2013
	\$000	\$000
Assets		
Liabilities		
Current Liability AL Long Term		3
Increase/(Decrease) in Net Assets From Equity Transfers	-----	<u><u>3</u></u>

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

24. 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 Board 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 & Risk Management Committee and the internal auditors on a continuous basis.

(a) Financial Instrument Categories

PARENT AND CONSOLIDATION

Class:	Category	Carrying Amount 2014 \$000	Carrying Amount 2013 \$000
Financial Assets			
Cash and Cash Equivalents (note 14)	N/A	132	245
Receivables (note 15)*	Loans and receivables (at amortised cost)	80	-----
Total Financial Assets		<u>212</u>	<u>245</u>
Financial Liabilities			
Borrowings (note)	Financial liabilities	-----	-----
Payables (note 17)**	measured at	659	520
Other (note 19)	amortised cost	86	-----
Total Financial Liabilities		<u>745</u>	<u>520</u>

Notes

*Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

**Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

(b) Credit Risk

Credit risk arises when there is the possibility that the counterparty will default 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 within the NSW Treasury banking system. Interest is earned on daily bank balances at rates of approximately 2.5% in 2013/14 compared to 4% in the previous year.

Receivables - trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the NSW Ministry of Health Accounting Manual for Public Health Organisations and Fee Procedures Manual are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectable are written off. An allowance for impairment is raised when there is objective evidence that the Bureau will not be able to collect all amounts due. This evidence includes past experience and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

The Bureau is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2014:\$69k; 2013: \$0) and not more than 3 months past due (2014: \$11k; 2013:\$0) are not considered impaired. Together these represent 100% of the total trade debtors.

Financial assets that are past due or impaired could be either 'Sales of Goods and Services' or 'Other Debtors' in the 'Receivables' category of the Statement of Financial Position. Patient Fees Ineligibles represent the majority of financial assets that are past due or impaired.

2014	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
	\$000	\$000	\$000
<3 months overdue	80	11	-----
3 months - 6 months overdue	-----	-----	-----
> 6 months overdue	-----	-----	-----
2013			
<3 months overdue	-----	-----	-----
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
Notes to and forming part of the Financial Statements
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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 Ministry of Health or Treasury.

During the current and prior years, there were no defaults of loans payable. No assets have been pledged as collateral. The Bureau has exposure to liquidity risk.

However, the risk is minimised by the service agreement with the NSW Ministry of Health, as the annual service agreement requires local management to control its financial liquidity and in particular meet benchmarks for the payment of creditors. Where the Bureau fails to meet service agreement performance standards, the Ministry as the state manager can take action in accordance with annual performance framework requirements, including providing financial support and increased management interaction (refer Note 2).

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set by the NSW Ministry of Health in accordance with NSW Treasury Circular 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise.

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

Bureau of Health Information
Notes to and forming part of the Financial Statements
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Maturity Analysis and interest rate exposure of financial liabilities

	Interest Rate Exposure		Maturity Dates
Nominal Amount ¹	Non - Interest Bearing	< 1 Yr	
\$000	\$000	\$000	
2014			
Payables:			
- Accrued Salaries Wages, On-Costs and Payroll Deductions	96	96	96
- Creditors	563	563	563
	659	659	659
2013			
Payables:			
- Accrued Salaries Wages, On-Costs and Payroll Deductions	87	87	87
- Creditors	433	433	433
	520	520	520

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 Bureau can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the Statement Of Financial Position.

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Bureau's exposures to market risk are primarily through interest rate risk on the Bureau's borrowings and other price risks associated with the movement in the unit price of the Hour-Glass Investment facilities. The Bureau has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Bureau operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date. The analysis is performed on the same basis for 2013. The analysis assumes that all other variables remain constant.

Interest rate risk

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

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

Both Treasury and NSW Ministry of Health loans are set at fixed rates and therefore are generally not affected by fluctuations in market rates. The Bureau does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change of interest rates would not affect profit or loss or equity.

A reasonably possible change of +/-1% is used consistent with current trends in interest rates (based on official RBA interest rate volatility over the last five years). The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

Bureau of Health Information
Notes to and forming part of the Financial Statements
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The Bureau's exposure to interest rate risk is set out below.

	Carrying Amount \$'000	-1% Profit	Equity	+1% Profit	Equity
2014					
Financial Assets					
Cash and Cash Equivalents	132	(1)	(1)	1	1
Receivables	80	-----	-----	-----	-----
Financial Liabilities					
Payables	659	-----	-----	-----	-----
2013					
Financial Assets					
Cash and Cash Equivalents	245	(2)	(2)	2	2
Financial Liabilities					
Payables	520	-----	-----	-----	-----

Bureau of Health Information
Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

25. Events after the Reporting Period

There are no events after the reporting period that require amendment to the financial statements.

END OF AUDITED FINANCIAL STATEMENTS