

Financial highlights

During 2003-04, Queensland Health delivered services for each of the five departmental output areas within the limits of its total available revenue.

How the money was spent

The services provided by Queensland Health are organised into five outputs. The Department's outputs and their relative share are shown in figure 1.

Queensland Health achieved an operating result of \$36.305 million while still delivering on agreed outputs. The surplus is attributed to increased own sourced revenue and additional funding provided by the Australian Government.

Revenue

The Department's revenue is sourced from three areas:

- grants from the Australian Government
- the State contribution
- own sourced revenue generated from user charges, donations, grants from non-commonwealth sources and other revenue.

Figure 2 details the extent of these funding sources.

Queensland Health's final operating revenues for 2003-2004 was \$4.818 billion. Of this the State contribution was \$2.709 billion (56.2%), Australian Government grants were \$1.765 billion (36.6%), and own sourced revenue was \$0.344 billion (7.2%).

Expenses

Total expenses – including borrowing costs were \$4.782 billion, averaging at \$13.06 million a day to provide public health services, an increase of \$318 million or 7.12 per cent from last year.

Most of the increase in expenses has been incurred in:

- employee expenses – which reflects the impact of increased staffing and salary increases under the current enterprise bargaining agreement;
- supplies and services – following trends over previous years; and
- grants and subsidies – reflecting increased funding to non government organisations for the delivery of health services.

Employee Expenses and Supplies and Services have

changed with the commencement of Queensland Health Shared Service Provider from 1 December 2003 (decrease of \$55.4 million and increase of \$69.5 million respectively).

Capital investment

Total acquisitions of \$229 million were made on rebuilding and maintaining the level of health infrastructure – averaging \$0.6 million per day.

Shared Service Provider

Queensland Health Shared Service Provider (QHSSP) commenced operations from 1 December 2003, under the Queensland Governments Shared Service Initiative, to provide a standard suite of corporate services to Queensland Health along with additional agreed services. QHSSP is staffed by Queensland Health employees and reports with separate financial statements that are consolidated as part of the Queensland Health entity.

Shared Service Initiative provides a standard suite of corporate services

Figure 1 Expense by output 2003-04

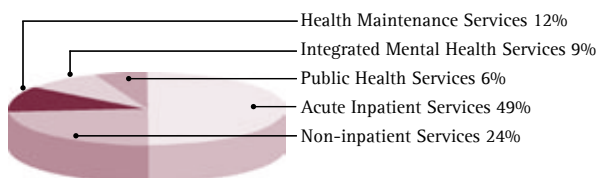


Figure 2 Revenue by funding source 2003-04

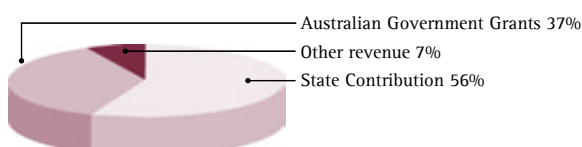


Figure 3 Expense by two year comparison

