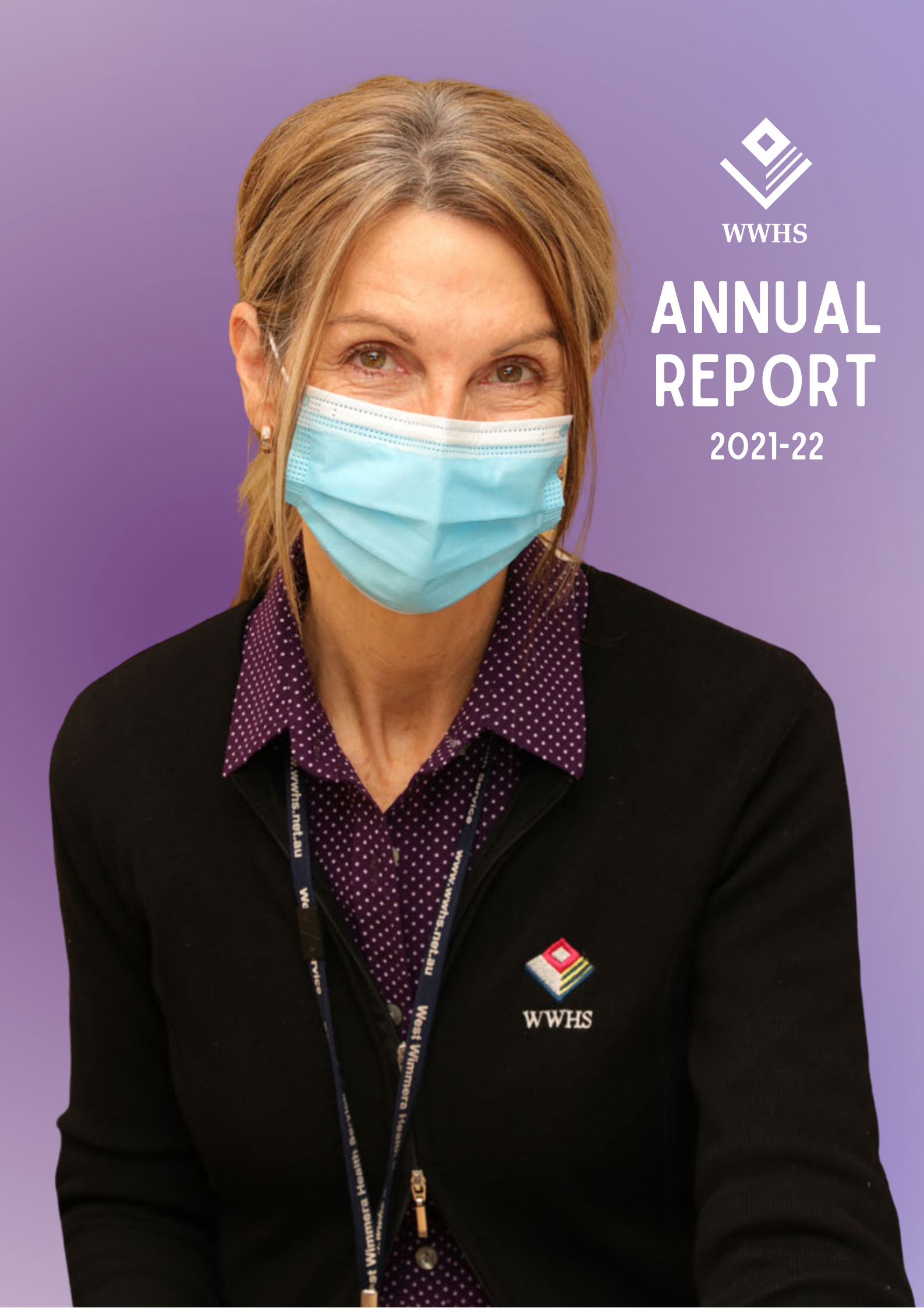


ANNUAL REPORT

2021-22

OUR VISION

To establish and maintain a high quality and responsive health service through the pursuit of excellence and effective use of innovation and technology.

OUR MISSION

West Wimmera Health Service is committed to the delivery of health, welfare and disability services which are compassionate, responsive, accessible and accountable to individual and community needs, and which result in quality outcomes for the people of the West and Southern Wimmera and the Southern Mallee.

OUR VALUES

Total Care: delivering care that is safe, effective and person-centred, always.

Safety: providing a safe workplace and services free from avoidable harm.

Unity: working well together in a great place to work.

Accountability: doing the right thing by our stakeholders and ourselves.

Innovation: using our imagination - if there's a better way we will find it.

CONTENTS

We, West Wimmera Health Service, acknowledge the traditional owners of the land, the Wotjobaluk, Jaadwa, Jadwadjali, Wergaia and Jupagalk people.

We pay our respects to the Elders past, present and emerging. We thank the traditional owners for custodianship of the land, and celebrate the continuing culture of the Wotjobaluk, Jaadwa, Jadwadjali, Wergaia and Jupagalk people.

West Wimmera Health Service is committed to providing a safe and welcoming environment for all people to participate, including those with diverse sexualities and genders.

THE RESPONSIBLE MINISTER IS THE MINISTER FOR HEALTH:

From 1 July 2021 to 27 June 2022
The Hon Martin Foley MP
Minister for Health
Minister for Ambulance Services
Minister for Equality

From 27 June 2022 to 30 June 2022
The Hon Mary-Anne Thomas MP
Minister for Health
Minister for Ambulance Services

OTHER MINISTERS:

Minister of Mental Health
From 1 July 2021 to 27 June 2022
The Hon James Merlino MP
From 27 June 2022 to 30 June 2022
The Hon Gabrielle William MP

Minister for Disability, Ageing and Carers
From 1 July 2021 to 11 October 2021
The Hon Luke Donnellan MP
From 11 October 2021 to 6 December 2021
The Hon James Merlino MP
6 December 2021 to 27 June 2022
The Hon Anthony Carbines MP
From 27 June 2022 to 30 June 2022
The Hon Colin Brooks MP

MANNER OF ESTABLISHMENT

West Wimmera Health Service is established as a public hospital under the Health Services Act 1988 (The Act) and subsequent amendments and delivers health services to nine communities in the Grampians Region of the Victorian Department of Health.

A special thanks to our talented staff member, Andrea Deckert for her outstanding photography used in this report.

A JOINT MESSAGE FROM OUR BOARD CHAIR AND CHIEF EXECUTIVE OFFICER

The financial year under review **(**July 2021 **–** June 2022**)** was another year impacted by the COVID-19 **(**coronavirus, COVID**)** pandemic.

COVID-19 has continued to effect all aspects of our lives in so many ways. Lockdowns in the communities we serve and the care facilities we operate, staff shortages and the illness itself will all have likely affected everyone in some way over the past twelve months.

The challenges and hardships brought by COVID are numerous and well documented so let us consider the positives that have been generated.

This period has highlighted just how much can be achieved when everyone works together toward a common goal. In our battle to minimise the harm and disruption caused by the pandemic we have collaborated successfully with community groups, other public health services, private healthcare providers, schools, various regulatory bodies and departments, and all three tiers of government.

More specifically we have:

- set up and operated vaccination and testing clinics;
- successfully managed outbreaks in our facilities;
- distributed Rapid Antigen Tests to our employees and the wider community;
- established our Community COVID team to monitor and support affected community members with check-ins, health assessments and nursing advice via phone as well as ensuring people had access to food and medication supplies;
- ensured payment of hundreds of thousands of dollars of COVID workforce retention government grants to our frontline staff;
- deployed air purifiers to our aged care facilities, common areas and consulting rooms to help further prevent the spread of COVID in our buildings; and
- worked with numerous partner organisations to help them and ourselves respond as best we could to the seemingly constantly evolving threat presented by COVID.

And, as we initially hoped, mass vaccinations have had their desired effect and helped us move to a new phase of the pandemic.

Our efforts go on and the recent higher levels of COVID positive cases in our communities has highlighted the importance of remaining cautious and continuing to do our best to **'**stop the spread**'**.

With COVID-19 making its way around our communities we have experienced significant staff shortages in many of our departments particularly so in our acute and aged residential care services.

We have deep respect and admiration to our staff who continue to work extra shifts and overtime to care for those we serve, those tolerating the extra personal protective equipment and the dedication and determination they continue to bring to their roles each and every day and night.

And last, but by no means least, thank you to our Infection Prevention and Control team. So ably led by Christine Dufty, the numerous people involved in staff training, vaccine administration, resource planning and general support and reassurance to us all, are to be commended for the leadership in this area throughout the pandemic.

EMPLOYEE SAFETY AND WELLBEING

Maintaining a physically and psychologically safe workplace has never been more important nor more challenging given the extra physical and mental workload imposed by COVID-19.

We know that the quality and safety of the care we provide is critically dependent on the welfare of each and every one of our staff members whether they work at the point of care or in roles that support our frontline workforce. This is why we continue our unrelenting focus on the physical and mental health and wellbeing of our people.

Over the past six years we have reduced our workplace injury rate such that we have saved some $1.3 million in worker injury insurance premiums compared to what we would have incurred if our injury rate had remained the same.

The above result is testament to our people first approach in everything we do and most importantly means we have fewer workers suffering less serious injuries than we have in the past.

Of course any workplace injury is one too many and so our determination to make our workplaces injury free will never end.

We will also continue to aim to make West Wimmera Health Service a great place to work for everyone. With 85% of our employees recently reporting the Service to be either a great or good place to work we're making progress on this ongoing aspiration.

RECOMMENCEMENT OF SERVICES

After a long COVID induced break, our orthopaedic **(**hip and knee**)** joint replacement surgery service recommenced in February. The local provision of this life changing surgery, just like our ophthalmology **(**eye**)** surgery service, is very highly valued and appreciated by our communities.

The many community members with a **'**new**'** knee or hip courtesy of Dr Chi Gooi or restored eyesight at the hands of Dr Mark Chehade will testify to how fortunate we are to continue to have access to these services. WWHS have also gradually been able to increase the number of surgical cases as restrictions lifted.

With the reduction/cessation of restrictions, our residential and acute care facilities have been able to allow in visitors, vital in reducing isolation and improving quality of life. WWHS is also recommencing the volunteer program to sites to support and augment the wellbeing of all concerned.

Works have been able to recommence such as the planning for kitchen gardens in the residential facilities to improve the environment and engage the residents in nature.

Thank you to the many people involved in helping us return to business as usual. We also acknowledge and greatly appreciate the forbearance and patience shown by our community members who have been deprived of our services at various times.

HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION (HFMA) AWARDS

Congratulations to our Finance Team for recently being recognised by HFMA as their 2021 Rural Team of the Year. This is due recognition of the highly effective and efficient manner in which our **'**number crunchers**'** go about their business.

GENDER EQUALITY

During the year we were proud to submit for approval to the Gender Equality Commissioner our Gender Equality Action Plan. The Plan details our commitment to attaining full compliance with the Gender Equality Act 2020 and embedding gender equality into our policies, procedures, workforce and the services we deliver.
The Service pledges to provide healthcare services that ensure equal access to all as well as treating everyone with fairness, compassion, dignity and respect regardless of their gender identity.

CAPITAL GRANT SUBMISSIONS

Again we were successful in our applications for a number of capital grant submissions through the Victorian Health Building Authority, a branch of the Victorian Department of Health.

Our successful submissions included stage two of the Rupanyup Residential Aged Care redevelopment, stage two of the Nhill Hospital refurbishment that includes a central stores area and staff dining facilities, an upgrade of the Nhill Hospital's operating theatre equipment and a small grant towards upgrading our x-ray equipment.

The total of these grants exceeded $4 million and we express our gratitude to the Department of Health for this vital support and also for their much valued assistance in general throughout the year.

ANNUAL EQUIPMENT FUNDRAISER

Our annual equipment fundraising program 'X-Ray Marks the Spot' was a success with $103,376 being raised through the support and generosity of our community plus a small government grant to get us over the line to meet the total project cost.

We will now update our x-ray equipment to the newest digital radiography system that is 20-30 times faster, produces significantly enhanced image quality that can identify even the most minor of fractures and which uses around 50% less radiation than the existing system.

Thank you to all who helped out and particularly so to the Kaniva Lions Club who generously contributed $50,000.

ACCREDITATION

In July 2021 the Service underwent an assessment of its level of compliance against the eight National Safety and Quality Health Service (NSQHS) Standards.

The Service was assessed as having met 147 actions out of 148 applicable outcomes, with the remaining outcome assessed as being 'met with a recommendation'.

In the closing meeting the surveyors mentioned several "pockets of excellence" they encountered in their review including the Service's Health Promotion program, our approach to diversity, and how well we involve and interact with the communities we serve.

An overall result as excellent as this one can only be achieved by everyone involved working well together over a sustained period. Well done and thank you to those many people involved in this outcome including staff, volunteers, community advisory committee members and board directors.

FINANCIAL PERFORMANCE

We recorded an operating surplus for the year of $59,723 based on an operating income of $49.060 million.

At the financial year end we held some $16.786 million of cash and investments which was higher than initially budgeted and primarily due to the COVID-19 induced delays incurred by a number of our capital projects.

We are grateful to the Victorian and Australian Government's for the significant COVID related financial support they continued to provide throughout the year.

NOREEN VOIGT BEQUEST

West Wimmera Health Service was very grateful to accept a generous donation from the Estate of Noreen Mary Voigt, a much loved Nhill local. $500,000, being the main part of the bequest, was received by the Service in June 2022, with the remaining payment to be finalised in the new financial year. Donations like these offer amazing opportunities for the Service to enhance the buildings and services available for use by our local communities.

CHALLENGES AHEAD

The health sector across Australia is facing unprecedented challenges, none larger than the ongoing staff shortages being experienced across most areas of direct and indirect service provision.

In response, we will continue to actively promote ourselves as a leader in healthcare with an organisational culture that supports career development. We will focus on 'growing our own' to support staff to upskill and also give local school leavers the opportunity to start their working life with us and ultimately pursue a health-related career.

Work continues on a new strategic plan to serve as a blueprint for our future direction and our commitment to working with and responding to our communities' healthcare needs is a strong as ever.

THANK YOU

Once again we say thank you to all our employees, visiting general practitioners, surgeons and specialists, volunteers, donors and fundraising auxiliaries, members of our community advisory committees, partner agencies and our board directors.

We continue to be amazed and heartened by the positive way our people respond to the COVID challenge and the resilience they continue to show is remarkable.

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for West Wimmera Health Service for the year ending 30 June 2022.

Katherine Colbert
Board Chair
Nhill,
5 December 2022

Ritchie Dodds
Chief Executive Officer
Nhill,
5 December 2022

WEST WIMMERA HEALTH SERVICE VALUES

TOTAL CARE

Delivering care that is safe, effective and person-centred, always.

SAFETY

Providing a safe workplace and services free from avoidable harm.

UNITY

Working well together in a great place to work.

ACCOUNTABILITY

Doing the right thing by our stakeholders and ourselves.

INNOVATION

Using our imagination - if there's a better way we will find it.

OUR COMMUNITY

IS AT THE HEART OF ALL WE DO!

DID YOU KNOW WE COVER 22,000 SQUARE KILOMETRES!

West Wimmera Health Service provides health and community care services to people within the following four local government areas:

- West Wimmera
- Hindmarsh
- Yarriambiack
- Horsham Rural City

THE PEOPLE WE CARE FOR...

The population in our catchment area can be largely characterised by decreasing population growth, with a very high proportion of the population being 40 years and over and a very low proportion of Indigenous population.

Did you know, approximately 25% of our population is over the age of 65.

WE WELCOME AND SUPPORT ALL...

Although traditionally persons born in other countries have made up a very low percentage of the population in our catchment area, Nhill in particular has seen a substantial increase in this demographic cohort in recent times. This has been largely due to the settlement of Karen refugees, who now make up some 10% of the population in Nhill.

OUR FACILITIES

GOROKE	Goroke Community Health Centre
NHILL	Nhill Hospital Nhill Urgent Care Iona Residential Aged Care Nhill Dental Clinic Mira – Allied and Community Health
KANIVA	Kaniva Hospital Kaniva Primary and Community Care Kaniva Residential Aged Care
JEPARIT	Jeparit Hospital Jeparit Primary Care and Community Care Jeparit Residential Aged Care
RUPANYUP	Rupanyup Hospital Rupanyup Primary Care and Community Care Rupanyup Nursing Home
NATIMUK	Natimuk Residential Aged Care
MINYIP	Minyip Community Health Centre
MURTOA	Murtoa Community Health Centre
RAINBOW	Rainbow Hospital Rainbow Primary Care and Community Care Rainbow Residential Aged Care

Goroke
Natimuk Road
Goroke Vic 3412
T (03) 5363 2200

Nhill
43-51 Nelson Street
Nhill Vic 3418
T (03) 5391 4222

Kaniva
7 Farmers Street
Kaniva Vic 3419
T (03) 5392 7000

Jeparit
2 Charles Street
Jeparit Vic 3423
T (03) 5396 5500

Rupanyup
89 Cromie Street
Rupanyup Vic 3388
T (03) 5385 5700

Natimuk
6 Schurmann Street
Natimuk Vic 3409
T (03) 5363 4400

Minyip
23-25 Church Street
Minyip Vic 3392
T (03) 5363 1200

Murtoa
28 Marma Street
Murtoa Vic 3490
T (03) 5363 0400

Rainbow
2 Swinbourne Ave
Rainbow Vic 3424
T (03) 5396 3300

OUR SERVICES

AGED CARE SERVICES

- Commonwealth Home Support
- Home Care Packages
- Residential Aged Care

CLINICAL SERVICES

- Acute Hospital Care
- Audiology
- General Surgery
- Geriatrician
- Immunisations
- Infection Control
- Medical Imaging (CT Scanning, X-Ray, Ultrasound, Dental Orthopantomogram)
- Ophthalmic Surgery
- Optometry
- Oral Surgery
- Orthopaedic Surgery
- Palliative Care
- Pathology
- Urgent Care

COMMUNITY SERVICES

- Cancer Resource Nurse
- Cancer Support Group
- Cardiac Rehabilitation
- Community Health
- Continence Education
- Diabetes Education
- Dietetics
- Community Nursing
- Falls and Balance Groups
- Gentle Exercise Groups
- Health Promotion
- Healthy Lifestyle Groups
- Initial Needs Coordination
- Multicultural Worker
- Occupational Therapy
- Physiotherapy
- Podiatry
- Services Australia (Centrelink Agent)
- Social Work
- Social Support Groups
- Specialist Telehealth Clinics
- Speech Pathology
- Well Women's Health Clinic

DENTAL SERVICES

- General Dentistry
- Mobile Clinic
- Oral Health Education and Promotion
- Oral Health and Hygiene Therapy
- Oral Surgery

MATERNAL & CHILD HEALTH

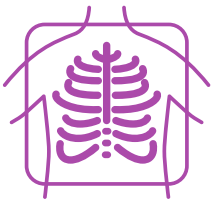
- Antenatal Care
- Domiciliary Care
- Hindmarsh Day Stay Program
- Immunisations
- Key Stages Visits

COMMUNITY PROGRAMS

- GP Management Care Plan
- Hospital in the Home (HITH)
- National Disability Insurance Scheme (NDIS)
- Post-Acute Care (PAC)
- Transport Accident Commission (TAC)
- Transition Care Program (TCP)

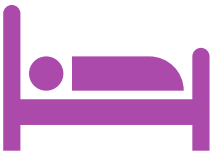
WEST WIMMERA HEALTH SERVICE AT A GLANCE...

1,543
Urgent Care Presentations



4,068
Diagnostic Imaging

199
Operations Preformed



46,110
Residential Aged Care Bed Days

172,084
Meals Prepared

519
Staff Head Count

11,560
Community Nursing Appointments

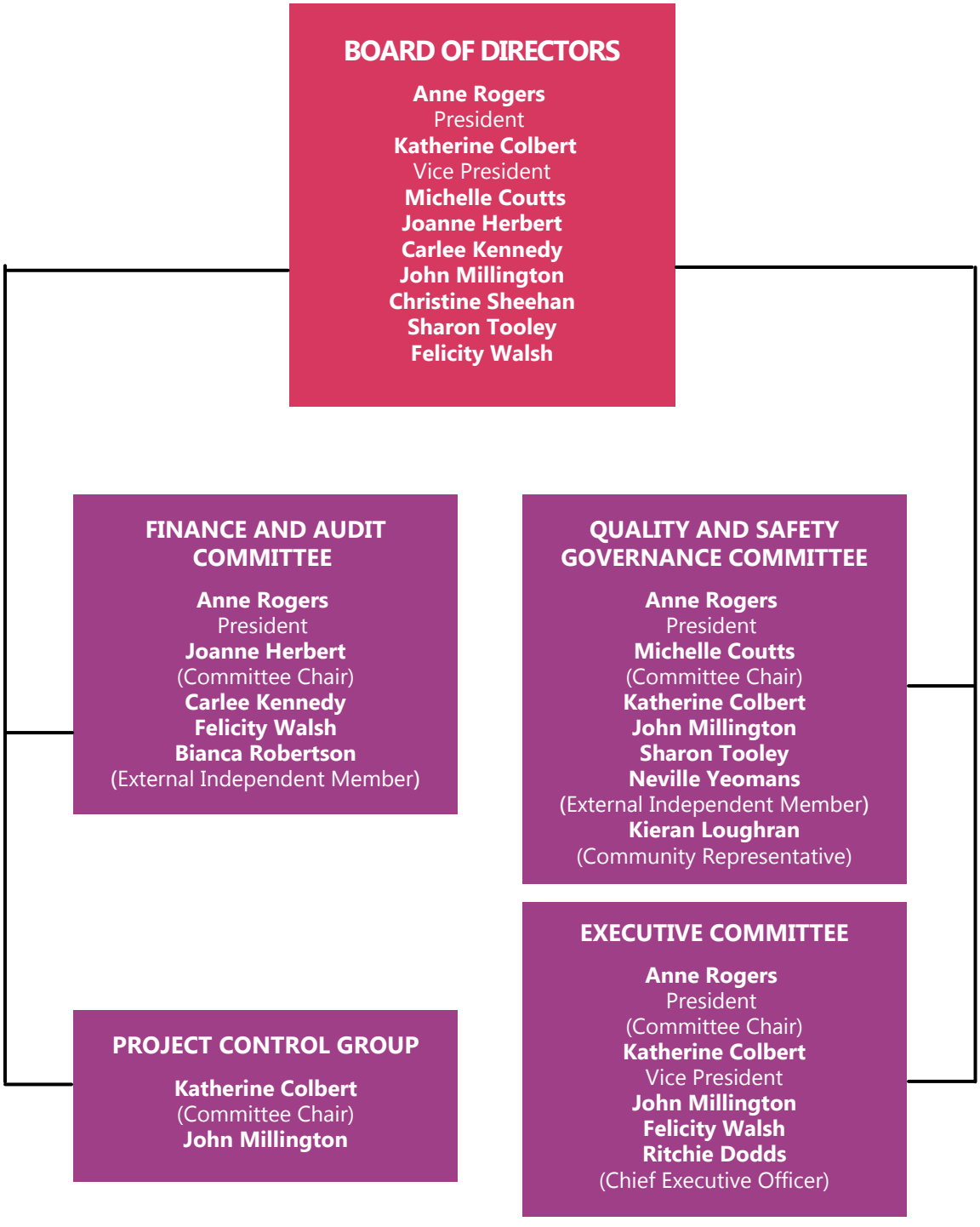
17,237
Allied Health Appointments

1,284
Acute Separations

BOARD OF DIRECTORS

The Board of Directors ("the Board") of West Wimmera Health Service is responsible to the Minister for Health who in turn is accountable to Parliament for our performance as a health service. Boards are appointed, and may be removed, by the Governor in Council.

As at 30 June 2022, the Service's Board was comprised of the following members:



OUR ORGANISATION

WEST WIMMERA HEALTH SERVICE BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER

EXECUTIVE DIRECTOR OF FINANCE & ADMINISTRATION

- Supply Chain Management
- Financial and Management Accounting, Accounts Payable and Receivable
- Compliance and Contracts
- Aged Care Administration
- Administration and Uniforms
- Corporate Governance
- Payroll

EXECUTIVE DIRECTOR OF CLINICAL SERVICES

- Residential Aged Care
- Acute Care
- Admission and Discharge
- Infection Control
- Central Sterilising
- Surgical Services
- Pharmacy
- Radiology
- Medical Records

EXECUTIVE DIRECTOR OF QUALITY & SAFETY

- Occupational Health and Safety
- Quality and Accreditation
- Education
- Information Technology
- Engineering
- Risk Management
- People and Culture
- Hospitality and Environmental Services

EXECUTIVE DIRECTOR OF COMMUNITY HEALTH

- Allied and Community Health
- Community Health Centres
- Health Promotion
- Cancer Support
- District Nursing
- Social Support
- Dental
- Maternal and Child Health
- Refugee Health and Interpreter Services
- Home Care Packages, TAC, NDIS

EXECUTIVE DIRECTOR OF BUSINESS & STRATEGY

- Major Projects
- Business Intelligence and Decision Support
- Stakeholder Partnerships and Public Relations
- System Design
- Data Integrity Management
- Legal Compliance
- Experience and Engagement

EXECUTIVE DIRECTOR OF MEDICAL SERVICES

- Visiting Medical Practitioners
- Clinical Governance

CORPORATE GOVERNANCE

CHIEF EXECUTIVE OFFICER

Mr Ritchie Dodds

BCom, CA, GradDipAppFin, MBA, GAICD

Mr Dodds is responsible for the overall management of the operations of the health service and is directly accountable to the Board of Directors.

FINANCE AND ADMINISTRATION

Ms Janette Lakin

CPA, Dip. VET, AFA, B. Comm

Responsible for Finance, Payroll, Financial Asset Management, Supply Chain Management, Corporate Governance and Administration functions across all areas of the Service.

CLINICAL SERVICES

Ms Cheree Schneider

RN, RM, Cert. Critical Care, B. Comm., MBA

Responsible for Clinical Services including Acute Care, Residential Aged Care Services, Surgical Services, Pharmacy, Radiology, Infection Control, Medical Records, Clinical Governance and Aged Care Assessment Services for all sites.

MEDICAL SERVICES

Dr Ian Graham

MB, BS, M. Health Planning, FRACMA, Cert. Essential Skills in Medical Education (AMEE)

Responsible for Credentialing, Appointment, Scope of Practice and Performance Management of Visiting Medical Practitioners.

BUSINESS AND STRATEGY

Ms Melanie Albrecht

LLB, BIS, MHA, MBA, GAICD

Responsible for management of Major Projects, Legislative Compliance, Business Intelligence and Decision Support, Stakeholder Partnerships, Public Relations, Customer Experience and Engagement, Data Integrity Management and System Design.

QUALITY AND SAFETY

Mr Darren Welsh

RN, BN, GDip (Admin. Mgt), GCertOHS, GDipOHS

Responsible for Hospitality and Environmental Services, Education, Quality Systems, Accreditation, Occupational Health and Safety, Risk Management, Engineering, Fleet Management, People and Culture, Education, Information Technology and Security across the organisation.

COMMUNITY HEALTH

Ms Alex Hall

MSW(Q), B. App. Sc. Speech Pathology, Grad Dip. Neurosciences

Responsible for Allied and Community Health, Dental, District Nursing, Social Support Groups, Community Health Centres, Home Care Packages, NDIS and TAC Programs, Refugee Health, Maternal and Child Health and Health Promotion activities across all areas of the Service.

OUR STRATEGIC PRIORITIES

EMPOWER OUR COMMUNITIES TO LIVE THEIR BEST LIFE

INVEST IN POPULATION HEALTH

HARNESS TECHNOLOGY AND INNOVATION

BUILD PARTNERSHIPS FOR HEALTHIER COMMUNITIES

STRENGTHEN OUR WORKFORCE CAPACITY


EMPOWER OUR
COMMUNITIES
TO LIVE THEIR
BEST LIFE
LILY

TIME TO BE SEEN AGAIN

With the COVID-19 pandemic, many people delayed attending standard medical appointments for nearly two years. We launched a 'Time To Be Seen Again' campaign to catch our communities up on their health checks and promote the importance of keeping up with their healthcare.

Nurses and allied health professionals from our Community Health team have been visiting towns and providing people with an opportunity to stop in for a free health screening and chat.

HAPPY HEALTHY AGEING EXPO

The Service celebrated the importance of happy and healthy ageing at its online expo in mid-October. The virtual expo highlighted that people can feel empowered and positive about their health and wellbeing as they move into the next stage of life.

As the COVID-19 pandemic has seen the reduction in preventative health appointments; expo organisers were keen to take action to help combat this concerning trend. A three-day virtual expo was the innovative solution they devised.

Held over three days, across the months of October, November and December, the online event aimed to engage people in a wide variety of health topics that can impact their lives.

Experienced allied health and nursing professionals presented a program of three key topics: Get checked, Live Healthy, Be Prepared.

INFRASTRUCTURE UPGRADES RESUME

COVID-19 restrictions and precautionary processes put in place to protect our patients and residents meant that contractors had restricted access to our facilities which delayed capital projects from progressing. The easing of restrictions enabled projects to get going again.

SOLAR PANELS

Our commitment to reducing our carbon footprint saw the installation of solar panels to our major hospitals. Solar panels have been installed at Rainbow, Jeparit, Kaniva and Nhill. The Service has been successful in receiving additional grants from the Victorian Government to expand the solar footprint to other WWHS sites over the next 12 months.

GENERATOR AND ELECTRICAL SWITCHBOARD

A new 720 kVA Generator and Electrical Switch Board has been installed at the Nhill Hospital. The new generator provides enough electricity for the whole site in the event that mains power ceases for any reason.

This addition compliments our hospital and aged care emergency management strategy.

SUCCESSFUL GRANT APPLICATIONS

KIATA WIND FARM

We were very grateful to receive $2,500 towards our outdoor rehabilitation mobility garden project from the 2021 Kiata Wind Farm Community Grants Program.

The mobility garden will enable our physiotherapists and occupational therapists to help inpatients and outpatients rehabilitate and assess their community ambulation safety by providing simulated real community mobility activities.

WILLIAM ANGLISS CHARITABLE FUND

We would like to express our continued gratitude to the William Angliss Charitable Funds Trustees for their funding of $5,600 for a new ZOLL defibrillator for Nhill Urgent Care.

This equipment will materially reduce the time taken to assess and transfer out critically ill patients who require a higher level of care.

COMMONWEALTH HOME SUPPORT PROGRAM (CHSP) - HOME MODIFICATION SERVICES

The provision of Commonwealth Home Support Program (CHSP) home modification services was recognised as a gap in service delivery.

WWHS was successful in the CHSP Adhoc Funding round, receiving an allocation of $216,275.22 per year to provide this important service to our communities.

This funding will enable us to provide home modification services to frail, older clients that need them to safely remaining in their own home as long as they can and wish. It will cover things like grab rails, banister rails, ramps/platform steps and bathroom alterations.

RUPANYUP NURSING HOME REDEVELOPMENT STAGE 2

We are extremely grateful to receive $2.118m in the 2020-21 Rural Residential Aged Care Facilities Renewal Program towards stage two of the Rupanyup Nursing Home Redevelopment which will complement stage one (which was funded $2.592m) with a new kitchen, large family and resident room, new modern entrance and reception area, new treatment, office and staff facilities plus required emergency, fire, lighting and ventilation system upgrades.

NHILL HOSPITAL STORES AND STAFF DINING PROJECT (NHILL HOSPITAL REDEVELOPMENT STAGE 2)

In round five of the Department of Health's Rural and Regional Health Infrastructure Fund (RHIF) we were successful in receiving grant funding of $1.39m to build a new central stores department and staff dining facilities to complement the Nhill Hospital Kitchen Redevelopment (Stage 1) for which we were funded $2.57m.

THEATRE EQUIPMENT UPGRADE PROJECT

RHIF round five also resulted in the Service gratefully receiving $547,320 in funding for vital upgrades to theatre and sterilising equipment.

These funds will enable us meet the requirements to comply with the National Safety and Quality Health service (NSQHS) Standard AS4187 Reprocessing of reusable medical devices in health service organisations by the time frame given.

The project includes a new steam steriliser, a heat sealer and barcoding system for instrument packaging, a pass-through washer/disinfector for scopes, a pass-through drying cabinet and a new theatre table, all of which are vital for ensuring our compliance with this Standard and will reduce OH&S risk and improve efficiency and infection prevention and control.

FARMER WANTS A HEALTHY LIFE PODCAST SERIES

Following from a successful season one, our engaging podcast series 'Farmer Wants a Healthy Life' is back for a second season. Brigitte Muir OAM skilfully draws out meaningful life stories and advice from a variety of guests including farmers, health professionals and members of relevant farming and health groups.

The newly launched episodes feature conversations about farm safety, skin checks, heart health, farmer health and lifestyle assessments and the Active Farmers Group.

Engaging with farmers has always come with its challenges but providing a casual, non-confronting podcast with local guests that they could access when it suited their schedules was definitely a winner when addressing that particular barrier we have always faced, with 3,463 people from all over Australia listening to date.

INVEST IN POPULATION HEALTH

HEALTH PROMOTION TEAM CONTINUES TO MAKE AN IMPACT

Our Health Promotion Team has powered through another challenging year in the pandemic, remaining flexible with the delivery of their programs and community engagement methods.

Projects undertaken by the Health Promotion Team have been very successful in creating opportunities for spreading health information, encouraging a culture of seeking help, prioritising their own health and reducing their risk factors and also collecting useful data to be able to respond to.

Most importantly their work built relationships with the community and opened the communication lines.

The volume and lens of these initiatives along with the high community participation rates represents excellence in supporting our communities and actively addressing population health with preventative and early intervention strategies. The success of our innovative and progressive approaches to engaging with our communities to spread health messages and influence behaviours and cultures prove that small rural health services can make a difference and change the health of our population.

CAFÉ HEALTH

Our CAFÉ Health (Community and Friendly Engagement for Health) program involves regular gatherings (led by the Health Promotion team) at cafes in our rural towns and gives locals a chance to connect and have conversations about health and wellbeing and all issues affecting our rural communities. It helps connect long-time locals, newcomers and socially isolated people and provides a chance for the Health Promotion team to understand community needs and priorities and provide health education in a relaxed setting, away from WWHS infrastructure.

COMMUNITY HEALTH AND WELLBEING GRANTS

West Wimmera Health Service sets aside some of our budget every year for a Community Health and Wellbeing Grant program where we provide financial and skill building support to community groups to pursue projects they see as important to the health and wellbeing of their local communities, addressing three priority areas of healthy eating, physical activity and social connection.

Ten projects have been supported across two granting rounds with the third grant round currently open. Types of projects that have been funded include community gardens, mosaic walking trail, wellbeing website pages, Qi Gong sessions, bubbles and brushes painting sessions and bike track community consultations.

3IN1 HEALTHY TOWNS

The Health Promotion team's 3in1 Toward a Healthy Town project addresses the three regional health and wellbeing priorities (social connection, physical activity and healthy eating) in a single project. This project aims to empower local citizens to better understand and manage their own health and wellbeing by bringing people together to undertake exercise, joining together in the preparation of healthy, local food and building relationships across traditional social boundaries.

We were grateful to receive a grant of $40,000 from the Violet Vines Marshman Centre for Rural Health Research to undertake an evaluation project on the 3in1 project, which will occur in the coming year.


HARNESS TECHNOLOGY AND INNOVATION
STRENGTHEN OUR WORKFORCE CAPACITY

BREEZIES

We provided 80 iPad devices with specialised software that made the devices very user friendly for all ages (called Breezies) to consumers of our social support, community nursing, wound care and diabetes education services, during COVID-19 restriction periods and lockdowns.

These enabled those without this technology already to easily stay in touch with WWHS and their families. Some of the devices also include specialist technology that offers blood pressure monitoring, wound management monitoring and 3D wound measurement features and blood glucose and insulin monitoring for newly diagnosed diabetic clients.

THERMAL KIOSKS

Temperature checking of clients, visitors and staff attending our services has become an essential part of reducing the risk of COVID-19 spread to our clients and allowing our facilities to return to a new normal.

The installation of automatic thermal kiosks at all nine of our sites, all attendees to the service have their temperature check automatically when passing the kiosk, reducing the staff resources required, removing the risk of human error and assisting in our social distancing efforts.

MY EMERGENCY DOCTOR

My Emergency Doctor telemedicine service has been introduced at our Urgent Care Centres. Partnering with the My Emergency Doctor service allows patients to have fast and flexible consultations with an emergency doctor, when they present to our Urgent Care Centres outside of the on-call times or when our Visiting Medical Officers are not available.

My Emergency Doctor's service is timely and professional, providing consultations with Australian-qualified senior emergency specialist doctors. Doctors can make accurate assessments via phone or video calls. They can also provide prescriptions, specialist referrals and x-ray requests.

In our quest for inclusiveness and support for all members of our communities and staff we celebrated Harmony Day with 33 flags of all the nations represented by our employee's cultural backgrounds in the foyers at each of our sites to emphasise the cultural diversity of our workforce and promote respect and belonging for all Australians, regardless of cultural or linguistic background.

CELEBRATING DIVERSITY

We celebrated International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) Day with the rainbow flag raised and colourful morning teas across all of our sites to promote awareness and show support for the LGBTIAQ+ community.

"BE SAFE BE WELL" GRANT FUNDING

We have received a Department of Health grant of $50,000 for psychological support for staff and $65,000 for staff rest and recovery areas.

The Service will also contribute $20,000 of in kind support to assist in the setting up and reviewing of outcomes. More specifically, this funding has been provided to health services to enhance place-based wellbeing and extended supports for staff and their families. The supports target primary stressors such as dealing with the pandemic at work (e.g. onsite psychological support, break spaces, safety measures).

BURSARIES

Financial support has been offered to seven staff members in the latest round of bursary applications.

Support has been offered in relation to the following courses:

- Master of Health Economics;
- Certificate of Dermoscopy;
- Bachelor of Nursing;
- Bachelor of Health Information; and
- Grad Cert of Diabetes Education.

Congratulations to our latest successful bursary applicants and all the best with your studies.

WORKFORCE INFORMATION

HOSPITALS LABOUR CATEGORY	JUNE FTE		AVERAGE MONTHLY FTE	
	2021	2022	2021	2022
Nursing	161.4	154.6	163.8	162.2
Administration and Clerical	70.6	71.1	67.2	72.3
Medical Support	2.5	1.4	2.2	1.8
Hotel and Allied Services	122.4	127.9	125.8	124.5
Medical Officers	0.4	0.4	0.4	0.4
Hospital Medical Officers	0.0	0	0.0	0
Sessional Clinicians	0.0	0	0.0	0
Ancillary Staff (Allied Health)	30.0	25.4	27.5	27.4

TABLE 1: WORKFORCE DATA

Note: FTE = Full Time Equivalent

The above FTE figures exclude overtime nor do they include contracted staff (e.g. Agency nurses, Fee-for-Service Visiting Medical Officers) as they are not regarded as employees for this purpose.

BUILD PARTNERSHIPS FOR HEALTHIER COMMUNITIES

West Wimmera Health Service has been active in building partnerships with our communities in order to better support the health and wellbeing of local people.

Community Advisory Committees (CACs) provide a collaborative forum for us to work in partnership with people in our communities to lead positive change at West Wimmera Health Service, and to ensure that community views are taken into account in our decision making processes. The committees give our consumers, carers and the community, a voice in the running of our Health Service. We are delighted to have three established committees representing towns for five of our sites with two further committees being formed to represent the remaining four towns.

In the delivery of our Health Promotion programs, our Health Promotion team have partnered with other local health services and Doctors as well as non-health sector organisations such as the Nhill and District Young Farmers group, the National Centre for Farmer Health, local Cafes, La Trobe University, Centre for Participation, local Shire Councils and learning centres, Wimmera Primary Care Partnership and Wimmera Development Association.

HINDMARSH DAY STAY PROGRAM

The Service has joined with Tweddle Child and Family Health Service to provide families across the Wimmera with the opportunity to work alongside trained Maternal and Child Health Nurses for a day in a safe and welcoming space in the Hindmarsh Day Stay program.

During their day in this program families can discuss and explore any issues they are experiencing with practitioners who can offer practical strategies, support and advice to increase parenting knowledge and skills and empower parents and children to thrive.

This program offers professional help with things such as settling and sleep, breast or formula feeding and nutrition as well as opportunities to chat to other parents experiencing similar challenges.

OCCUPATIONAL HEALTH AND SAFETY

Monitoring of the Occupational Health and Safety of staff within the Service also occurs through incident analysis and investigation. In addition, the rate of incidents is examined by Health and Safety Representatives and Management and reported through the Occupational Health and Safety Committee.

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2021-22	2020-21	2019-20
The number of reported hazards/incidents for the year per 100 FTE	44.64	76.48	59.38
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.58	2.58	2.57
The average cost per WorkCover claim for the year ('000)	$25,826	$69,922	$136,742

TABLE 2: OCCUPATIONAL HEALTH AND SAFETY DATA

In 2021-22, a decreased rate of OHS incidents reported per 100 EFT was realised with 44 in the current reporting period.

This rate is also reflected in a lower average cost per WorkCover claim for the year which is attributed to a changed claim complexity, injury recovery status and return to work of claimants.

OCCUPATIONAL VIOLENCE

Occupational Violence in the workforce is defined as any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of, their employment.

Occupational Violence and Aggression (OVA) incidents averaged slightly less than three (3) per month in 2021-22 compared to 6 per month in the prior year.

OVA incidents related largely to Residents with cognitive and behavioural decline in Aged Care Facilities. A small number of incidents also related to verbal aggression of community members related to COVID-19 restrictions in 2021

West Wimmera Health Service had no WorkCover claims where the injury was caused by occupational violence.

The following table provides an overview of the Service's Occupational Violence outcomes for the 2021-22 financial year.

OCCUPATIONAL VIOLENCE STATISTICS	2021-22
Workcover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	33
Number of occupational violence incidents reported per 100 FTE	8.67
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	24%

TABLE 3: OCCUPATIONAL VIOLENCE STATISTICS

DEFINITIONS OF OCCUPATIONAL VIOLENCE

Occupational violence – any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

Lost time – is defined as greater than one day.

Injury, illness or condition – this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Accepted Workcover claims – accepted Workcover claims that were lodged in 2021-22.

Incident – an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.

FINANCIAL RESULTS

West Wimmera Health Service achieved a net surplus 2021/22 of $59,723.

It is a pleasure to present the financial report for the period 1 July 2021 – 30 June 2022. The Service completed the year with an operating surplus of $59,723 which continues a strong financial management history.

This result is higher than the budgeted surplus of $0.00, which was contained in our Statement of Priorities agreement with the Department of Health at the beginning of the year.

Total operating revenue increased by $1.426 million, compared with the prior year. The factors which most significantly contributed to this outcome included an increase of $1.3 million in State Government block funding and $462,000 more income from residential aged care.

The COVID-19 pandemic has continued to put pressure on all resources at the Service and the additional funding from both State and Commonwealth governments was instrumental in allowing us to effectively manage the COVID-19 threat to our communities. Additional equipment was purchased and additional staff rostered to manage COVID-19 vaccinations, testing and infection control imperatives.

Our aged care facilities continued to be well occupied during the year, with an average rate of 87% occupancy across all ten facilities.

The Health and Allied Services, Managers and Administrative Workers (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2025 was approved during the year, which resulted in increases from 1% to 8.7% for staff wages.

As the country opened up after significant periods of lockdown, many employees accessed their leave and enjoyed well overdue holidays.

This resulted in a notable decrease in our leave liabilities which had built up considerably throughout the pandemic.

Over $2.8 million was invested into capital projects during the year. Those projects that were delayed due to COVID-19 are recommencing with a projected capital investment of up to $12 million in the coming two years.

Cash flow was positive with $4.9 million held in cash at 30 June 2022. This meant that the Service had 14.61 days available cash, compared with a target of 14 days. This is a commendable outcome particularly as we continue to prioritise early payment of our trade creditors. On average it took us 28 days to pay our creditors against a target of 60 days.

The year ahead will again present challenges for the financial stability of the Service. The introduction of a new aged care funding model, the Australian National Aged Care Classification (AN-ACC), from 1 October 2022 will completely change the way in which aged care facilities are funded for the clinical care of residents. We are working diligently to understand and be appropriately prepared for when this new funding regime commences.

Two multi-million dollar construction projects are expected to go to tender in the coming financial year and, with the significant increase in construction costs experienced in recent years, we will strive to ensure these projects are managed within budget.

Thank you to all the community members who generously contributed to our major X-ray fundraising appeal during the year and also to those community service clubs and hospital auxiliary groups who continue to fund key pieces of equipment.

Janette Lakin
Chief Financial Officer

FINANCIAL OVERVIEW 2021-22

TABLE 4: INCOME STATEMENT - FINANCIAL YEAR ENDING 30 JUNE 2022

	2022 $000	2021 $000	2020 $000	2019 $000	2018 $000
OPERATING RESULT*	60	77	68	24	128
Total revenue	49,060	47,631	45,984	45,448	43,941
Total expenses	(52,620)	(52,131)	(50,977)	(47,192)	(47,400)
Net result from transactions	**(3,560)**	**(4,500)**	**(4,993)**	**(1,744)**	**(3,459)**
Total other economic flows	(9)	552	(186)	(654)	(1)
Net result	**(3,569)**	**(3,948)**	**(5,179)**	**(2,398)**	**(3,460)**
Total assets	87,892	89,913	92,910	95,253	80,142
Total liabilities	(28,482)	(25,843)	(25,166)	(22,330)	(21,958)
Net assets/Total equity	**59,410**	**64,070**	**67,745**	**72,923**	**58,184**

* The Operating result is the result for which the health service is monitored in its Statement of Priorities

TABLE 5: RECONCILIATION OF NET RESULT FROM TRANSACTIONS AND OPERATING RESULT

	2021-22 $000
Net operating result *	**60**
Capital purpose income	3,112
Specific income	
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	399
State supply items consumed up to 30 June 2022	(399)
Assets provided free of charge	
Assets received free of charge	
Expenditure for capital purpose	(679)
Depreciation and amortisation	(6,009)
Impairment of non-financial assets	
Finance costs (other)	(43)
Net result from transactions	**(3,560)**

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

The Service's total Information and Communication Technology (ICT) expenditure incurred during 2021-22 is $1,774,461 (excluding GST) with the details shown below:

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON-BUSINESS AS USUAL (NON-BAU) ICT EXPENDITURE		
Total (excluding GST)	**Total=Operational expenditure and Capital Expenditure (excluding GST)**	**Operational expenditure (excluding GST)**	**Capital expenditure (excluding GST)**
$1.582m	$0.193m	$0.000m	$0.193m

TABLE 6: ICT EXPENDITURE

CONSULTANCIES

DETAILS OF CONSULTANCIES (UNDER $10,000)

In 2021-22, there was one consultant with expenditure less than $10,000. Total expenditure incurred during this year in relation to this consultant is $6,185.91 (GST exclusive).

The services provided a review of the Nhill Theatre CSSD for compliance to the new Australian Standard.

DETAILS OF CONSULTANCIES (VALUED AT $10,000 OR GREATER)

In 2021-22 there was one consultancy engaged for services over $10,000.

Total expenditure incurred during this year in relation to this consultant is $14,186.00 (GST exclusive) where they provided strategic planning expertise.

ENVIRONMENTAL PERFORMANCE AND SUSTAINABILITY

Committed to reducing our carbon footprint, energy costs and moving towards a more environmentally sustainable service, West Wimmera Health Service is installing solar panels to buildings and upgrading to light emitting diode (LED) lighting.

Electricity

We are proud to report that West Wimmera Health Service's overall electricity consumption during 2021-22 decreased by 5.13% compared with the previous year, with a total energy use of 10,078 GJ of electricity. This can be attributed to solar panels being operational for the full financial year at our Jeparit and Rainbow sites.

LPG

LPG Liquid Petroleum Gas (LGP) usage increased by 6.5% in the last 12 months, utilising 4,500 GJ of gas. The increase in gas usage is associated with increased use of the Hydrotherapy pool for therapy as well as children's swimming lessons which had been previously limited during COVID-19 restrictions.

Water

The Service's water usage has increased slightly by 2.11% compared with the previous year, using 36,092 kL of water. The increase is likely due to low rainfall providing less rainwater and the recommencement of services following COVID-19 restrictions.

PUBLIC ENVIRONMENT REPORT

WEST WIMMERA HEALTH SERVICE 2021/2022

Total greenhouse gas emissions (tonnes CO2e)	2019-20	2020-21	2021-22
Scope 1	210.45	256.04	272.68
Scope 2	2,880.71	2,923.17	2,575.13
Total	**3,091**	**3,179**	**2,848**

Normalised greenhouse gas emissions	2019-20	2020-21	2021-22
Emissions per unit of floor space (kgCO2e/m2)	129.28	132.09	119.10
Emissions per unit of Separations (kgCO2e/Separations)	2,000.75	2,386.79	2,209.32
Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO2e/OBD)	59.70	62.16	56.62

Total stationary energy purchased by energy type (GJ)	2019-20	2020-21	2021-22
Electricity	10,167.22	10,738.16	10,187.34
Liquefied Petroleum Gas	3,472.77	4,225.01	4,499.70
Total	**13,640**	**14,963**	**14,687**

Normalised stationary energy consumption	2019/2020	2020/2021	2021/2022
Energy per unit of floor space (GJ/m2)	0.57	0.63	0.61
Energy per unit of Separations (GJ/Separations)	8.83	11.23	11.39
Energy per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD)	0.26	0.29	0.29

Total water consumption by type (kL)	2019/2020	2020/2021	2021/2022
Class A Recycled Water	N/A	N/A	N/A
Potable Water	29,164.74	35,346.75	36,092.01
Reclaimed Water	N/A	N/A	N/A
Total	**29,165**	**35,347**	**36,092**

Normalised water consumption (Potable + Class A)	2019/2020	2020/2021	2021/2022
Water per unit of floor space (kL/m2)	1.22	1.48	1.51
Water per unit of Separations (kL/Separations)	18.88	26.54	28.00
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	0.56	0.69	0.72

Waste	2019/2020	2020/2021	2021/2022
Total waste generated (kg clinical waste+kg general waste+kg recycling waste)	2,586.41	3,243.25	3,797.94
Total waste to landfill generated (kg clinical waste+kg general waste)	2,586.41	3,243.25	3,797.94
Total waste to landfill per patient treated ((kg clinical waste+kg general waste)/PPT)	0.05	0.06	0.07
Recycling rate % (kg recycling / (kg general waste+kg recycling))	N/A	N/A	N/A

Normalisers (for information only)	2019/2020	2020/2021	2021/2022
Area M2	23,911	23,911	23,911
Aged Care OBD	45,703	44,775	45,688
ED Departures	0	0	0
FTE	383	395	376
LOS	6,073	6,373	4,609
OBD	51,776	51,148	50,297
PPT	53,321	52,480	51,586
Separations	1,545	1,332	1,289

COMPLIANCE WITH LEGISLATION

FREEDOM OF INFORMATION ACT 1982

The West Wimmera Health Service Freedom of Information Officer received 42 requests for information under the Freedom of Information Act (1982) during the 2021-22 financial year, a decrease of 20 from the previous financial year.

42 requests were received:

- 39 cases were personal requests
- 3 cases were non-personal requests

Of the requests received:

- 42 cases were granted in full
- 0 cases were not proceeded with by the applicant
- 0 cases where no documents/medical records were available.

All applications were received from or on behalf of members of the public.

Members of the public may telephone the Service on (03) 5391 4222, in the first instance to obtain information on the application process.

Applications must be in writing and the required FOI Application form completed and sent to:

The Freedom of Information Officer
West Wimmera Health Service
PO Box 231
NHILL VIC 3418

Applications must clearly describe the documents that are being requested. If seeking an exemption of the application fee evidence must also be provided by the applicant as to the reasons why.

The following fees apply:

- Application Fee - $30.10 (non-refundable unless the fee is waived);
- Search Fee - $22.50 per hour or part thereof;
- Photocopying - 20 cents per black and white A4 page.

It is important that applicants provide photo identification as to their identity at the time of application.

Further information on where members of the public can obtain information about FOI are available at:

FOI Information:
http://www.foi.vic.gov.au/home/

FOI Costs:
http://www.foi.vic.gov.au/home/costs/

For detailed requirements of the Freedom of Information Act (1982) please visit:
http://www.foi.vic.gov.au/find/legislation/freedom+of+information+act+1982

BUILDING ACT 1993

In accordance with the Building Regulations 2006, made under the Building Act 1993, all buildings within the Service are classified according to their functions.

West Wimmera Health Service undertakes an extensive Essential Services Maintenance Program to ensure that all regulatory requirements and safety standards in regard to plant and equipment, buildings and fire management systems are maintained.

A comprehensive preventative maintenance program ensures that key infrastructure equipment such as emergency power backup generators, lifting equipment, heating ventilation and cooling systems and fire detection and management systems are maintained at satisfactory levels and available 365 days a year.

Building Permits are obtained for all construction projects where required and Certificates of Occupancy are issued and displayed accordingly. All builders and contractors involved in building construction are registered practitioners.

In 2021-22 there were four projects that were completed with a certificate of occupancy issued.

PUBLIC INTEREST DISCLOSURE ACT 2012

West Wimmera Health Service is committed to the objectives of the Public Interest Disclosure Act 2012 (the Act) and addresses this through the application of its Public Interest Disclosure Policy.

We recognise the value of transparency and accountability in our administrative and management practices, and support the making of disclosures that reveal corrupt conduct, conduct involving substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

During 2021-22 the Service was not advised of any Public Interest Disclosures under the Act.

NATIONAL COMPETITION POLICY

All requirements under the National Competition Policy were met, including compliance with the Government's policy statement 'Competitive Neutrality Policy Victoria' and subsequent reforms.

LOCAL JOBS ACT 2003

There were two projects which required disclosure in accordance with the Local Jobs Act 2003 or the Victorian Industry Participation Policy (VIPP).

The Nhill Hospital Kitchen and Redevelopment Stage 2 project has commenced and the Rupanyup Nursing Home Redevelopment has been announced.

CARERS RECOGNITION ACT 2012

West Wimmera Health Service recognises, promotes and values the role of people in care relationships.

We understand the varying needs of those in care relationships and that developing these relationships benefits individual patients, carers and the community as a whole.

All practical measures are taken to ensure that our employees, agents and carers have a clear awareness and understanding of the principles of care relationships as reflected by our commitment to the patient and family centred model of care that encourages carer involvement in the development of care plans, the provision of care and the evaluation of support and assistance for people in care relationships.

SAFE PATIENT CARE ACT 2015

West Wimmera Health Service has no matters to report in relation to its obligations under section 40 of the Safe Patient Care Act 2015.

GENDER EQUALITY ACT 2020

West Wimmera Health Service is proud to deliver our first Gender Equality Action Plan 2022-2026 (GEAP) under the Gender Equality Act 2020.

The GEAP has been developed in alignment with the Victorian Government's Gender Equality Act 2020. The GEAP will be embedded into all aspects of the organisation to ensure that gender equality is a shared priority and responsibility of all departments across the Service and its partnership within the community.

It sets out the gender equality practices and priorities to maximise the health, happiness and wellbeing of all WWHS employees and consumers.

The benefits of this integrated approach enables big-picture thinking and planning, strengthened collaboration across shared priorities, streamlined reporting and evaluation processes and improved gender equality outcomes across the Service.

The GEAP has been developed in an unprecedented backdrop of the COVID-19 pandemic. For many elements of the community the lack of gender equality has been more evident during the pandemic.

The GEAP will guide the Service in ensuring our workplace continues to be healthy, sustainable, resilient, innovative, adaptive and inclusive.

Over the next four years, West Wimmera Health Service will strive towards seeking significant improvement and achievement across the GEAP action areas, to improve the inclusion, health, wellbeing and resilience of the our workplace.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

Consistent with FRD 22 (Section 5.19(d)/5.20) the Report of Operations confirms that details in respect of the items listed below have been retained by West Wimmera Health Service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to Freedom of Information requirements, if applicable):

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the entity about itself, and how these can be obtained;
- details of changes in prices, fees, charges, rates and levies charged by the entity;
- details of any major external reviews carried out on the entity;
- details of major research and development activities undertaken by the entity;
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
- details of assessments and measures undertaken to improve the occupational health and safety of employees;
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- details of all consultancies and contractors including:
    - (I) consultants/contractors engaged;
    - (ii) services provided; and
    - (iii) expenditure committed to for each engagement.

KEY 2021-2022 HEALTH SERVICE PERFORMANCE PRIORITIES

The Victorian Health Services performance monitoring framework outlines the Government's approach to overseeing the performance of Victorian health services. Changes to the key performance measures from 2019–20 strengthen the focus on high quality and safe care, strong governance, leadership and culture, timely access to care and effective financial management in line with Ministerial and departmental priorities.

Further information is available at:
www.health.vic.gov.au/hospitals-and-health-services/funding-performance-and-accountability

HIGH QUALITY AND SAFE CARE

KEY PERFORMANCE MEASURE	TARGET	RESULT
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	88%
Percentage of healthcare workers immunised for influenza	92%	94%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 1	95%	*NA
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 2	95%	*NA
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 3	95%	*NA

* Less than 10 responses were received for the period due to the relative size of the Health Service

STRONG GOVERNANCE, LEADERSHIP AND CULTURE

KEY PERFORMANCE MEASURE	TARGET	RESULT
Organisational culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	77%

EFFECTIVE FINANCIAL MANAGEMENT

KEY PERFORMANCE INDICATOR	TARGET	RESULT
Operating result ($m)	$0.00	$0.06
Average number of days to pay trade creditors	60 days	28
Average number of days to receive patient fee debtors	60 days	14
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.81
Actual number of days available cash, measured on the last day of each month.	14 days	14.61
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤$250,000	0.81

REPORTING AGAINST THE STATEMENT OF PRIORITIES

In 2021-2022 West Wimmera Health Service assisted with the following state-wide priorities to develop and implement important system reforms, including modernising our health system through redesigned governance; driving system reforms that deliver better population health, high quality care and improved patient outcomes and experiences; and reforming clinical services to ensure we are delivering our community the best value care.

STRATEGIC PRIORITIES

Maintain robust COVID-19 readiness and response, working with the department to ensure rapid response to outbreaks, if and when they occur, which includes providing to testing for the community and staff, where necessary and if required. This includes preparing to participate in, and assist with, the implementation of the COVID-19 vaccine immunisation program rollout, ensuring the local community's confidence in the program.

OUTCOMES:

Vaccination - We assisted in providing mass vaccinations by setting up and operating vaccination clinics for towns in our catchment. We proudly teamed up with Royal Flying Doctor Service Victoria to host COVID-19 vaccination clinics in Nhill, Kaniva and Goroke in September 2021 and also collaborated with local businesses, Shire Councils, Victoria Police, the Education Department, Ambulance Victoria, VicRoads, pathology services, local learning centres and language services to effectively community to our communities and also to vaccinate high risk workers and children.

Testing – In partnership with the Grampians Public Health Unit (GPHU) and Pathology Services we helped set up and maintain a PCR testing centre at the Nhill Trailer Exchange to support the Transport Industry by providing easily accessible testing to allow cross-border travel and freight transportation during strict border restrictions.

We also distributed Rapid Antigen Tests to our employees and the wider community.

COVID safe workplaces and facilities - Air purifiers were deployed to our aged care facilities, common areas and several consulting rooms around all of our sites to help filter the air and prevent the spread of COVID in our buildings. Extra personal protective equipment and training on using the equipment helped protect our staff, patients and residents and limiting and screening anyone entering our buildings with automated thermal kiosks helped us reduce the occasions that COVID entered our facilities.

Outbreak management - Our COVID Care Team were responsible for monitoring and supporting affected community members, conducting check-ins, health assessments and nursing advice via phone as well as ensuring people had access to food and medication supplies. We successfully and quickly managed outbreaks in our facilities, with no major outbreaks to date.

Workforce – Our Infection Prevention and Control team led our staff training and personal protective equipment practice, vaccine administration, resource planning and provided general support and advice to our staff and communities. We have experienced significant staff shortages in many of our departments particularly so in our aged and acute residential care services as a result of COVID making its way around our communities however with dedicated and resilient staff we have managed to avoid any disruption to services in this regard. We were happy to be able to distribute extra COVID related government funding to our frontline staff as well as improve staff rest areas and psychological support thanks to government funding to help with staff stresses such as the pandemic.

Communication – We have maintained constant communication with our communities through social media, newspaper articles and our community newsletter which has helped keep the community up to date with the latest COVID information and advice including restrictions and measures we can all take to help reduce the spread. Information on testing and vaccination clinics as well as how to get further help was widely covered in our communications as well as some translated videos and written information for the Nhill Karen community.

We also provided iPad devices with specialised software (called Breezies) that made them very easy to use to our social support, community nursing, wound care and diabetic consumers which enabled them to stay in touch with WWHS, monitor their health and also maintain contact with their families.

Actively collaborate on the development and delivery of priorities within the Health Service Partnership, contribute to inclusive and consensus-based decision-making, support optimum utilisation of services, facilities and resources within the Partnership, and be collectively accountable for delivery against Partnership accountabilities as set out in the Health Service Partnership Policy and Guidelines.

OUTCOMES:

The Grampians Region Health Service Partnership (GRHSP) was appointed by the Department of Health (DoH) to work on strategic system priorities that can be enhanced through collaborative work.

The GRHSP works closely with the teams that develop plans for each priority, outlining activities to be undertaken in order to oversee progress for each project and allocating funding to each priority accordingly. Progress is reported through the GRHSP workplan on a bi monthly basis to the DoH and the GRHSP Membership.

Local GRHSP Projects include:

- Regional Clinical Governance Coordinator
- Implementation of MARAM across the region
- Implementation of the Gender Equity Act across the region
- Regional Telehealth Uplift
- Regional Obstetrician /Gynaecologist
- Regional E-Learning Project
- Timely Transfer of Older People (TTOP)

Of particularly focus has been the regional telehealth uplift which has provided WWHS with highly utilised resources for telehealth usage. The COVID monitor program was successfully managed by WWHS for our catchment and neighbouring health service catchment areas. Our quality team have actively participating in prioritisation of Clinical governance areas of focus for the Grampians region for the coming two years.

WWHS has been extensively involved with the implementation of the new electronic Learning Management System (eLMS) from tendering, to agreement on preferred education platform and content. The eLMS provides a shared platform for and content. The eLMS provides a shared platform for agreed education modules across the region.

WWHS is actively collaborating in the Grampians Health Service Partnership by meaningfully contributing to and supporting all projects.

Representatives from the Service from Board Chair, Executive and Management have varying leadership and participatory roles through the HSP working groups. Service representatives are fully engaging in HSP meetings and supportive of the projects.

As an active member, the Health Service is accountable to the HSP which collectively is accountable to the Department of Health.

Engage with the community to address the needs of patients, especially vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary "catch-up" care to support them to get back on track. Work collaboratively with the Health Service Partnership to:
- implement the Better at Home initiative to enhance in-home and virtual models of patient care when it is safe, appropriate and consistent with patient preference.

OUTCOMES:
The Service has worked closely with the community to ensure those people whose care was delayed due to COVID-19 have been 'caught up'. In addition to our elective surgery recommencing, the allied health and community care team have worked extremely hard to reinstate all the treatment, group classes and services to ensure that patients needs are met.

WWHS is represented on the Better at Home working group and Governance committee. The WWHS Healthy at Home project is being developed in align with other regional health services. Following the East Grampians Health Service model, telehealth assistants will contact identified people at risk of presenting to Urgent Care or as an admitted inpatient. If additional support is required, the person will be referred to a care coordinator for follow up case management. The Better @ Home project continues with roll out to the West Wimmera region in the coming year.

Address critical mental health demand pressures and support the implementation of mental health system reforms to embed integrated mental health and suicide prevention pathways for people with, or at risk of, mental illness or suicide through a whole-of-system approach as an active participant in the Health Service Partnership and through the Partnership's engagement with Regional Mental Health and Wellbeing Boards.

OUTCOMES:
West Wimmera Health Service continues to support the Rural Outreach Worker program and maintain our role of referring into the mental health system and supporting people through our Social Work services.

Our Social Workers provide a service that focuses on psychological intervention for mild to moderate mental illness for which they receive regular supervision from a registered Psychologist with the Royal Flying Doctors Service (RFDS). They provide crisis lines for people to contact if needed and also conduct risk assessments and safety plans for people experiencing thoughts of suicide or non-suicidal self-injury.

They also connect people to services such as the Rural Outreach service, Grampians Community Health, RFDS Counselling, Headspace, Sexual Assault and Family Violence Trauma Counselling, Wimmera Southern Mallee Mental Health Services (public psychiatric service) and gaining secondary consults and they work with General Practitioners for appropriate referral pathways for mental health services like RFDS Psychiatry, Mental Health Care Plans and referrals to private psychiatrists and psychologists.

We also network with other providers such as Uniting Wimmera, referring to their Mental Health Hub and STEPMI (Services and Treatment for Enduring and Persistent Mental Illness) programs.

Our social work services work in line with the Mental Health Issues and Illness Presentations policy and procedures within the acute setting. A four questions process chart was implemented by our Intake team to assist them to appropriately respond to people presenting or phoning with signs of distress.

Embed the Aboriginal and Torres Strait Islander Cultural Safety Framework into the organisation and build a continuous quality improvement approach to improving cultural safety, underpinned by Aboriginal self-determination, to ensure delivery of culturally safe care to Aboriginal patients and families, and to provide culturally safe workplaces for Aboriginal employees.

OUTCOMES:

At West Wimmera Health Service, we are proud to be working together to create culturally safe and welcoming spaces for Aboriginal and Torres Strait Islander people.

The traditional owners of the land on which we operate are the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk Peoples.

A draft Aboriginal Cultural Safety Framework has been developed.

We have partnered with Ballarat Regional Multicultural Council to utilise a funding opportunity for a consultant to complete a cultural competency review on WWHS.

This will involve reviewing the draft framework, consulting with Goolum Goolum Aboriginal Co-operative and the wider community. Planning for this work has commenced.

The cultural competency review survey has commenced and we look forward to delivering a final plan early in the new financial year.

ACTIVITY AND FUNDING

The performance and financial framework within which relevant state government-funded health organisations operate, including the specific business-critical conditions of base-level funding, pricing arrangements, funding amounts, and activity levels are outlined in detail within the Policy and funding guidelines, available from: https://www2.health.vic.gov.au/about/policy-and-funding-guidelines.

Further information about the Department of Health's approach to funding and price setting for specific clinical activities, and funding policy changes is also available at https://www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability/pricing-funding-framework/funding-policy.

FUNDING TYPE	2021-22 ACTIVITY ACHIEVEMENT	UNIT
Mental Health and Drug Services		
Mental Health Residential	2,104	Bed Days
Small Rural		
Small Rural Acute (TAC and DVA)	9.60	NWAU
Small Rural Primary Health & HACC		
• Initial Needs Identification	482	Service Hours
• Nursing	5,518	Service Hours
• Counselling/Casework	2,271	Service Hours
• Dietetics	669	Service Hours
• Occupational Therapy	1,494	Service Hours
• Physiotherapy	2,434	Service Hours
• Podiatry	2,163	Service Hours
• Speech Therapy	721	Service Hours
Small Rural Residential Care	44,006	Bed Days
Small Rural HACC		
• Initial Needs Identification	3	Service Hours
• Nursing	591	Service Hours
• Counselling/Casework	712	Service Hours
• Dietetics	28	Service Hours
• Occupational Therapy	130	Service Hours
• Physiotherapy	431	Service Hours
• Podiatry	57	Service Hours
• Speech Therapy	100	Service Hours

ATTESTATIONS

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION – STANDING DIRECTIONS 5.1.4

I, Katherine Colbert, on behalf of the West Wimmera Health Service, certify that the West Wimmera Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.

Katherine Colbert
Responsible Officer
West Wimmera Health Service
5 December 2022

CONFLICT OF INTEREST

I, Ritchie Dodds, certify that West Wimmera Health Service has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC.

Declaration of private interest forms have been completed by all executive staff within West Wimmera Health Service and members of the Board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
5 December 2022

DATA INTEGRITY

I, Ritchie Dodds, certify that West Wimmera Health Service has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. West Wimmera Health Service has critically reviewed these controls and processes during the year.

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
5 December 2022

INTEGRITY, FRAUD AND CORRUPTION

I, Ritchie Dodds, certify that West Wimmera Health Service has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at West Wimmera Health Service during the year.

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
5 December 2022

DISCLOSURE INDEX

The annual report of the West Wimmera Health Service is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

LEGISLATION	REQUIREMENT	PAGE REF.
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FRD 22	Purpose, functions, powers and duties	01
FRD 22	Nature and range of services provided	09
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FRD 22	Significant changes in key initiatives and expectations for the future	14-23
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LEGISLATION	REQUIREMENT	PAGE REF.
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AUDITED FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2022

West Wimmera Health Service

Financial Report

How this report is structured

West Wimmera Health Service presents its audited general purpose financial statements for the financial year ended 30 June 2022 in the following structure to provide users with the information about West Wimmera Health Service's stewardship of the resources entrusted to it.

Financial Statements

Financial Year ended 30 June 2022

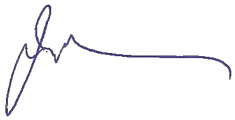
Board member's, accountable officer's, and chief finance & accounting officer's declaration

The attached financial statements for *West Wimmera Health Service* have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994,* applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and the financial position of *West Wimmera Health Service* at 30 June 2022.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 7 November 2022.

Board President	*Accountable Officer*	*Chief Finance & Accounting Officer*
		
Katherine Colbert	Ritchie Dodds	Janette Lakin
Chair	Chief Executive Officer	Chief Finance and Accounting Officer
West Wimmera Health Service	*West Wimmera Health Service*	*West Wimmera Health Service*
7 November 2022	7 November 2022	7 November 2022

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of West Wimmera Health Service

Opinion	I have audited the financial report of West Wimmera Health Service (the health service) which comprises the: • balance sheet as at 30 June 2022 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Financial Management Act 1994, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 health service's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
28 November 2022

Dominika Ryan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

West Wimmera Health Service
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2022

	Note	2022 $'000	2021 $'000
Revenue and income from transactions			
Operating activities	2.1	49,006	47,580
Non-operating activities	2.1	54	51
Share of expenditure from joint operations		-	-
Total revenue and income from transactions		**49,060**	**47,631**
Expenses from transactions			
Employee expenses	3.1	(37,567)	(37,521)
Supplies and consumables	3.1	(6,432)	(5,941)
Finance costs	3.1	(43)	(56)
Other administrative expenses	3.1	(494)	(414)
Depreciation	3.1	(6,009)	(5,887)
Other operating expenses	3.1	(2,068)	(2,305)
Other non-operating expenses	3.1	(7)	(7)
Total expenses from transactions		**(52,620)**	**(52,131)**
Net result from transactions - net operating balance		**(3,560)**	**(4,500)**
Other economic flows included in net result			
Net gain/(loss) on disposal of property plant and equipment	3.2	307	107
Net gain/(loss) on financial instruments	3.2	(2)	-
Share of other economic flows from joint arrangements	3.2	(143)	(54)
Other gains/(losses) from other economic flows	3.2	(171)	499
Total other economic flows included in net result		**(9)**	**552**
Net result for the year		**(3,569)**	**(3,948)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant & equipment revaluation	4.1(b)	(1,091)	274
Total other comprehensive income		**(1,091)**	**274**
Comprehensive result for the year		**(4,660)**	**(3,674)**

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

Balance Sheet

West Wimmera Health Service
Balance Sheet
As at 30 June 2022

	Note	2022 $'000	2021 $'000
Current assets			
Cash and cash equivalents	6.2	16,786	14,470
Receivables and contract assets	5.1	1,362	1,386
Inventories	4.5	94	81
Prepayments		334	434
Total current assets		**18,576**	**16,371**
Non-current assets			
Receivables and contract assets	5.1	2,492	2,583
Property, plant and equipment	4.1	66,824	70,959
Total non-current assets		**69,316**	**73,542**
Total assets		**87,892**	**89,913**
Current liabilities			
Payables and contract liabilities	5.2	5,862	3,821
Borrowings	6.1	661	649
Provisions	3.3	7,871	8,231
Other liabilities	5.3	11,817	11,025
Total current liabilities		**26,212**	**23,726**
Non-current liabilities			
Borrowings	6.1	1,128	782
Provisions	3.3	1,142	1,335
Total non-current liabilities		**2,270**	**2,117**
Total liabilities		**28,482**	**25,843**
Net assets		**59,410**	**64,070**
Equity			
Property, plant and equipment revaluation surplus	4.3	52,271	53,362
Contributed capital	SCE	27,808	27,808
Accumulated deficits	SCE	(20,669)	(17,100)
Total equity		**59,410**	**64,070**

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

Statement of Changes in Equity

West Wimmera Health Service
Statement of Changes in Equity
For the Financial Year Ended 30 June 2022

	Property, Plant & Equipment Revaluation Surplus	Contributed Capital	Accumulated Deficits	Total
	$'000	$'000	$'000	$'000
Balance at 1 July 2020	**53,088**	**27,808**	**(13,152)**	**67,744**
Other comprehensive income for the year	274	-	-	274
Net result for the year	-	-	(3,948)	(3,948)
Balance at 30 June 2021	**53,362**	**27,808**	**(17,100)**	**64,070**
Other comprehensive income for the year	(1,091)	-	-	(1,091)
Net result for the year	-	-	(3,569)	(3,569)
Balance at 30 June 2022	**52,271**	**27,808**	**(20,669)**	**59,410**

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

Cash Flow Statement

West Wimmera Health Service
Cash Flow Statement
For the Financial Year Ended 30 June 2022

	Note	2022 $'000	2021 $'000
Cash Flows from operating activities			
Operating grants from State Government		25,637	25,304
Operating grants from Commonwealth Government		3,049	2,841
Capital grants from State Government		679	1,133
Capital grants from Commonwealth Government		595	39
Patient and resident fees received		17,522	16,148
Donations and bequests received		399	249
Net GST received from ATO		951	604
Interest received		54	51
Other receipts		3,202	2,400
Total receipts		**52,088**	**48,769**
Employee expenses		(37,567)	(37,487)
Payments for supplies and consumables		(6,432)	(6,344)
Finance costs		(43)	(56)
Other payments		(4,253)	(1,151)
Total payments		**(48,295)**	**(45,038)**
Net cash flows from/(used in) operating activities	8.1	**3,793**	**3,731**
Cash Flows from investing activities			
Purchase of non-financial assets		(2,257)	(1,400)
Proceeds from disposal of non-financial assets		378	216
Net cash flows used in investing activities		**(1,879)**	**(1,184)**
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		(260)	-
Repayment of advances		(131)	(1,583)
Receipt of accommodation deposits		6,626	4,589
Repayment of accommodation deposits		(5,833)	(4,130)
Net cash flows from/(used in) financing activities		**402**	**(1,124)**
Net increase in cash and cash equivalents held		**2,316**	**1,423**
Cash and cash equivalents at beginning of financial year		**14,470**	**13,047**
Cash and cash equivalents at end of year	6.2	**16,786**	**14,470**

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

Notes to the Financial Statements

Note 1: Basis of preparation

Structure

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for West Wimmera Health Service ('the Service') for the year ended 30 June 2022. The report provides users with information about West Wimmera Health Service's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements.

Note 1.1: Basis of preparation of the financial statements

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements.*

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance (DTF), and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

West Wimmera Health Service is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a "not-for-profit" health service under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis (refer to Note 8.9 Economic Dependency).

The financial statements are in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest thousand dollars. Minor discrepancies in tables between totals and sum of components are due to rounding.

The annual financial statements were authorised for issue by the Board of West Wimmera Health Service on 7 November 2022.

Note 1.2: Impact of COVID-19 pandemic

In March 2020 a state of emergency was declared in Victoria due to the global coronavirus pandemic, known as COVID-19. On 2 August 2020 a state of disaster was added with both operating concurrently. The state of disaster in Victoria concluded on 28 October 2020 and the state of emergency concluded on 15 December 2021.

The COVID-19 pandemic has created economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the health service at the reporting date. Management recognises that is difficult to reliably estimate with certainty, the potential impact of the pandemic after the reporting date on the health service, its operations, its future results and financial position.

In response to the ongoing COVID-19 pandemic, West Wimmera Heath Service has:

- introducing restrictions on non-essential visitors
- greater utilisation of telehealth services
- implementing reduced visitor hours
- deferring elective surgery and reducing activity
- performing COVID-19 testing
- established and operated vaccine clinics
- changed infection control practices
- Implementing work from home arrangements where appropriate.

As restrictions have eased towards the end of the financial year, West Wimmera Health Service has been able to revise some measures where appropriate including:

- Easing of restrictions on non-essential visitors
- increasing visitor hours
- increasing elective surgery and theatre activity

Where financial impacts of the pandemic are material to West Wimmera Health Service, they are disclosed in the explanatory notes. For West Wimmera Health Service, this includes:

- Note 2: Funding delivery of our services
- Note 3: The cost of delivering services.
- Note 4: Key assets to support service delivery
- Note 5: Other assets and liabilities
- Note 6: How we finance our operations
- Note 8: Other disclosures

Note 1.3: Abbreviations and terminology used in the financial statements

The following table sets out the common abbreviations used throughout the financial statements:

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	*Financial Management Act 1994*
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor General's Office
WIES	Weighted Inlier Equivalent Separation
the Service	West Wimmera Health Service

Note 1.4: Joint arrangements

Interests in joint arrangements are accounted for by recognising in the Service's financial statements, its share of assets and liabilities and any revenue and expenses of such joint arrangements.

West Wimmera Health Service has the following joint arrangements:

- Grampians Regional Health Alliance (GRHA) – joint venture

Details of the joint arrangements are set out in Note 8.7.

Note 1.5: Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and best available current information and assume any reasonable expectation of future events. Actual results may differ.

Revisions to key estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and are disclosed in further detail throughout the accounting policies.

Note 1.6: Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the Service and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 17: *Insurance Contracts*	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-6: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-7: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the Service in future periods.

Note 1.7: Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis, except for the GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, which are disclosed as operating cash flows.

Commitments and contingent assets and liabilities are presented on a gross basis.

Note 1.8: Reporting Entity

The principal address of West Wimmera Health Service is:

47 Nelson Street
Nhill, Victoria 3418

A description of the nature of the Service's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Note 2: Funding delivery of our services

West Wimmera Health Service's overall objective is to provide quality health service and is predominantly funded by grant funding for the provision of outputs. The Service also receives income from the supply of services.

Structure

Note 2.1: Revenue and income from transactions
Note 2.2: Fair value of assets and services received free of charge or for nominal consideration

Telling the COVID-19 story

Revenue recognised to fund the delivery of our services decreased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic. Activity based funding decreased as the level of activity agreed in the Statement of Priorities couldn't be delivered due to reductions in the number of patients being treated at various times throughout the financial year.

This was offset by funding provided by the Department of Health to compensate for reductions in revenue and to cover certain direct and indirect COVID-19 related costs, including:

- increased staffing costs to service the vaccination hubs and the in-house contact tracing unit
- increased personal protective equipment costs

Funding provided included:

- COVID-19 grants to fund income foregone, additional expenses and asset procurement
- Sustainability funding for supporting the retention of work force and services

For the year ended 30 June 2022, the COVID-19 pandemic has impacted the Service's ability to satisfy its performance obligations contained within its contracts with customers. West Wimmera Health Service's received indication there would be no obligation to return funds to each relevant funding body where performance obligations had not been met.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	The Service applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criteria is met, the contract/funding agreement is treated as a contract with a customer, requiring the Service to recognise revenue as or when the service transfers promised goods or services to customers. If this criteria is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	The Service applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	The Service applies significant judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.

Note 2.1: Revenue and income from transactions

		2022 $'000	2021 $'000
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		26	194
Government grants (Commonwealth) - Operating		3,049	2,897
Patient and resident fees		16,279	15,972
Commercial activities (i)		292	309
Total revenue from contracts with customers		**19,646**	**19,372**
Other sources of income			
Government grants (State) - Operating		25,611	25,338
Government grants (State) - Capital		679	298
Government grants (Commonwealth) - Capital		-	39
Other capital purpose Income		595	524
Assets received free of charge or for nominal consideration	2.2(b)	399	249
Other revenue from operating activities (including non-capital donations)		2,076	1,760
Total other sources of income		**29,360**	**28,208**
Total revenue and income from operating activities		**49,006**	**47,580**
Non-operating activities			
Income from other sources			
Capital interest		38	34
Other interest		16	17
Total income from non-operating activities		**54**	**51**
Total revenue and income from transactions		**49,060**	**47,631**

(i) Commercial Activities represent business activities which the Service enter into to support its operations.

How we recognise revenue and income from transactions

Government operating grants

To recognise revenue, the Service assesses each grant whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15: *Revenue from Contracts with Customers*.

When both these conditions are satisfied, the Service:

- Identifies each performance obligation relating to the revenue
- Recognises a contract liability for its obligations under the agreement
- Recognises revenue as it satisfied its performance obligations, at the time or over time when services are rendered.

If a contract liability is recognised, the Service recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

Government operating grants continued

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Service:

- Recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138),
- Recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

In contracts with customers, the 'customer' is typically a funding body, who is the party that promises funding in exchange for the Service's goods or services. The Services funding bodies often direct that goods or services are to be provided to third party beneficiaries, including individuals or the community at large. In such instances, the customer remains the funding body that has funded the program or activity, however the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

This policy applies to each of the Service's revenue streams, with information detailed below relating to West Wimmera Health Service's significant revenue streams:

Government grant	Performance obligation
Commonwealth funding for HACC program	For Commonwealth HACC funding, revenue is recognised monthly as the programs are run and the contact visits are being met. The performance obligations have been agreed funding for specific care needs assessments of individuals as determined by the agreed complexities of individuals and the associated costs of achieving adequate levels of care and outcomes.
Commonwealth funding for residential aged care (bed subsidies)	For Commonwealth bed day subsidies, revenue is recognised monthly based on the actual number of bed days provided and assessed ACFI rates for each resident. The performance obligations around Aged Care funding is the agreed funding for specific care needs assessments of individuals residents as determined by the agreed complexities of individuals and the associated costs of achieving adequate levels of care and outcomes.
Primary and Dental Health - Maternal Child and Family Health target based funding	The performance obligations for Primary Care funding is a mixture of agreed targets and outcomes. Targets can be a mixture of contacts, cases loads, internally generated targets around funding parameters, externally set targets for outcomes and through acquittal processes.
Other one-off grants if funding conditions contain enforceable and sufficiently specific performance obligations	For other grants with performance obligations the Service exercises judgement over whether the performance obligations have been met, on a grant by grant basis.

Capital grants

Where the Service receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards.

Income is recognised progressively as the asset is constructed which aligns with the Service's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Patient and resident fees

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

Commercial activities

Revenue from commercial activities includes items such as Kiosk, Vending machine and Cafeteria sales income. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Note 2.2: Fair value of assets and services received free of charge or for nominal consideration

	2022 $'000	2021 $'000
Cash donations and gifts	14	28
Personal protective equipment and other consumables	385	221
Total income from transactions	**399**	**249**

How we recognise the fair value of assets and services received free of charge or for nominal consideration

Donations and bequests

Donations and bequests are generally recognised as income upon receipt (which is when the Service usually obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

Personal protective equipment

In order to meet the State of Victoria's health system supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment (PPE) and other essential plant and equipment.

The general principles of the State Supply Arrangement were that Health Share Victoria sourced, secured and agreed terms for the purchase of the PPE products, funded by the Department of Health, while Monash Health took delivery, and distributed an allocation of the products to West Wimmera Health Service as resources provided free of charge. Health Share Victoria and Monash Health were acting as an agent of the Department of Health under this arrangement.

Contributions

West Wimmera Health Service may receive assets for nil or nominal consideration to further its objectives. The assets are recognised at their fair value when the Service obtains control over the asset, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

On initial recognition of the asset, the Service recognises related amounts being contributions by owners, lease liabilities, financial instruments, provisions and revenue or contract liabilities arising from a contract with a customer.

West Wimmera Health Service recognises income immediately in the profit or loss as the difference between the initial fair value of the asset and the related amounts.

The exception to this policy is when an asset is received from another government agency or department as a consequence of a restructuring of administrative arrangements, in which case the asset will be recognised at its carrying value in the financial statements of the Service as a capital contribution transfer.

Voluntary Services

West Wimmera Health Service recognises contributions by volunteers in its financial statements, if the fair value can be reliably measured and the services would have been purchased had they not been donated.

West Wimmera Health Service greatly values the services contributed by volunteers but it does not depend on volunteers to deliver its services.

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of the Service such as Victorian Managed Insurance Authority and long service leave.

Non Cash Contributions

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for the Service which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health Hospital Circular.

Note 3: The cost of delivering our services

This section provides an account of the expenses incurred by the Service in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Structure

Telling the COVID-19 story

Expenses incurred to deliver our services increased during the financial year which was partially attributable to the COVID-19 coronavirus pandemic.

Additional costs were incurred to deliver the following additional services:

- implement COVID safe practices throughout West Wimmera Health Service including increased cleaning, increased security, consumption of personal protective equipment provided as resources free of charge
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased
- assist with COVID-19 case management, contact tracing and outbreak management contributing to an increase in employee costs
- changes in supplies and consumables required during the pandemic

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	The Service applies significant judgment when measuring and classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if the Service does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if the Service has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	West Wimmera Health Service applies significant judgment when measuring its employee benefit liabilities. The Service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the Service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1: Expenses from transactions

	2022 $'000	2021 $'000
Salaries and wages	35,649	35,661
Alliance salaries and wages	141	140
Agency expenses	163	72
Fee for service medical officer expenses	1,169	1,142
Workcover premium	445	506
Total employee expenses	**37,567**	**37,521**
Drug supplies	139	99
Medical and surgical supplies	1,520	1,449
Diagnostic and radiology supplies	14	18
Other supplies and consumables	4,759	4,375
Total supplies and consumables	**6,432**	**5,941**
Finance costs	43	56
Total finance costs	**43**	**56**
Other administrative expenses	494	414
Total other administrative costs	**494**	**414**
Fuel, light, power and water	809	811
Repairs and maintenance	584	646
Maintenance contracts	293	299
Medical indemnity insurance	305	195
Expenditure for capital purposes	77	354
Total other operating expenses	**2,068**	**2,305**
Total operating expenses	**46,604**	**46,237**
Depreciation (refer Note 4.4)	6,009	5,887
Total depreciation	**6,009**	**5,887**
Bad and doubtful debt expense	7	7
Total other non-operating expenses	**7**	**7**
Total non-operating expenses	**6,016**	**5,894**
Total expenses from transactions	**52,620**	**52,131**

How we recognise expenses from transactions

Expense recognition

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Employee expenses

Employee expenses include:

- Salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- On-costs
- Agency expenses
- Fee for service medical officer expenses
- Work cover premiums.

Supplies and consumables

Supplies and consumable costs are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Finance costs

Finance costs include:

- Amortisation of discounts or premiums relating to borrowings; and
- Finance charges in respect of leases, which are recognised in accordance with AASB 16 *Leases*.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include such things as:

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of $1000).

The Department of Health also makes certain payments on behalf of the Service. These amounts have been brought to account as grants in determining the operating result for the year by recording them as revenue and also recording the related expense.

Non-operating expenses

Other non-operating expenses generally represent expenditure outside the normal operations such as depreciation and assets and services provided free of charge or for nominal consideration.

Note 3.2: Other economic flows

	2022 $'000	2021 $'000
Net gain on disposal of property plant and equipment	307	107
Total net gain/(loss) on non-financial assets	**307**	**107**
Allowance for impairment losses of contractual receivables	(2)	-
Total net gain/(loss) on financial instruments	**(2)**	**-**
Share of net profits/(losses) of associates, excluding dividends	(143)	(54)
Total share of other economic flows from joint operations	**(143)**	**(54)**
Net gain/(loss) arising from revaluation of long service liability	(171)	499
Total other gains/(losses) from other economic flows	**(171)**	**499**
Total other gains/(losses) from other economic flows	**(9)**	**552**

How we recognise other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- reclassified amounts relating to equity instruments from the reserves to retained surplus/(deficit) due to a disposal or de-recognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- revaluation gains/(losses) of non-financial physical assets;
- net gain/(loss) on disposal of non-financial assets; and
- any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments at fair value includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost refer to Note 7.1 Financial instruments; and
- disposals of financial assets and de-recognition of financial liabilities.

Impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives (and intangible assets not available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired.

Note 3.3: Employee benefits in the balance sheet

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	2022 $'000	2021 $'000
Current employee benefits and related on-costs		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [(i)]	132	123
Annual leave		
Unconditional and expected to be settled wholly within 12 months [(i)]	2,320	2,271
Unconditional and expected to be settled wholly after 12 months [(ii)]	383	391
Long service leave		
Unconditional and expected to be settled wholly within 12 months [(i)]	855	695
Unconditional and expected to be settled wholly after 12 months [(ii)]	3,333	3,511
	7,023	**6,991**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [(i)]	360	730
Unconditional and expected to be settled after 12 months [(ii)]	488	510
	848	**1,240**
Total current employee benefits and related on-costs	**7,871**	**8,231**
Non-current employee benefits and related on-costs		
Conditional long service leave	1,005	1,199
Provisions related to employee benefit on-costs	137	136
Total non-current employee benefits and related on-costs	**1,142**	**1,335**
Total employee benefits	**9,013**	**9,566**

(i The amounts disclosed are nominal amounts.)

(ii The amounts disclosed are discounted to present values.)

Note 3.3 (a): Employee benefits and related on-costs

	2022 $'000	2021 $'000
Current employee benefits and related on-costs		
Unconditional accrued days off	132	123
Unconditional annual leave entitlements	3,000	3,426
Unconditional long service leave entitlement	4,739	4,682
Total current employee benefits and related on-costs	**7,871**	**8,231**
Non-current employee benefits		
Conditional long service leave entitlements	1,142	1,335
Total non-current employee benefits and related on-costs	**1,142**	**1,335**
Total employee benefits and related on-costs	**9,013**	**9,566**
Attributable to:		
Employee benefits	8,028	8,190
Provision for related on-costs	985	1,376
Total employee benefits and related on-costs	**9,013**	**9,566**

Note 3.3 (b): Provision for related on-costs movement schedule

	2022 $'000	2021 $'000
Carrying amount at start of year	**1,376**	**1,401**
Amounts incurred during the year	(97)	(25)
Net gain/(loss) arising from revaluation of long service liability	(294)	-
Carrying amount at end of year	**985**	**1,376**

How we recognise employee benefits

Employee benefit recognition

Employee benefits are accrued for employees in respect of accrued days off, annual leave and long service leave for services rendered to the reporting date as an expense during the period the services are delivered.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because the Service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave and accrued days off are measured at:

- Nominal value – if the Service expects to wholly settle within 12 months or
- Present value – if the Service does not expect to wholly settle within 12 months.

Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where the Service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal value – if the Service expects to wholly settle within 12 months or
- Present value – if the Service does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations e.g. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

Provision for on-costs related to employee benefits

Provision for on-costs such as workers compensation and superannuation are recognised separately from provisions for employee benefits.

Note 3.4: Superannuation

	Paid contributions for the year		Contributions outstanding at year end	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Defined benefit plans (i) :				
First State Superannuation Fund	84	80	7	10
Total defined benefit plans	**84**	**80**	**7**	**10**
Defined contribution plans:				
First State Superannuation Fund	2,588	2,418	202	307
HESTA Superannuation Fund	249	232	20	30
Other	583	474	52	68
Total defined contribution plans	**3,420**	**3,124**	**274**	**405**
Total	**3,504**	**3,204**	**281**	**415**

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

How we recognise superannuation

Employees of the Service are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by the Service to the superannuation plans in respect of the services of current the Service's staff during the reporting period.

Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

The Service does not recognise any unfunded defined benefit liability in respect of the plans because the Service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

Defined benefit superannuation plans continued

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of the Service.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by the Service are disclosed above.

Defined contribution superannuation plans

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by the Service are disclosed above.

Note 4: Key assets to support service delivery

The Service controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the Service to be utilised for delivery of those outputs.

Structure

Telling the COVID-19 story

Assets used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant and equipment	The Service assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The Service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. The Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Identifying indicators of impairment	At the end of each year, the Service assesses impairment by evaluating the conditions and events specific to the Service that may be indicative of impairment triggers. Where an indication exists, the service tests the asset for impairment. The Service considers a range of information when performing its assessment, including considering: ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the Service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the Services applies significant judgement and estimate to determine the recoverable amount of the asset.

Note 4.1: Property, plant and equipment

Note 4.1 (a): Gross carrying amount and accumulated depreciation

	2022 $'000	2021 $'000
Land		
Land at fair value	2,545	1,639
Total land	**2,545**	**1,639**
Buildings		
Buildings at fair value	55,794	70,811
Less acc'd depreciation	(329)	(8,992)
Total buildings	**55,465**	**61,819**
Plant and equipment		
Plant and equipment at fair value	5,971	4,860
Less acc'd depreciation	(3,186)	(2,667)
Total plant and equipment	**2,785**	**2,193**
Medical equipment		
Medical equipment at fair value	3,508	3,212
Less acc'd depreciation	(2,375)	(2,117)
Total medical equipment	**1,133**	**1,095**
Computers & communication equipment		
Computers & communication at fair value	3,132	2,317
Less acc'd depreciation	(2,173)	(1,889)
Total computers & communication equipment	**959**	**428**
Motor vehicles		
Motor vehicles at fair value	942	1,099
Less acc'd depreciation	(786)	(822)
Total motor vehicles	**156**	**277**
Furniture and fittings at fair value		
Furniture and fittings at fair value	1,331	1,228
Less acc'd depreciation	(941)	(860)
Total furniture and fittings	**390**	**368**
Right of use (RoU) assets - motor vehicles		
RoU assets at fair value	1,665	1,188
Less acc'd depreciation	(264)	(275)
Total RoU assets - motor vehicles	**1,401**	**913**
Assets under construction		
Assets under construction at cost	1,990	2,227
Total assets under construction	**1,990**	**2,227**
Total	**66,824**	**70,959**

Note 4.1 (b): Reconciliations of carrying amount by class of asset

	Land	Buildings	Plant & equipment	Medical equipment	Computers & communication equipment
	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2020	**1,365**	**66,338**	**2,393**	**1,128**	**538**
Additions	-	-	146	243	148
Additions / (disposals) - GRHA	-	-	144	-	-
Disposals	-	(47)	(11)	(5)	-
Revaluation Increments/(Decrements)	274	-	-	-	-
Depreciation (refer Note 4.4)	-	(4,472)	(479)	(271)	(258)
Balance at 30 June 2021	**1,639**	**61,819**	**2,193**	**1,095**	**428**
Additions	-	60	216	259	221
Additions / (disposals) - GRHA	-	-	38	-	-
Transfer to / from assets under construction	-	63	928	37	594
Disposals	-	-	(38)	-	-
Revaluation Increments/(decrements)	906	(1,997)	-	-	-
Depreciation (refer Note 4.4)	-	(4,480)	(552)	(258)	(284)
Balance at 30 June 2022	**2,545**	**55,464**	**2,785**	**1,133**	**959**

	Motor vehicles	Furniture & fittings	RoU assets motor vehicles	Assets under construction	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2020	**424**	**399**	**735**	**1,445**	**74,765**
Additions	-	55	225	808	**1,625**
Additions / (disposals) - GRHA	-	-	166	(26)	**284**
Disposals	(37)	(2)	-	-	**(102)**
Revaluation Increments/(Decrements)					**274**
Depreciation (refer Note 4.4)	(110)	(84)	(213)	-	**(5,887)**
Balance at 30 June 2021	**277**	**368**	**913**	**2,227**	**70,959**
Additions	-	104	749	1,397	**3,006**
Additions / (disposals) - GRHA	-	-	-	(12)	**26**
Transfer to / from Assets Under Construction	-	-	-	(1,622)	**-**
Disposals	(29)	-	-	-	**(67)**
Revaluation Increments/(decrements)	-	-	-	-	**(1,091)**
Depreciation (refer Note 4.4)	(92)	(82)	(261)	-	**(6,009)**
Balance at 30 June 2022	**156**	**390**	**1,401**	**1,990**	**66,824**

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by the Service in the supply of goods or services, for rental to others, or for administration purposes, and are expected to be used during more than one financial year.

Initial recognition

Items of property, plant and equipment (excluding right-of-use assets) are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent measurement

Items of property, plant and equipment (excluding right-of-use assets) are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

Fair value is determined with reference to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Further information regarding fair value measurement is disclosed below.

Revaluation

Fair value is based on periodic valuations by independent valuers, which normally occur once every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate a material change in fair value has occurred.

Where an independent valuation has not been undertaken at balance date, the Service performs a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

An adjustment is recognised if the assessment concludes that the fair value of land and buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of land and buildings since the last independent valuation, being equal to or in excess of 40%, the Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of the Service's property, plant and equipment was performed by the VGV May 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction.

As the cumulative movement was greater than 40% for land since the last independent revaluation, an interim independent valuation was required as at 30 June 2022 and an adjustment was recorded.

- Increase in fair value of land of 45.49%, ($0.906 mil).

As the cumulative movement was greater than 10% but less than 40% for buildings since the last revaluation, a managerial revaluation adjustment was required as at 30 June 2022.

- Increase in fair value of buildings of -10.67% (-$1.997 mil).

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation reserve included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

Note 4.2: Right-of-use assets

How we recognise right-of-use assets

Where the Service enters a contract, which provides the health service with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information), the contract gives rise to a right-of-use asset and corresponding lease liability. The Service presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Class of right-of-use asset	Lease term
Leased vehicles	1-3 years

Initial recognition

When a contract is entered into, the Service assesses if the contract contains or is a lease. If a lease is present, a right-of-use asset and corresponding lease liability is recognised. The definition and recognition criteria of a lease is disclosed at Note 6.1.

The right-of-use asset is initially measured at cost and comprises the initial measurement of the corresponding lease liability, adjusted for:

- any lease payments made at or before the commencement date;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

Further information regarding fair value measurement is disclosed in Note 7.4.

Note 4.3: Revaluation surplus

	2022 $'000	2021 $'000
Balance at the beginning of the reporting period	53,362	53,088
Revaluation increment		
- Land	906	274
- Buildings	(1,997)	-
Balance at the end of the reporting period*	**52,271**	**53,362**
*** Represented by:**		
- Land	1,966	1,060
- Buildings	50,305	52,302
	52,271	**53,362**

Note 4.4: Depreciation and amortisation

	2022	2021
Depreciation	**$'000**	**$'000**
Buildings	4,480	4,472
Plant & equipment	552	479
Medical equipment	258	271
Computers & communication	284	258
Motor vehicles	92	110
Furniture & fittings	82	84
ROU assets-motor vehicles	261	213
Total depreciation	**6,009**	**5,887**

How we recognise depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under assets held for sale, land and investment properties) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value over its estimated useful life.

Right-of-use assets depreciate over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the health service anticipates to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

How we recognise amortisation

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life.

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

	2022	2021
Buildings	5 to 47 years	5 to 47 years
Plant & equipment	5 to 10 years	5 to 10 years
Medical equipment	5 to 10 years	5 to 10 years
Computers & communication	4 to 10 years	4 to 10 years
Motor vehicles	5 to 10 years	5 to 10 years
Furniture & fittings	5 to 10 years	5 to 10 years

Note 4.5: Inventories

	2022	2021
Inventories	**$'000**	**$'000**
General store supplies	57	45
Pharmacy and surgical consumables at cost	37	36
Total inventory	**94**	**81**

How we recognise inventories

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets. Inventories are measured at the lower of cost and net realisable value.

Note 4.6: Impairment of assets

How we recognise impairment

At the end of each reporting period, the Service reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external and internal sources of information.

External sources of information include but are not limited to observable indications that an asset's value has declined during the period by significantly more than would be expected as a result of the passage of time or normal use. Internal sources of information include but are not limited to evidence of obsolescence or physical damage of an asset and significant changes with an adverse effect on the Service which changes the way in which an asset is used or expected to be used.

If such an indication exists, an impairment test is carried out. Assets with indefinite useful lives (and assets not yet available for use) are tested annually for impairment, in addition to where there is an indication that the asset may be impaired.

When performing an impairment test, the Service compares the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in net result, unless the asset is carried at a revalued amount.

Where an impairment loss on a revalued asset is identified, this is recognised against the asset revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the cumulative balance recorded in the asset revaluation surplus for that class of asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Service estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The Service did not record any impairment losses for the year ended 30 June 2022.

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from the Service's operations.

Structure

Note 5.1: Receivables and contract assets
Note 5.2: Payables and contract liabilities
Note 5.3: Other liabilities

Telling the COVID-19 story

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	The Service uses a simplified approach to account for the expected credit loss provision. A provision matrix is used, which considers historical experience, external indicators and forward-looking information to determine expected credit loss rates.
Measuring deferred capital grant income	Where the Service has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed. The Service applies significant judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	The Service applies significant judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, the health service assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.

Note 5.1: Receivables and contract assets

	2022	2021
Current receivables and contract assets	**$'000**	**$'000**
Contractual		
Inter hospital debtors	113	81
Trade debtors	217	633
Sundry debtors - GRHA	100	76
Patient fees	247	230
Tenant bond monies held	4	3
Accrued revenue - other	229	176
Amounts receivable from governments and agencies	379	78
Less: Allowance for impairment losses of contractual receivables		
- Trade debtors	(6)	(5)
- Patient fees	(3)	(2)
Total contractual receivables	**1,280**	**1,270**
Statutory		
GST receivable	82	116
Total statutory receivables	**82**	**116**
Total current receivables and contract assets	**1,362**	**1,386**
Non-current receivables and contract assets		
Contractual		
Long service leave - Department of Health	2,492	2,583
Total non-current receivables and contract assets	**2,492**	**2,583**
Total receivables and contract assets	**3,854**	**3,969**
(i) Financial assets classified as receivables and contract assets (Note 7.1(a))		
Total receivables and contract assets	**3,854**	**3,969**
Provision for impairment	9	7
GST receivable	(82)	(116)
Total financial assets	**3,781**	**3,860**

As at 30 June 2022, the Service has contract assets of $1,280,000 which is net of an allowance for expected credit losses of $9,010. This is included in the contractual receivable balances presented above.

Note 5.1 (a): Movement in the allowance for impairment losses of contractual receivables

	2022	2021
	$'000	**$'000**
Balance at beginning of year	7	7
Increase in allowance	7	
Amounts written off during the year	(5)	
Reversal of unused allowance recognised in the net result	-	-
Balance at end of year	**9**	**7**

How we recognise receivables

Receivables consist of:

- **Contractual receivables**, which mostly includes debtors in relation to goods and services. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.

- **Statutory receivables**, which mostly includes amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

The Service is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Impairment losses of contractual receivables

Refer to Note 7.1 (a) for the Service's contractual impairment losses.

Note 5.2: Payables and contract liabilities

		2022	2021
Current	Note	**$'000**	**$'000**
Contractual			
Trade creditors (i)		404	167
Trade creditors - GRHA		84	238
Deferred grant income	5.2. a	3,328	835
Contract liabilities	5.2. b	997	1,119
Accrued expenses		304	363
Accrued salaries and wages		732	1,036
Inter- hospital creditors		13	63
Total contractual payables - current		**5,862**	**3,821**
Total payables and contract liabilities		5,862	3,821
Deferred grant income		(3,328)	(835)
Contract liabilities		(997)	(1,119)
Total financial liabilties		**1,537**	**1,867**

(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a)

How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Service prior to the end of the financial year that are unpaid.

- **Statutory payables**, which most includes amount payable to the Victorian Government and Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 60 days.

Note 5.2 (a): Deferred capital grant revenue

	2022 $'000	2021 $'000
Opening balance of deferred capital grant income	835	-
Grant consideration for capital works received during the year	3,172	1,172
Deferred grant revenue recognised as revenue due to completion of capital works	(679)	(337)
Closing balance of deferred capital grant income	**3,328**	**835**

How we recognise deferred capital grant revenue

Grant consideration was received from Commonwealth and State government to support the construction of renewal of infrastructure and refurbishments. Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when West Wimmera Health Service satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, West Wimmera Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

West Wimmera Health Service expects to recognise all of the remaining deferred capital grant revenue for capital works by June 2025.

Note 5.2 (b) Contract liabilities

	2022 $'000	2021 $'000
Opening balance of contract liabilities	1,119	579
Grant consideration for sufficiently specific performance obligations received during the year	2,952	3,631
Revenue recognised for the completion of a performance obligation	(3,074)	(3,091)
Total contract liabilities	**997**	**1,119**
Represented by		
Current contract liabilities	997	1,119
Non-current contract liabilities	-	-
	997	**1,119**

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of Department of Health, unspent client package funds and Grampians Regional Health Alliance IT JVA. The balance of contract liabilities was significantly higher than the previous reporting period due to funding provided in advance for capital works.

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 2.1.

Maturity analysis of payables

Please refer to Note 7.2(c) for the ageing analysis of payables.

Note 5.3: Other liabilities

	2022 $'000	2021 $'000
Current monies held it trust		
Patients monies	14	9
Refundable accommodation deposits	11,799	11,012
Residential tenancy bonds	4	4
Total current monies held in trust	**11,817**	**11,025**
*** Represented by:**		
Cash assets	11,817	11,025
Total	**11,817**	**11,025**

How we recognise other liabilities

Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities

RAD/accommodation bonds are non-interest-bearing deposits made by some aged care residents to the Service upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

RAD/accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts deducted from the RAD/accommodation bond in accordance with the *Aged Care Act 1997*.

Note 6: How we finance our operations

This section provides information on the sources of finance utilised by the Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Service.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

Structure

Note 6.1: Borrowings
Note 6.2: Cash and cash equivalents
Note 6.3: Commitments for expenditure

Telling the COVID-19 story

Our finance and borrowing arrangements were not materially impacted by the COVID-19 Coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	The Service applies significant judgement to determine if a contract is or contains a lease by considering if the health service: ▪ has the right-to-use an identified asset; ▪ has the right to obtain substantially all economic benefits from the use of the leased asset; and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	The Service applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. The Service estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, the health service applies the low-value lease exemption. The Service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the Service applies the short-term lease exemption.
Discount rate applied to future lease payments	The Service discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the Service's lease arrangements, the Service uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if the Service is reasonably certain to exercise such options.The Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: ▪ If there are significant penalties to terminate (or not extend), the Service is typically reasonably certain to extend (or not terminate) the lease.

Key judgements and estimates	Description
	▪ If any leasehold improvements are expected to have a significant remaining value, the Service is typically reasonably certain to extend (or not terminate) the lease. ▪ The Service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1: Borrowings

Current borrowings	**2022 $'000**	**2021 $'000**
Lease liability (i)	559	546
Advances from government (ii)	102	102
Total current borrowings	**661**	**648**
Non-current borrowings		
Lease liability (i)	845	369
Advances from government (ii)	283	414
Total non-current borrowings	**1,128**	**783**
Total borrowings	**1,789**	**1,431**

(i) Secured by the assets leased.

(ii) These are unsecured loans which bear no interest.

How we recognise borrowings

Borrowings refer to interesting bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities, and other non-interest-bearing arrangements.

Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the Service has categorised its liability as either ‘financial liabilities designated at fair value through profit or loss’, or financial liabilities at ‘amortised cost’.

Subsequent measurement

Subsequent to initial recognition, interest bearing borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the borrowing using the effective interest method. Non-interest bearing borrowings are measured at ‘fair value through profit or loss’.

Maturity analysis

Please refer to Note 7.2(c) for the maturity analysis of borrowings.

Defaults and breaches

During the current and prior year, there were no defaults and breaches of any of the loans.

Note 6.1 (a) Lease liabilities

The Services' lease liabilities are summarised below:

	2022 $'000	2021 $'000
Total undiscounted lease liabilities	1,436	934
Less unexpired finance expenses	(32)	(19)
Net lease liabilities	**1,404**	**915**

The following tabel sets out the maturity analysis of lease liabilities, showing the undiscounted lease payments to be made after the reporting date.

	2022 $'000	2021 $'000
Not longer than one year	578	560
Longer than 1 year and not longer than 5 years	835	374
Longer than 5 years	23	-
Minimum future lease liability	**1,436**	**934**
Less unexpired finance expenses	(32)	(19)
Present value of lease liability	**1,404**	**915**
*** Represented by:**		
Current borrowings - lease liability	559	546
Non-current borrowings - lease liability	845	369
Total	**1,404**	**915**

How we recognise lease liabilities

A lease is defined as a contract, or part of a contract, that conveys the right for the Service to use an asset for a period of time in exchange for payment.

To apply this definition the Service ensures the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Service and for which the supplier does not have substantive substitution rights;
- the Service has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Service has the right to direct the use of the identified asset throughout the period of use; and
- the Service has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

The Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased vehicles	1 to 3 years

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Services incremental borrowing rate. Our lease liability has been discounted by rates of between 2.1% to 2.3%.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the health service and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term and lease liability if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

Note 6.2: Cash and cash equivalents

	2022 $'000	2021 $'000
Cash on hand (excluding monies held in trust)	3	3
Cash at bank (excluding monies held in trust)	343	206
Cash - GRHA (excluding monies held in trust)	222	467
Deposits at call (excluding monies held in trust)	4,405	2,769
Total cash held for operations	**4,973**	**3,445**
Deposits at call - CBS (monies held in trust)	11,813	11,025
Total cash held as monies in trust	**11,813**	**11,025**
Total cash and cash equivalents	**16,786**	**14,470**

How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks, deposits at call and highly liquid investments (with an original maturity date of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet. The cash flow statement includes monies held in trust.

Note 6.3: Commitments for expenditure

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	2022 $'000	2021 $'000
Capital expenditure commitments		
Not later than one year	275	955
Total capital expenditure commitments	**275**	**955**
Total commitments for expenditure (inclusive of GST)	**275**	**955**
Less GST recoverable from the Australian Tax Office	(25)	(87)
Total commitments for expenditure (exclusive of GST)	**250**	**868**

Future lease payments are recognised on the balance sheet, refer to Note 6.1 Borrowings.

How we disclose our commitments

Our commitments relate to expenditure, and short term and low value leases.

Expenditure commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the Balance Sheet.

Note 7: Risks, contingencies and valuation uncertainties

The Service is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the health service is related mainly to fair value determination.

Structure

Note 7.1: Financial instruments
Note 7.2: Financial risk management objectives and policies
Note 7.3: Contingent assets and contingent liabilities
Note 7.4: Fair value determination

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, the Service has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. The Service uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of the Service's specialised land, non-specialised land and non-specialised buildings are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of the Service's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach. ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. The Service does not this use approach to measure fair value. The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. The Service does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The Service categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. The Service categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1: Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Service's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB *132 Financial Instruments: Presentation*.

Note 7.1 (a) Categorisation of financial instruments

2022	Note	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total $'000
Contractual financial assets				
Cash and cash equivalents	6.2	16,786	-	16,786
Receivables				
- Trade debtors	5.1	3,534	-	3,534
- Patient fees	5.1	247	-	247
Total financial assets		**20,567**	**-**	**20,567**
Financial Liabilities				
Payables	5.2	-	1,537	1,537
Lease - motor vehicles	6.1	-	1,404	1,404
Advances from government	6.1	-	386	386
Other financial liabilities (refundable accommodation deposits)	5.3	-	11,799	11,799
Other financial liabilities	5.3	-	18	18
Total Financial Liabilities		**-**	**15,144**	**15,144**

2021	Note	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	14,470	-	14,470
Receivables			-	
- Trade debtors	5.1	3,629	-	3,629
- Patient fees	5.1	230	-	230
Total Financial Assets		**18,329**	**-**	**18,329**
Financial Liabilities				
Payables	5.2	-	1,867	1,867
Lease - motor vehicles	6.1	-	915	915
Advances from government	6.1	-	516	516
Other financial liabilities (refundable accommodation deposits)	5.3	-	11,012	11,012
Other financial liabilities	5.3	-	13	13
Total Financial Liabilities		**-**	**14,323**	**14,323**

The carrying amount excludes statutory receivables (i.e. GST receivable and DH receivable) and statutory payables (i.e.Revenue in Advance and DH payable).

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when the Service becomes party to the contractual provisions to the instrument. For financial assets, this is at the date the Service commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB *15* para 63.

Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Service solely to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

These assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less any impairment.

The Service recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities are recognised when the Service becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

The Service recognises the following liabilities in this category:

- payables (excluding statutory payables and contract liabilities);
- borrowings; and
- other liabilities (including monies held in trust).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Service retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Service has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

A financial asset is required to be reclassified between fair value between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, the Service's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

Note 7.2: Financial risk management objectives and policies

As a whole, the Service's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, included the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed throughout the financial statements.

The Service's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Service manages these financial risks in accordance with its treasury management policy.

The Service's uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

Note 7.2 (a) Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Service's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Service's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, the health service is exposed to credit risk associated with patient and other debtors.

In addition, the Service does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the Service's policy is to only deal with banks with high credit ratings.

Note 7.2 (a) Credit risk continued

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Service will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Service's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the Service's credit risk profile in 2021-22.

Impairment of financial assets under AASB 9

The Service records the allowance for expected credit loss for the relevant financial instruments applying AASB *9*'s Expected Credit Loss approach. Subject to AASB *9*, impairment assessment includes the health service's contractual receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB *9*. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB *9*.

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contractual receivables at amortised cost

The Service applies AASB *9*'s simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Service has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Service past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

It is expected that the Long service leave – Department of Health contractual receivable will be received and not included in the evaluation below.

On this basis, the Service determines the closing loss allowance at the end of the financial year as follows:

30-Jun-22		***Current***	***Less than 1 month***	***1–3 months***	***3 months –1 year***	***1–5 years***	***Total***
Expected loss rate		0%	0%	4%	8%	0%	
Gross carrying amount of contractual receivables	$,000	1,137	23	33	96	0	**1,289**
Loss allowance	**$,000**	**0**	**0**	**1**	**8**	**0**	**9**

30-Jun-21		***Current***	***Less than 1 month***	***1–3 months***	***3 months –1 year***	***1–5 years***	***Total***
Expected loss rate		0%	0%	1%	1%	7%	
Gross carrying amount of contractual receivables	$,000	687	476	25	28	62	**1,277**
Loss allowance	**$,000**	**0**	**0**	**1**	**2**	**5**	**7**

Statutory receivables at amortised cost

The Service's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with *AASB 9* requirements as if those receivables are financial instruments.

Both the statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, no loss allowance has been recognised.

Note 7.2 (b) Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

The Service is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. The health service manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Service's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of investments and other financial assets.

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

				Maturity Dates			
2022	**Note**	**Carrying amount $'000**	**Nominal amount $'000**	**Less than 1 Month $'000**	**1-3 Months $'000**	**3 months - 1 Year $'000**	**1-5 Years $'000**
Financial liabilities							
At amortised cost							
Payables	5.2	1,537	1,537	302	4	1,178	53
Borrowings	6.1	1,789	3,780	2,295	68	289	1,128
Other financial liabilities (i)							
- Accommodation deposits	5.3	11,799	11,799	-	-	1,575	10,224
- Other financial liabilities	5.3	18	18	-	-	18	-
Total Financial liabilities		**15,143**	**17,134**	**2,597**	**72**	**3,060**	**11,405**
2021							
Financial Liabilities							
Payables	5.2	1,867	1,867	303	4	1,507	53
Borrowings	6.1	1,431	1,431	293	68	288	782
Other Financial liabilities (i)							
- Accommodation deposits	5.3	11,012	11,012	-	-	1,575	9,437
- Other Financial liabilities	5.3	13	13	-	-	13	-
Total Financial liabilities		**14,323**	**14,323**	**596**	**72**	**3,383**	**10,272**

(i) Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e GST payable)
The maturity dates of the refundable accommodation deposits in the table represent the estimated timing of the repayments.

Note 7.2 (c) Market risk

The Service's exposures to market risk are primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

The Service's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. The Service's fund managers cannot be expected to predict movements in market rates and prices. The following movements are 'reasonably possible' over the next 12 months:

- a change in interest rates of 2% up or down; and
- a change in the top ASX 200 index of 15% up or down.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Service's does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Service's has minimal exposure to cash flow interest rate risks through cash and deposits, term deposits and bank overdrafts that are at floating rate.

Foreign currency risk

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

The Service has minimal exposure to foreign currency risk.

Note 7.3: Contingent assets and contingent liabilities

Details of maximum estimates for contingent assets or contingent liabilities are included in the following table:

	2022	2021
Contingent liabilities	**$'000**	**$'000**
Quantifiable		
Caveat over property - Kaniva hostel units	200	200
Mortgage over property - Kaniva hostel units	265	265
Total quantifiable contingent liabilities	**465**	**465**

How we measure and disclose contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service; or
- present obligations that arise from past events but are not recognised because:
  - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

Note 7.4: Fair value determination

How we measure fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result
- Financial assets and liabilities at fair value through other comprehensive income
- Property, plant and equipment
- Right-of-use assets

In addition, the fair value of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure.

Valuation hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Service determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

The Service monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is the Service's independent valuation agency for property, plant and equipment.

Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Note 7.4(b): Fair value determination of non-financial physical assets

Carrying amount as at 30 June 2022	Note	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
			Level 1	Level 2	Level 3
		$'000	$'000	$'000	$'000
Land at fair value					
Non-specialised land		1,255	-	1,255	-
Specialised land		1,290	-	-	1,290
Total of land at fair value	4.1 a	2,545	-	1,255	1,290
Buildings at fair value					
Non-specialised buildings		1,751	-	1,751	-
Specialised buildings		53,714	-	-	53,714
Total of building at fair value	4.1 a	55,465	-	1,751	53,714
Plant and equipment at fair value					
Plant and equipment		2,785	-	-	2,785
Total of plant and equipment at fair value	4.1 a	2,785	-	-	2,785
Medical equipment at fair value					
Medical equipment		1,133	-	-	1,133
Total medical equipment at fair value	4.1 a	1,133	-	-	1,133
Computers and communications at fair value					
Computers and communications equipment		959	-	-	959
Total computers and communications at fair value	4.1 a	959	-	-	959
Motor vehicles at fair value					
Motor vehicles		156	-	-	156
Total motor vehicles at fair value	4.1 a	156	-	-	156
Furniture and fittings at fair value					
Furniture and fittings		390	-	-	390
Total furniture and fittings at fair value	4.1 a	390	-	-	390
Right of use (RoU) assets - Motor vehicles					
RoU assets at fair value		1,401	-	-	1,401
Total RoU assets - motor vehicles	4.1 a	1,401	-	-	1,401
Total property, plant and equipment		**64,834**	**-**	**3,006**	**61,828**

(i) *Classified in accordance with the fair value hierarchy,*

Level 1, 2 and 3 are classified in accordance with the fair value hierarchy.
There have been no transfers between levels during the period.

Note 7.4(b): Fair value determination of non-financial physical assets continued

Carrying amount as at 30 June 2021	Note	Carrying amount as at 30 June 2021 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Land at fair value					
Non-specialised land		423	-	423	-
Specialised land		1,148	-	-	1,148
Total of land at fair value	4.1 a	1,571	-	423	1,148
Buildings at fair value					
Non-specialised buildings		1,847	-	1,847	-
Specialised buildings		59,972	-	-	59,972
Total of building at fair value	4.1 a	61,819	-	1,847	59,972
Plant and equipment at fair value					
Plant and equipment		2,193	-	-	2,193
Total of plant and equipment at fair value	4.1 a	2,193	-	-	2,193
Medical equipment at fair value					
General medical equipment		1,095	-	-	1,095
Total medical equipment at fair value	4.1 a	1,095	-	-	1,095
Computers and communications at fair value					
Computers and communications equipment		428	-	-	428
Total computers and commication equipment at fair value	4.1 a	428	-	-	428
Motor vehicles at fair value					
Motor vehicles		277	-	-	277
Total Motor vehicles at fair value	4.1 a	277	-	-	277
Furniture and Fittings at fair value					
Furniture and fittings		368	-	-	368
Total furniture and fittings at fair value	4.1 a	368	-	-	368
Right of use (RoU) assets - Motor vehicles					
RoU assets at fair value		913	-	-	913
Total RoU assets - motor vehicles	4.1 a	913	-	-	913
Total property, plant and equipment		**68,664**	**-**	**2,270**	**66,394**

Level 1, 2 and 3 are classified in accordance with the fair value hierarchy.
There have been no transfers between levels during the period.

How we measure fair value of non-financial physical assets

The fair value measurement of non-financial physical assets takes into account the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must take into account the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

In accordance with AASB 13 *Fair Value Measurement* paragraph 29, the Service has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2022.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

During the reporting period, the Service held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the Service, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2022.

Vehicles

The Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2022.

Reconciliation of level 3 fair value measurement

	Land $'000	Buildings $'000	Plant & equipment $'000	Medical equipment $'000	Computers & communication equipment $'000
Balance at 1 July 2020	**942**	**64,303**	**2,393**	**1,128**	**538**
Additions/(disposals)	-	-	279	238	148
Depreciation	-	(4,331)	(479)	(271)	(258)
Revaluation	206	-	-	-	-
Closing balance at 30 June 2021	**1,148**	**59,972**	**2,193**	**1,095**	**428**
Additions/(disposals)	-	123	1,144	296	815
Depreciation	-	(1,270)	(552)	(258)	(285)
Revaluations	142	(5,112)	-	-	-
Balance at 30 June 2022	**1,290**	**53,713**	**2,785**	**1,133**	**959**

	Motor vehicles $'000	Furniture & fittings $'000	RoU - Motor vehicles $'000	Totals $'000
Balance at 1 July 2020	**424**	**399**	**735**	**70,862**
Additions/(disposals)	(37)	53	391	**1,072**
Depreciation	(110)	(84)	(213)	**(5,746)**
Revaluation	-	-	-	**206**
Closing balance at 30 June 2021	**277**	**368**	**913**	**66,394**
Additions/(disposals)	(29)	104	749	**3,202**
Depreciation	(92)	(82)	(261)	**(2,799)**
Revaluations	-	-	-	**(4,970)**
Balance at 30 June 2022	**156**	**390**	**1,401**	**61,827**

*Classified in accordance with the fair value hierarchy, refer Note 7.4.

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Non-specialised land	Market approach	N/A
Specialised land (Crown / Freehold)	Market approach	- Community Service - Obligations Adjustment 20%
Non-specialised buildings	Market approach	N/A
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Dwellings	Market approach	N/A
	Depreciated replacement cost approach	- Cost per square metre - Useful life
Plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life
Vehicles	Depreciated replacement cost approach	- Cost per unit - Useful life

Note 8: Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

Telling the COVID-19 story

Our other disclosures were not materially impacted by the COVID-19 Coronavirus pandemic.

Note 8.1: Reconciliation of net result for the year to net cash flows from operating activities

		2022 $'000	2021 $'000
Net result for the period		(3,569)	(3,948)
Non-cash movements:			
Depreciation of non-current assets	3.1	6,009	5,887
Bad and doubtful debts expense	3.1	(7)	(7)
Assets and services received free of charge	2.2	(399)	(249)
Other non-cash movements		352	(30)
Net result for the year - GRHA	3.2	(143)	(54)
Discount (interest) / expense on loan - DH		(2)	(3)
(Gain)/Loss on sale or disposal of non-financial assets		(138)	(117)
Movements in assets and liabilities:			
(Increase)/decrease in receivables and contract assets		114	550
(Increase)/decrease in prepaid expenses		100	(68)
Increase/(decrease) in payables and contract liabilities		2,042	2,057
Increase/(decrease) in employee benefits		(553)	(418)
(Increase)/decrease in inventories		(13)	131
Net cash inflow from operating activities		**3,793**	**3,731**

Note 8.2: Responsible persons disclosures

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures made regarding responsible persons for the reporting period.

Responsible Ministers:		**Period**
Minister for Health		
The Honourable Martin Foley		1 Jul 2021 - 27 Jun 2022
The Honourable Mary-Anne Thomas		27 Jun 2022 - 30 Jun 2022
Minister for Aubulance Services		
The Honourable Martin Foley		1 Jul 2021 - 27 Jun 2022
The Honourable Mary-Anne Thomas		27 Jun 2022 - 30 Jun 2022
Minister for Mental Health		
The Honourable James Merlino		1 Jul 2021 - 27 Jun 2022
The Honourable Gabrielle Williams		27 Jun 2022 - 30 Jun 2022
Minister for Disability, Aging and Carers		
The Honourable Luke Donnellan		1 Jul 2021 - 11 Oct 2021
The Honourable James Merlino		11 Oct 2021 - 06 Dec 2021
The Honourable Anthony Carbines		06 Dec 2021 - 27 Jun 2022
The Honourable Colin Brooks		27 Jun 2022 - 30 Jun 2022
Governing Board Directors:		
Mrs Anne Rogers	Board President	1 Jul 2021 - 30 Jun 2022
Mr John Millington	Board Director	1 Jul 2021 - 30 Jun 2022
Mrs Katherine Colbert	Board Director	1 Jul 2021 - 30 Jun 2022
Mrs Michelle Coutts	Board Director	1 Jul 2021 - 30 Jun 2022
Mrs Carlee Kennedy	Board Director	1 Jul 2021 - 30 Jun 2022
Ms Christine Sheehan	Board Director	1 Jul 2021 - 12 April 2022
Ms Sharon Tooley	Board Director	1 Jul 2021 - 30 Jun 2022
Ms Felicity Walsh	Board Director	1 Jul 2021 - 30 Jun 2022
Ms Joanne Herbert	Board Director	1 Jul 2021 - 30 Jun 2022
Accountable Officers		
Mr Ritchie Dodds	Chief Executive Officer	1 Jul 2021 - 30 Jun 2022

Remuneration of Responsible Persons

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

Income Band	2022 $'000	2021 $'000
$0 - $9,999	9	12
$230,000 - $239,999	-	-
$260,000 - $269,999	1	1
Total Numbers	**10**	**13**

	2022 $'000	2021 $'000
Total remuneration received, due and receivable by responsible persons from the service amounted to:	**270**	**301**

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

Note 8.3: Remuneration of executives

The number of executive officers, other than Ministers and the Accountable Officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Remuneration of executive officers (including Key Management Personnel Disclosed in Note 8.2)	2022 $'000	2021 $'000
Short-term employee benefits	974	967
Post-employment benefits	96	90
Other long-term benefits	19	35
Total remuneration (i)	**1,089**	**1,092**
Total number of executive officers	5	6
Total annualised employee equivalent (AEE)	5.0	5.0

(i) The total number of executive officers includes persons who meet the defnintion of Key Managment Personnel (KMP) of the entity West Wimmera Health Service under AASB 124 Related Party Disclosures and are also relevant to the related parties note disclosure (Note 8.4).

Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Total remuneration payable to executives during the year included additional executive officers and a number of executives who received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

Short-term employee benefits

Salaries and wages, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits

Pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits

Long service leave, other long-service benefit or deferred compensation.

Note 8.4: Related parties

The Service is a wholly owned and controlled entity of the State of Victoria. Related parties of the health service include:

- all key management personnel (KMP) and their close family members and personal business interests;
- cabinet ministers (where applicable) and their close family members;
- jointly controlled operations – A member of the Grampians Rural Health Alliance Information Technology Joint Venture; and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Service and its controlled entities, directly or indirectly.

Key management personnel

The Board of Directors and the Executive Directors of the Service are deemed to be KMPs. This includes the following:

(i) The total number of executive officers includes persons who meet the defnintion of Key Managment Personnel (KMP) of the entity West Wimmera Health Service under AASB 124 Related Party Disclosures and are also relevant to the related parties note disclosure (Note 8.4).

Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Entity	KMPs	Position Title
West Wimmera Health Service	Mrs Anne Rogers	Board President
West Wimmera Health Service	Ms Michelle Coutts	Board Director
West Wimmera Health Service	Mrs Katherine Colbert	Board Director
West Wimmera Health Service	Mrs Joanne Herbert	Board Director
West Wimmera Health Service	Mrs Carlee Kennedy	Board Director
West Wimmera Health Service	Mrs Christine Sheehan	Board Director
West Wimmera Health Service	Mrs Sharon Tooley	Board Director
West Wimmera Health Service	Mrs Felicity Walsh	Board Director
West Wimmera Health Service	Mr John Millington	Board Director
West Wimmera Health Service	Mr Ritchie Dodds	Chief Executive Officer
West Wimmera Health Service	Mrs Janette Lakin	Executive Director Finance & Administration

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and have been previously disclosed within the Department of Parliamentary Services' financial report. From this financial year (2021-22), the disclosure will no longer be included in the Department of Parliamentary Services' financial report, as the information is also reported within the State's Annual Financial Report.

Compensation - KMPs	**2022**	**2021**
	$'000	**$'000**
Short-term employee benefits	1,259	1,248
Post-employment benefits	119	111
Other long-term benefits	(18)	35
Total*	**1,360**	**1,393**

*KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

Significant transactions with government related entities

The Service received funding from the Department of Health of $25.9m (2021: $25m) and indirect contributions of $.4m (2020: $.7m). Balances outstanding as at 30 June 2022 are $.4m (2021 $36k).

Expenses incurred by the Service in delivering services and outputs are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from the Victorian Managed Insurance Authority.

The Standing Directions of the Assistant Treasurer require the Service to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

Transactions with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2022 (2021: none).

There were no related party transactions required to be disclosed for the Service Board of Directors, Chief Executive Officer and Executive Directors in 2022 (2021: none).

Note 8.5: Remuneration of auditors

	2022 $'000	2021 $'000
Victorian Auditor-General's Office		
Audit of financial statements	27	27
	27	**27**

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7: Joint arrangements

The Services interest in controlled operations are detailed below. The amounts are included in each relevant category of the financial statements and notes thereto.

Summarised balance sheet:	2022 $'000	2021 $'000
Current assets		
Cash and cash equivalents	222	467
Receivables	103	83
Other current assets	71	99
Total current assets	**396**	**649**
Non-current assets		
Property, plant & equipment	187	106
Total non-current assets	**187**	**106**
Total assets	**583**	**755**
Current liabilities		
Payables	182	216
Total current liabilities	**182**	**216**
Total liabilities	**182**	**216**
Equity		
Accumulated surpluses	**401**	**539**
Total equity	**401**	**539**

The Services interest in revenues and expenses resulting from joint arrangements are detailed below. The amounts are included in the consolidated financial statements under their respective categories:

Summarised operating statement:	2022 $'000	2021 $'000
Revenue		
Revenue from operating activities	671	650
Capital revenue	85	103
Total revenue	**756**	**753**
Expenses		
Info. tech. and administrative expenses	570	508
Employee expenses	141	130
Effect of change in share of JVA	5	18
Depreciation & amortisation	183	151
Total expenses	**899**	**807**
Net result	**(143)**	**(54)**

* Figures obtained from the unaudited Grampians Regional Health Alliance IT JVA annual report.

Contingent Liabilities and Capital Commitments

There are no known contingent liabilities or capital commitments held by the jointly controlled operations at balance date.

Note 8.8: Equity

Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Service.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Note 8.9: Economic dependency

The Service is dependent on the Department of Health for the majority of its revenue used to operate the health service. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support the Service.

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