wdhs Western District Health Service

20 ANNUAL REPORT 20

creating healthier communities

wdhs
Western District Health Service

Our Vision

Creating healthier communities.

Our Mission

To support our community's physical, mental and social wellbeing by:

- Providing safe, high quality and innovative services
- Building enduring partnerships; and
- Delivering customer service excellence.

Our Values

Integrity
We will be open and honest and will do the right thing for the right reason.

Innovation
We will be an industry leader by breaking new ground and improving the way things are done.

Collaboration
We will actively work together in teams and partnerships.

Accountability
We will take personal responsibility for our decisions and actions.

Respect
We will value all people's opinions and contributions.

Empathy
We will endeavour to understand other peoples' feelings and perspectives.

About This Report

Western District Health Service (WDHS) follows the Victorian State Government Department of Treasury and Finance FRD30 guidelines for its Annual Report, as a public entity under Section 3 of the Financial Management Act 1994 (FMA).

This annual report outlines the operational and financial performance of Western District Health Service (WDHS) from 1 July 2019 to 30 June 2020. The relevant ministers for the period were:

Jenny Mikakos MP
Minister for Health
Minister for Ambulance Services

The Hon Luke Donnellan MP
Minister for Child Protection
Minister for Disability, Ageing and Carers

Martin Foley MP
Minister for Mental Health

This report is also available on the WDHS website at:
www.wdhs.net/publications

Rigorous staff, patient and visitor screening practices were implemented across the Health Service, as part of the organisation's COVID-19 response.

Contents

OUR ORGANISATION

Our Region

Located in Victoria's Western District, WDHS serves the Southern Grampians Shire, with a population of 16,100 and covering an area of 6,652 square kilometres. Hamilton is the main retail centre, supported by nine surrounding townships of Balmoral, Branxholme, Byaduk, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst and Tarrington. WDHS also serves the communities of Merino and Digby in the Glenelg Shire.

WDHS is a leading rural and regional healthcare provider, recognised for delivering a range of quality services, Australian firsts and internationally recognised programs. A summary of the services we provide across our campuses is shown below:

Hamilton

- *Hamilton Base Hospital, a 75-bed acute hospital and education facility.*
- *The Birches Residential Aged Care, a 46-bed facility providing residential aged care, care for people with special needs and palliative care.*
- *The Grange Residential Care Service, providing 50 residential aged care beds.*
- *Hamilton House / Frances Hewett Community Centre, delivering a broad range of allied health, primary care and community nursing services.*
- *National Centre for Farmer Health, established in partnership with Deakin University to provide leadership to improve the health, wellbeing and safety of farmers, farm workers and their families across Australia and internationally.*

Coleraine & Merino

- *Thomas Hodgetts Primary Care Centre accommodates the Coleraine / Casterton Medical Clinic, dental, child and maternal health and visiting allied health teams.*
- *Wannon Hostel provides permanent and respite accommodation for 39 residents, offering low level care for the elderly and people with a disability.*
- *Valley View provides accommodation for 12 residents and nursing care for the frail, elderly and people with a disability.*
- *25 independent living units.*
- *Merino Community Health Centre delivers primary nursing and allied health services to the Merino community.*

Penshurst

- *Provides acute and community services for the Penshurst and district community.*
- *Kolor Lodge provides permanent and respite accommodation for up to ten residents, offering low level care for the elderly and people with a disability.*
- *Penshurst Nursing Home provides accommodation for 19 residents and nursing care for the frail, elderly and people with a disability.*
- *Ten independent living units (Penshurst and Dunkeld).*

2019 — BIRCHES

Refurbishment of the Birches Residential Aged Care facility

2018 — CANCER CARE

Cancer & Dialysis Centre constructed to support local cancer and dialysis patients

2013 — CDHS

Coleraine and District Health Service $27 million 'one stop shop' health precinct completed and Hamilton Base Hospital Rehabilitation Wing opened

2012 — GRANGE

Grange Residential Aged Care redevelopment works carried out, including construction of new wing

2008 — NCFH

National Centre for Farmer Health established in partnership with Deakin University

2005 — COLERAINE

Coleraine District Health Service joins WDHS

2000 — AGED CARE

Aged-care redevelopment at Hamilton campus, including construction of the Birches Residential Aged Care facility

1998 — AMALGAMATION

Amalgamation of Hamilton Base Hospital, Southern Grampians Community Health Services and Penshurst and District War Memorial Hospital to form WDHS

1862 — ESTABLISHMENT

Hamilton Base Hospital & Benevolent Asylum established to provide care for people suffering from illness and accidents and for victims of personal tragedy and social distress

FROM THE PRESIDENT & CHIEF EXECUTIVE

Each year Western District Health Service (WDHS) encounters new challenges, and while the magnitude of these may change, the organisation is always willing to step up and address them head on.

No matter the obstacle, our highly professional team has demonstrated time and time again a steadfast ability to adapt, respond and deliver high-quality and safe care to our community.

Traditionally, when looking back over the previous 12 months, we emphasise the work done to achieve our strategic objectives. This year is very different and while targets are important measures of success, our achievements in this reporting period demonstrate the capacity of our staff to respond to adversity and great challenge.

In the ever-changing health landscape of this financial year, we re-examined how our vision of 'creating healthier communities' should be adapted in the context of both a major cyber-security breach and a once in a hundred year pandemic.

Despite the significant challenges posed by these events, our team has continued to deliver customer service excellence to the thousands of people who access our diverse range of services each year.

The connection and passion of our staff is obvious in the number of compliments we receive and the level of satisfaction expressed by our customers in their survey responses.

A recent patient survey showed 99 per cent of our customers were either very satisfied, or satisfied with the acute care services they received.

WDHS enjoys a healthcare workforce that is highly motivated, professional and dedicated to caring for their community. They've responded brilliantly to every challenge faced; learned through experience and made improvements to the organisation along the way.

This year we farewelled Board President, Ian Whiting and Directors Megan Kruger and Nishant Hurria, and thank them for their service. We are grateful to Ian for his leadership, dedication and many contributions to WDHS in the nine years he served on the Board.

Thank you to the entire WDHS team for the selfless commitment, capacity to change and for the amazing work you've done this year to support the Health Service to deliver on its vision of 'creating healthier communities', under very difficult circumstances.

Darren Barber
President

Rohan Fitzgerald
Chief Executive

New Board President, Darren Barber, with outgoing President, Ian Whiting and Chief Executive, Rohan Fitzgerald.

YEAR IN REVIEW

COVID-19

In response to the COVID-19 pandemic, healthcare at WDHS has never been so dynamic. This year we have implemented new programs, policies and procedures, reviewed and renewed practices, recruited more staff, conducted team drills, communicated widely and continued to overcome the many challenges presented by the virus.

Fortunately, we experienced very low numbers of positive COVID-19 cases in the Southern Grampians Shire compared to other parts of Victoria. This was due in large part, to a successful campaign to reduce community transmission across our region. We are very grateful for the way in which local people responded to the call to social distance, use effective hand hygiene, stay at home and wear a mask.

Our main focus this year has been to keep our staff and community safe and we developed six key priorities to tackle the virus - training and education, communication, scalable solutions, environmental controls, testing and assessment clinics and audit and review of our practices.

On 13 March 2020 we introduced a COVID-19 drive-thru testing clinic. By the end of June, over 3,000 members of the community had presented for testing. A respiratory clinic was also set up with the Hamilton Medical Group, providing a safe area to clinically assess children and primary care patients.

We are embedded in the local community and are always cognisant of our interdependence. This was clear in the way local community members, organisations and businesses supported us to manufacture personal protective equipment when supplies were scarce. We are deeply indebted to the many volunteers who give so freely of their time and energy to keep us safe.

Team training and education has been rolled out continuously and staff have taken part in scenario-based learning to prepare for managing positive COVID-19 cases. Using a number of scenarios, we planned how our facilities would be managed and looked to the future to ensure the services we currently offer are scalable, should demand increase.

Stakeholder engagement is an important feature of any emergency management response. Throughout the pandemic, we have actively communicated to our community using social and local news media. Among our campaigns was the 'Local Superhero' campaign: be a local superhero and save lives. We also hosted regular stakeholder forums for business, community groups, churches and local government.

We appointed aged care customer service officers as a point of contact between residents, families and staff and built visiting rooms to protect vulnerable people in our aged-care facilities.

Cleaning practices were also stepped up, with significant purchases of new equipment helping to reduce the spread of COVID-19.

To support vulnerable members of the community during the pandemic, we kicked off the 'Helping Hands' program and 'Big Hearts' staff giving initiative.

WIN TV capture CFA members attending the WDHS Drive-thru clinic for aysmptomatic COVID-19 testing.

We recognise that the virus continues to find weaknesses in many systems across the world and that Australia is no different. We will continue to focus our efforts on informing the community about COVID-19 risks, supporting our staff to be ready in the event of a local outbreak and providing a safe work environment.

Enhancing Peoples' Lives

Our organisational mission includes delivering customer service excellence. As the needs of our customers become increasingly complex, a project to improve complex client care was initiated. Complex care addresses the needs of people whose combinations of medical, behavioural, health and social challenges result in increased healthcare use.

This values-driven, team-based work aims to reduce readmission rates, improve the customer experience and provide the most efficient, safe and appropriate clinical pathway for our customers.

This year the Emergency Department (ED) also focused on improving customer experience. Survey results collected over a 12-month period show that customer satisfaction with the care provided increased significantly by 12 per cent.

Chronic Obstructive Pulmonary Disease (COPD) is the fifth leading cause of death in Australia. The most common conditions associated with COPD are emphysema and chronic bronchitis, which cause shortness of breath and wheezing. With a high mortality rate, early intervention is essential. WDHS was involved in rolling out the COPD Collaborative project, designed to improve the quality of life and care of people living with COPD both locally and in surrounding areas. The model will be shared with other organisations across Victoria. Sponsored by Safer Care Victoria, it included stakeholder engagement from primary and community care and acute-based services.

To better support local people with delirium or dementia, WDHS introduced a cognitive impairment screening tool and staff education. We also integrated a multidisciplinary approach to falls management in ED for patients presenting following a fall, and reviewed the way we run our ward-based multidisciplinary meetings.

YEAR IN REVIEW

We continue to develop a framework for a rural generalist pathway, to support rural and remote communities to improve health outcomes through increased access to multi-professional, team-based healthcare. To strengthen our medical workforce, we engaged a highly experienced emergency department physician to provide clinical oversight to ED doctors, and entered into an agreement with the Royal Melbourne Hospital to engage an infectious-diseases expert.

We also initiated the delivery of our Disability Action Plan, rolled out cultural awareness training to our teams and established plans to improve access to an Aboriginal healthcare worker for Aboriginal and Torres Strait Islander customers who present to the ED.

Our aged care services continue to grow. In the last 12 months the number of home care package clients increased by 56 per cent and we recruited three new staff members in our aged care hub.

Transforming Rural Health

The Youth Live4Life project kicked off and we recruited 21 crew members from secondary schools across the Shire to support the program. Youth Live4Life empowers rural Victorian communities to support, improve and invest in young people's mental health and wellbeing. Their approach aims to reduce the stigma associated with mental illness and improve students' capacity to support their own mental health and wellbeing.

The National Centre for Farmer Health (NCFH) continued to expand its international reach. It began researching the health and wellbeing of farmers in Bangladesh. In India, it also released the results of three years' research into farmer health.

The possibility of expanding our work was also discussed with the Government in Odisha.

The NCFH delivered state-wide drought relief programs for the Victorian Government and received funding from WorkSafe to develop a program to reduce work-related risks to mental wellbeing for primary producers (including farming, fishing and forestry).

Advised by local doctors, health workers and patients, primary health networks were set up to improve patient care and ensure health services are efficient and effective. Local PHNs funded the development of a co-designed model for delivering peer-supported, behavioural activation mental health support and a farmer-focused personal crisis 'action plan' template.

Our creative team of chefs once again led the health sector with food service innovation. Their trailblazing 'Go Green' initiative was a finalist in the 'Promoting Healthier Eating' category at the 2019 VicHealth Awards, the state's highest accolade for health promotion. As the first organisation and food retailer in Australia to introduce a 100 per cent 'Green' menu, using the Healthy Eating Advisory Service Traffic Light system, we've built up a compendium of more than 170 recipes, and entered into an agreement with the Department of Health and Human Services to share them with all public health services across Victoria.

Enriching Our Team

Staff from WDHS were encouraged to apply for grants to improve their teams' physical activity, mental wellbeing, or healthy eating. Grants were awarded to departments across the Health Service to create wellbeing spaces and purchase exercise equipment for staff to use during breaks.

WDHS enterted into a partnership with Quit Victoria to better suport patients to quit smoking. As part of the program, all patients are asked about their smoking status, advised of the best way to quit if they smoke, and offered best practice treatment to stop smoking. Pictured at the project launch are Midwife, Camilla Potter, Quit Director, Sarah White, Complex Care Coordinator, Meg Watson and Health Promotion Officer, Naomi Turner.

WDHS was a finalist in the promoting healthy eating category at the 2019 VicHealth Awards for its groundbreaking 'Green Menu'. Pictured are Chief Executive, Rohan Fitzgerald, Community Liaison Manager, Brigid Kelly and Group Services Manager, John Hedley.

With our partners South West TAFE and Eventide Nursing Home Stawell, we continue to develop an innovative staff education program. Non-clinical staff are able to gain knowledge to support their current role and develop skills that are transferrable across multiple careers. Feedback from the initial program has been positive and we are looking forward to expanding the package to include virtual reality experiences.

WDHS has also partnered with CQUniversity to incorporate Masters of Nursing units into its registered nurse graduate year. The pioneering program adds academic rigour, supports continuous professional development and provides students with a graduate certificate upon completion.

Investing in Our Future

After years of planning, including the development of a master plan and feasibility study, WDHS completed a business case for a proposed $29 million upgrade of ED, Intensive Care and Radiology. It is absolutely critical that we launch this project and begin a works program, for the safety of our staff and the community.

Planning also got underway for the redevelopment of the Penshurst Nursing Home. The project includes construction of a new entrance, accommodation wing and improved clinical treatment areas.

The proposed new building will be constructed with dementia design principles in mind, which help residents generate greater familiarity with their home and improve their overall experience.

WDHS led a regional procurement process to secure value-for-money equipment and appropriate skilled contractors to upgrade the region's information technology networks. The significant project will deliver a more reliable IT network and create savings for health services across the Barwon South West region.

A major security upgrade was also completed, with new cameras installed and an extension of swipe card access at the Hamilton Base Hospital campus. Funding was also received for a new communication system at The Grange and The Birches.

Cyber-Security Attack

Globally, the number of ransomware attacks on healthcare providers is increasing. Hospitals from across the Barwon South West region were impacted by the Ryuk cyber attack in September 2019, which lead to multiple information technology services and systems being disrupted. Notwithstanding the significant challenges presented by the cyber attack, there was no cancellation of clinical services and WDHS continued to provide safe, high-quality care to the local community.

SWARH and its members will use the incident to improve IT security measures across the region.

Financial Result

As a result of COVID-19 and the cyber-security incident, this year's operating costs increased substantially, while activity levels fell in acute services. Special grants provided by the Department of Health and Human Services provided a much-needed buffer and supported WDHS to achieve a modest financial surplus for the 2020 financial year. The financial headwinds in the healthcare sector are expected to continue as we contend with the uncertainty regarding business-as-usual activities, due to COVID-19.

Community Engagement

WDHS is very fortunate to be the beneficiary of immense kindness from the many volunteers who work in almost every area of our organisation. We also value the substantial contribution made by our many auxiliaries, the Aged Care Trust, Penshurst and Coleraine Advisory Committees, community groups and individuals, who so generously give to equipment, infrastructure or program delivery at WDHS. We are also incredibly grateful to our community for their dedicated service and the generous donations that improve the quality of care that we provide.

Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for the Western District Health Service for the year ending 30 June 2020.

Darren Barber

President

22 September 2020

FINANCIAL RESULTS

In November, the Freemasons Foundation and local Grange Lodge purchased a much needed ventilator for ED and ICU. Pictured are Grange Lodge Worshipful Master, Ray Wilson, with Lodge Officers, Norman Schwarz and Kevin Kavanagh.

In 2019/20 WDHS achieved a modest operating surplus of $258,000. This was the result of one-off COVID-19 special grants being provided by the DHHS and close monitoring of staffing and consumable costs.

The Financial Statements have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and Interpretations, and other mandatory professional reporting requirements for the year ended 30 June 2020.

The key financial performance measure monitored by the Department of Health and Human Services (DHHS) and Western District Health Service (WDHS) is the 'net result before capital and specific items', referred to as the operating result.

The operating result surplus of $258,000 ($64,000 in 2019), represents 0.30 per cent of operating revenue. Operating revenue increased by 8.55 per cent compared to the prior year, while expenditure increased by 7.73 per cent. This result exceeds the targets agreed to by the Board of Directors and Minister for Health in the 2019/20 Statement of Priorities by $258,000.

The impact of COVID-19 on the hospital's financial position and activity levels was significant. The additional cost placed on the Health Service for the last quarter of the financial year totalled $3.6 million, offset by additional funding from DHHS. WDHS expects the economic challenges to continue into the foreseeable future, given the uncertainty surrounding COVID-19 and the global economic outlook.

WDHS was required by the State Government to reduce theatre activity due to COVID-19. As a result, the Health Service achieved only 88 per cent of its complexity adjusted (WIES26) inpatient activity target. The financial impact of not meeting this target was a $2.7 million reduction in revenue, which was offset by a one off grant to compensate for the significant variance.

In comparison to 2018/19, the Health Service achieved 102 per cent of its inpatient activity target.

Residential aged care activity was also affected by COVID-19, with occupancy 2,524 bed days lower than the previous year's total.

All other non-admitted activity, including the Emergency Department and Allied Health, exceeded prior-year actuals.

The net result for the year (a deficit of $4.792 million) factors in capital purpose income of $3.598 million, finance costs of $9,000, depreciation charges of $8.035 million, other losses from other economic flows of $237,000 and share of other economic flows from joint operations of $2,000.

The total comprehensive result for 2019/20 is a $5.013 million deficit, which consolidates the operating result, net result, land and building revaluations and changes to value of financial assets classified through other comprehensive income.

The deficit result is largely attributable to the depreciation cost of $8.035 million not being off-set by capital purpose income of $3.598 million.

Liquidity Position

During 2019/20 the Health Service generated positive cash flows from operations of $8.84 million ($2.89 million in 2018/19), including $3.598 million in capital purpose income of which $1.97 million of capital funds was used to purchase property, plant and equipment. In total the Health Service's available cash increased by $8.84 million to $41.27 million at year end.

The ratio of current assets to current liabilities (excluding patient trust funds) at the end of the year was 1.45:1 compared to 1.52:1 in the previous year. This remains considerably in excess of the 0.7 target ratio.

Asset Management

$1.97 million was invested during the year in building works, plant, equipment and infrastructure upgrades, in accordance with the capital works budget adopted by the Board.

Significant items included in the $1.97 million investment were the completion of the Birches redevelopment at a cost of $1.1 million, purchase and installation of a new nurse call system for Hamilton Base Hospital - $419,000, completion of a fire-ring main upgrade at the Penshurst Campus - $245,000, a flooring upgrade in the Hamilton Base Hospital kitchen - $130,000 and various other asset purchases across the Health Service totalling $76,000.

Community Support

The level of financial support we received from the community once again this year was outstanding. In total $537,000 was received from donations and bequests, which allows WDHS to continue to invest in buildings, medical equipment and technology.

It is important to maintain this level of investment to provide a strong base for the Health Service to improve service delivery and efficiency and comply with increasingly rigorous service standards.

	2020 $000	2019 $000	2018 $000	2017 $000	2016 $000
OPERATING RESULT	258	64	108	12	15
Total revenue	85,706	78,952	75,469	74,531	71,574
Total expenses	(90,312)	(83,829)	(79,645)	(76,960)	(74,221)
Net result from transactions	**(4,606)**	**(4,877)**	**(4,176)**	**(2,429)**	**(2,647)**
Total other economic flows	(186)	(465)	152	(41)	(3)
Net result	**(4,792)**	**(5,342)**	**(4,024)**	**(2,470)**	**(2,650)**
Total assets	195,582	195,883	175,844	167,861	169,361
Total liabilities	(41,099)	(35,819)	(29,815)	(28,697)	(27,698)
Net assets / Total equity	**154,483**	**160,064**	**146,029**	**139,164**	**141,663**

Reconciliation between the Net result from transactions reported in the model to the Operating result as agreed in the Statement of Priorities

	2020 $000	2019 $000	2018 $000	2017 $000	2016 $000
Net operating result *	**258**	**64**	**108**	**12**	**15**
CAPITAL AND SPECIFIC ITEMS					
Capital purpose income	3,571	2,269	2,689	4,729	4,436
Specific income					
Assets provided free of charge	27	32			
Assets received free of charge					
Expenditure for capital purpose	(209)	(143)	(224)	(37)	(103)
Depreciation and amortisation	(8,035)	(7,066)	(6,668)	(7,020)	(6,951)
Impairment of non-financial assets				(5)	
Finance costs	(9)	(49)	(20)	(108)	(44)
Other	(209)	16	(61)		
Net result from transactions	**(4,606)**	**(4,877)**	**(4,176)**	**(2,429)**	**(2,647)**

* The net operating result is the result for which the Health Service is monitored against in its Statement of Priorities

FINANCIAL OVERVIEW

ICT Expenditure

The total ICT expenditure incurred during 2019/20 was $2,187,096 (excluding GST), with the details shown below:

Business As Usual (BAU) ICT Expenditure Total (exc. GST)	Non-Business As Usual (non-BAU) ICT Expenditure Total = Operational Expenditure & Capital Expenditure (exc. GST)	Operational Expenditure (exc. GST)	Capital Expenditure (exc. GST)
$2,037,190	$149,906	$149,906	-

Consultancies

In 2019/20 there were eight consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred in 2019/20 relating to these consultancies is $36,065 (excluding GST).

In 2019/20 there were three consultancies where the total consultants' fees payable were $10,000 or greater. The total expenditure incurred during 2019/20 in relation to these consultancies is $87,052 (excluding GST). For details of consultancies over $10,000 refer to the table below:

Consultancies > $10,000

Consultant	Purpose of Consultancy	Start Date	End Date	Total Approved Project Fee (exc GST)	Expenditure 2019/20 (exc GST)	Future Expenditure (exc GST)
Michael Rhook	VCDC costing	1/07/2019	30/09/2019	$18,034	$18,034	-
Workwell Consulting Pty Ltd	Develop strategic directions	1/03/2020	31/03/2021	$45,000	$22,500	$22,500
Sandpit Media Pty Ltd	Website development & maintenance grant	1/06/2020	31/10/2022	$155,060	$46,518	$108,542
Total				**$218,094**	**$87,052**	**$131,042**

Physiotherapist Sam Burns, Diabetes Educator, Megan McLeish and Exercise Physiologist, James McAuslan promote an eight-week diabetes management exercise group to help educate new patients about how to stay fit and healthy.

ENVIRONMENTAL PERFORMANCE

WDHS understands that caring for the environment is vital and sustainability was again a key focus for the Health Service in 2019/20.

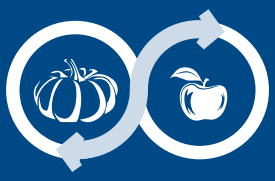
The Wellbeing & Environmental Workgroup is committed to improving environmental performance through the implementation of the WDHS Environmental Management Plan (EMP). The EMP aligns with the Global Green and Healthy Hospitals agenda, which provides a comprehensive framework for hospital and health services to achieve greater sustainability and contribute to improved public environmental health.

This framework consists of ten interconnected goals that are also referred to in the DHHS, Environmental Sustainability Strategy. Each goal contains a series of action items that hospitals and health services can implement.

The ten goals of the Global Green and Healthy Hospitals agenda are:

1. **Leadership** – Prioritise environmental health
2. **Chemicals** – Substitute harmful chemicals with safer alternatives
3. **Waste** – Reduce, treat and safely dispose of healthcare waste
4. **Energy** – Implement energy efficiency and clean, renewable energy generation
5. **Water** – Reduce hospital consumption and supply potable water
6. **Transportation** – Improve transportation strategies for patients and staff
7. **Food** – Purchase and serve sustainably grown, healthy food
8. **Pharmaceuticals** – Safely manage and dispose of pharmaceuticals
9. **Building** – Support green and healthy hospital design and construction
10. **Purchasing** – buy safer and more sustainable products and materials

Our achievements in 2019/20 include:

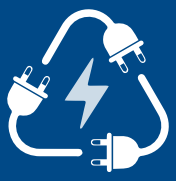


Produce Swap

Staff initiated a monthly produce swap, to provide opportunities for the exchange of home grown produce and the sharing of tips and ideas.

PVC Recycling

Planning began to introduce PVC recycling of IV bags, oxygen tubing and masks in the Hamilton Base Hospital Operating Theatres.



E-Waste

A formal e-waste procedure was developed with WDEA Works Enterprises.

Fogo Bins

FOGO bins were introduced in the Hamilton Hospital kitchen, resulting in reduced water usage of 500 litres per day and an average of 600kg in green waste being recycled each month.

Solar

Solar panels were fully commissioned across the Health Service in October 2019. From October to June, 538,037 KWh of electricity was generated, creating cost savings of $101,151.

SERVICES AND PROGRAMS

Acute/Sub-acute

- Anaethsthetics
- Bariatrics
- Chemotherapy
- Contracted Services - Pathology, Radiology and Sleep Clinic
- Coronary Care
- Day Procedure
- Dialysis
- Ear, Nose and Throat
- Emergency
- Endocrinology
- Endoscopy
- General Medicine
- General Surgery
- Geriatric Evaluation Management
- Gynaecology
- Haemodialysis
- High Dependency Care
- Hospital in the Home
- Infection Control
- Intensive Care
- Maxillofacial Surgery
- Nephrology
- Obstetrics
- Oncology
- Operating Suite
- Ophthalmology
- Oral Surgery
- Orthopaedics
- Paediatrics
- Pharmacy
- Preadmission Service
- Psychiatry
- Rehabilitation Medicine
- Specialist Adult Medicine
- Specialist Nursing
- Stroke Medicine
- Transition Care
- Urology
- Wound Care

Primary & Preventative Health

- Audiology
- Balance Clinic
- Breast Cancer Support Group
- Cancer Care Coordinator
- Cancer Support Group
- Cancer Support Services
- Cardiac Rehabilitation
- Cardiac Support Group
- Carer's Support Group
- Chronic Disease Management Program
- Chronic Pain Service
- Complex Care
- Continence Service
- Counselling
- Diabetes Education
- Discharge Support Service
- District Nursing Service
- Domiciliary Midwifery
- Employee Assistance Program
- Exercise Physiology
- Family Planning
- Hamilton Community Transport
- Healthy Leg Club
- Hospital in the Home
- Lymphoedema Management
- Men's Health
- NDIS
- Nutrition and Dietetics
- Occupational Therapy
- Palliative Care
- Physical Activity Programs
- Physiotherapy
- Podiatry
- Short Term Support
- Public Health Medicine
- Rehabilitation in the Home
- Respiratory Education
- Respiratory Support Group
- Sexual and Reproductive Health
- Smoking Cessation
- Social Support Group
- Social Work
- Speech Pathology
- Stomal Therapy
- Telehealth
- Transiton Care Program
- Volunteer Program
- Women's Health
- Volunteer Program

Aged Care

- Dementia Specific Residential Aged Care
- Geriatric Medicine
- Home Care Packages
- Leisure and Lifestyle
- Palliative Care
- Private Respite Care
- Psycho Geriatric Care
- Residential Aged Care
- Respite Care
- Women & Men's Out & About Activities

National Centre for Farmer Health

- AgriSafe™
- Health and Lifestyle Assessments
- Research and Development
- Sustainable Farm Families™
- Education and Training

Administrative

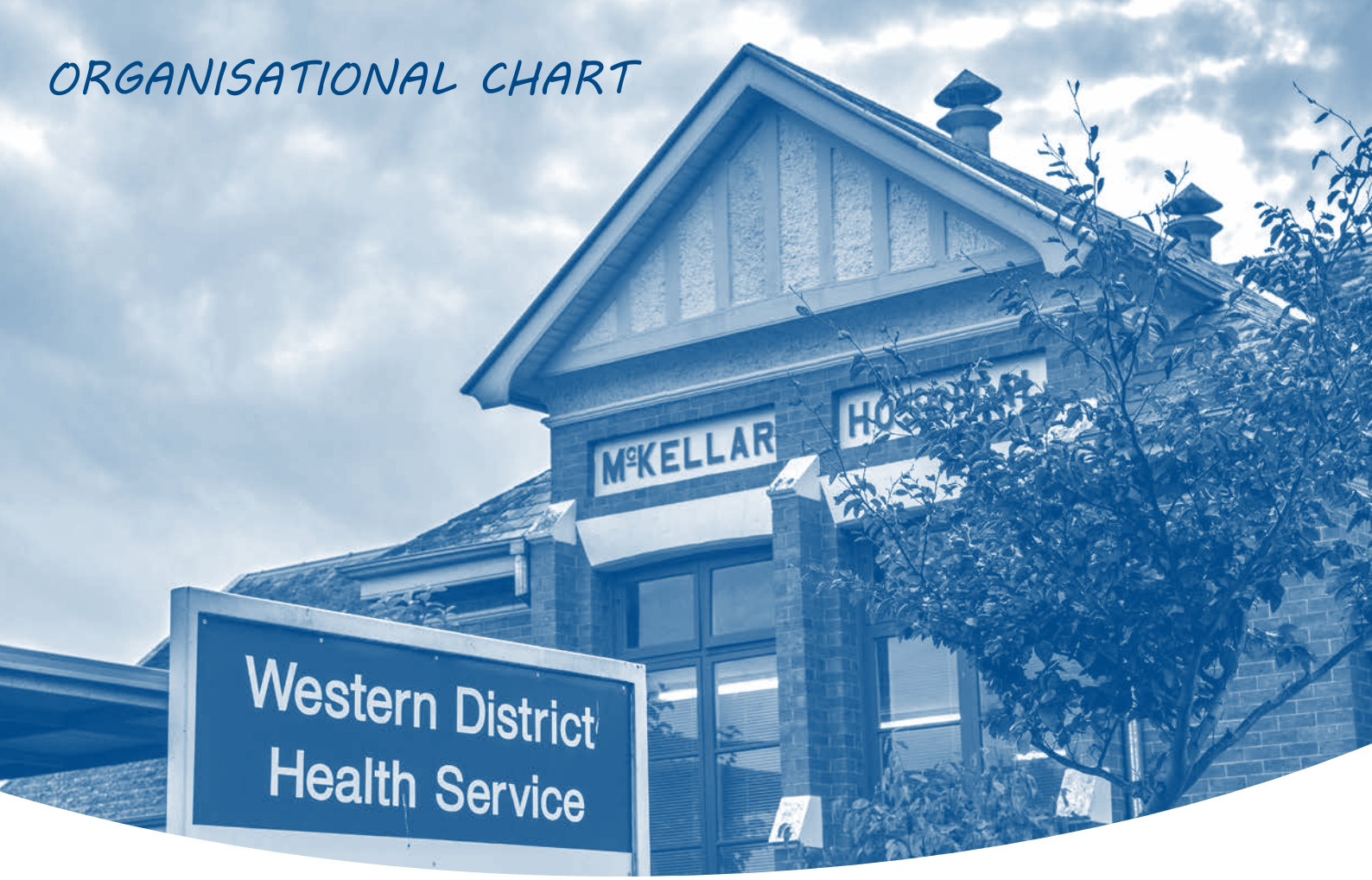
- Auxiliaries
- Community Liaison
- Education – clinical placement; orientation; staff development
- Employee Support Services
- Finance
- Health Information
- Improvement and Innovation
- Industrial Relations
- Leadership Development
- Library
- Maintenance
- Meals on Wheels
- Medical Administration
- Occupational Health and Safety
- Payroll
- People and Culture
- Quality and Risk
- Reception
- Recruitment and Careers
- Return to Work
- Security
- Sub Regional Corporate Services
- Support Services
- Work Experience

SERVICE PERFORMANCE AT A GLANCE

	2020	2019	2018	2017	2016
INPATIENT STATISTICS (ACUTE PROGRAM)					
Inpatients Treated	**7,121**	7,417	7,159	7,161	6,967
Average Complexity (DRG Weight)	**0.73**	0.75	0.77	0.74	0.75
Complexity adjusted inpatients (WIES 26)*	**5,172**	5,561	5,497	5,303	5,213
Inpatient Bed Days	**16,895**	18,677	17,803	17,773	18,201
Average Length of Stay (days)	**2.37**	2.52	2.49	2.48	2.61
HITH bed days	**165**	838	787	420	816
Nursing Home Type Bed Days	**784**	712	412	604	637
Operations	**2,826**	2,982	2,911	3,138	2,911
Births	**128**	130	172	162	193
Available Bed Days	**30,241**	30,058	28,389	27,877	27,954
Occupancy Rate	**59.0%**	67.3%	66.9%	67.4%	70.3%
Average Cost per inpatient	**$5,803**	$5,294	$5,226	$5,147	$4,909
AGED CARE STATISTICS (AGED PROGRAM)					
High Care					
Residents Accommodated	**191**	170	185	189	220
Resident Bed Days	**42,649**	44,968	45,557	50,297	52,790
Low Care					
Residents Accommodated	**17**	28	23	24	24
Resident Bed Days	**3,615**	4,238	5,121	4,405	3,100
Respite					
Residents Accommodated	**115**	177	169	182	214
Resident Bed Days	**6,602**	6,184	4,948	3,414	2,764
Occupancy Rate	**83.01%**	86.57%	88.50%	91.26%	92.10%
Home Care Package (HCPs) clients	**146**	82	47	40	36
HCPs occassions of service	**38,314**	20,983	15,128	10,294	9,608
ACCIDENT/EMERGENCY OCCASIONS OF SERVICE	**9,255****	7,926	7,497	6,960	7,018
OUTPATIENT (NON-ADMITTED) OCCASIONS OF SERVICE					
Physiotherapy	**8,852**	9,269	7,394	8,047	6,855
Social Support Group	**6,514**	6,815	7,435	6,626	5,941
Speech Pathology	**598**	903	745	925	810
Podiatry	**2,513**	2,672	2,736	3,056	2,993
Occupational Therapy	**1,704**	1,638	1,787	1,952	1,920
Palliative Care	**808**	1,377	1,682	1,143	2,309
District Nursing Service	**23,100**	23,404	22,623	23,597	22,123
Other (Continence, Diabetes, Dietetics)	**4,687**	3,968	4,640	4,285	4,022
Total non-admitted occasions of service	**48,776**	50,046	49,042	49,631	46,973
Cost per non-admitted occasion of service	**$349**	$304	$243	$219	$191
Meals on Wheels	**17,415**	18,630	19,554	21,006	20,382
QUALITY ASSURANCE					
Full Accreditation Status	**YES**	YES	YES	YES	YES

*** WIES (Weighted Inlier Equivalent Separations) are based on the Australian Refined - Diagnostic Groups (AR-DRG) further refined in Victoria by the addition of a few additional DRGs by the Vic-DRG version 9. * Our Target WIES for 2019/20 (excluding those funded under the Small Rural Health Services Program) was 5,537. The health service was 675 WIES below target (12.19%).**
**** 2019/20 Accident / Emergency occasions of service statistics include COVID-19 Drive-thru presentations.**

ORGANISATIONAL CHART



SUB COMMITTEES — BOARD OF DIRECTORS

DIRECTOR NATIONAL CENTRE FOR FARMER HEALTH — CHIEF EXECUTIVE

- People and Culture
- Community Liaison

DIRECTOR OF CORPORATE SERVICES

- Budget & Finance
- Payroll
- Maintenance & Stores
- Support Services
- Health Information
- Improvement & Innovation

CHIEF MEDICAL OFFICER

- Senior Medical Staff
- Hospital Medical Officers
- Pharmacy
- Quality & Risk

DIRECTOR OF NURSING HAMILTON BASE HOSPITAL

- Medical / Rehab / Cancer & Dialysis Services
- ED / ICU
- Theatre / CSSD
- Infection Control
- Regional Wound Care
- Consulting Suites
- Learning & Development

DIRECTOR OF PRIMARY & PREVENTATIVE HEALTH

- Allied Health
- Preventative Health
- Community Health

COMMUNITY NURSING SERVICES

- Complex Care
- Continence
- Diabetes Education
- District Nursing
- Palliative Care
- Discharge Support Services
- Men's Health
- Women's Health
- Stomal
- Transition Care

DIRECTOR OF AGED & HOME CARE SERVICES (HAMILTON)

- Aged Care Services
- The Birches
- The Grange

DON/MANAGER COLERAINE & DIRECTOR OF AGED CARE SERVICES (COLERAINE & PENSHURST)

- CDHS
- Merino Community Health Centre
- PDHS

PRIMARY CARE PARTNERSHIP

BOARD OF DIRECTORS

Ian Whiting (President)
Peter Besgrove
Darren Barber
Caroline Coggins
Ashlyn Hiscock
Nishant Hurria
Adele Kenneally
Megan Kruger
Anna Sweeney
Greg Walcott

COMMITTEES OF THE BOARD

Finance, Risk and Audit
Board representatives: Peter Besgrove (Chair), Adele Kenneally, Anna Sweeney

Clinical Appointments Advisory
Board Representatives: Ian Whiting (Chair), Caroline Coggins, Nishant Hurria

Medical Consultative
Board Representatives: Caroline Coggins (Chair), Nishant Hurria

Quality and Safety
Board Representatives: Darren Barber (Chair), Nishant Hurria, Ashlyn Hiscock, Anna Sweeney

Development Council
Board representatives: Adele Kenneally (Chair), Ian Whiting, Ashlyn Hiscock

Penshurst (PDHS) Advisory
Board representative: Peter Besgrove

National Centre for Farmer Health Board of Management
Board Representative: Greg Walcott

National Centre for Farmer Health Advisory
Board Representative: Greg Walcott

Community Advisory
Board Representatives: Greg Walcott (Chair), Darren Barber, Anna Sweeney

Coleraine (CDHS) Management
Board representative: Ian Whiting

Community 4 Youth Board (C4YB)
Board representatives: Caroline Coggins (Chair), Ashlyn Hiscock

Aged Care Governance
Board representative: Nishant Hurria (Chair)

Project Control Group
Board representatives: Megan Kruger (Chair), Nishant Hurria, Greg Walcott

EXECUTIVE TEAM

Chief Executive
Rohan Fitzgerald
BCom

Director of Corporate Services
Nicholas Starkie
BBus, MIPA DipTS (Bus)

Chief Medical Officer
Dr Dale Ford
MBBS,FRACGP, FACRRM

Director of Nursing, Hamilton Base Hospital
Lorraine Hedley
RN, BA Nursing
(Post registration), MACN

Director of Primary & Preventative Health
James 'Mac' McInnes
BSW, DipSW, PCHSM

Director of Aged & Home Care Services Hamilton
Katherine Armstrong
RN, BAppSci (Nursing),
Grad Cert Bus Admin

Director of Nursing / Manager Coleraine; Director Aged Care Services (Coleraine / Penshurst)
Bronwyn Roberts
RN, ICU Cert, Grad Cert Bus Admin MACN

Director of National Centre for Farmer Health
Professor Susan Brumby
RN, RM DipFMgt, MHM, PhD, AFCHSE, MACN, GAICD, FARL

In June we farewelled Board President, Ian Whiting, after nine years serving on the WDHS Board.

SENIOR STAFF

Chief Executive
Rohan Fitzgerald
BCom

People & Culture Manager
Neil O'Donnell
(from Nov 2019)
MBA (Technology); Cert Business Management; Cert Education

Ilze Keevy
(to Nov 2019)
B.Juris, LLB, LLD (Legum Doctor), Post Grad Dip in Health and Social Welfare Management

Community Liaison Manager
Brigid Kelly
BA Journalism

CORPORATE SERVICES

Director
Nicholas Starkie
BBus, MIPA DipTS (Bus),Grad Cert Bus Admin

Finance & Budget Manager
Nick Templeton
BCom, CPA

Group Manager Support Services
John Hedley
Dip VET, Cert IV Training & Assessment, Cert IV Commercial Cookery

Facility Manager
Robbie Cook
(from Nov 2019)
Cert III Plumbing, Dip Management, Dip Project Management

Trevor Wathen
(to Nov 2019)
Dip Frontline Mgt, MFAM

Subregional Collaboration Project Manager
Patrick Turnbull
BBus, BHA, FCPA

Improvement & Innovation Leader
Liz McCourt
(from April 2020)
B. App Science (Occupational Therapy); CHT

Bianca Todd
(Acting - Dec 2019 to April 2020)
BA Sociology, Cert. Applied & Visual Arts

Neil O'Donnell
(to Nov 2019)
MBA (Technology); Cert Business Management; Cert Education

Chief Health Information Manager
Sally Graham
BAppSci, HIM

NURSING

Director of Nursing, Hamilton Base Hospital
Lorraine Hedley
RN, BA Nursing (Post Registration), MACN

HBH After Hours Coordinators
Leanne Deutscher RN

Tonia Evans RN
Grad Dip Critical Care

Vipin Joseph RN

Dianne Raymond RN

Kathryn Ross RN
Grad Dip Critical Care

Sonia Shaw RN, RM – BA Nursing, Grad Dip Midwifery

Relievers
Arun Ranjit RN
Grad Dip Critical Care

Vinu Karukapparambil Sebastian RN

Nurse Unit Manager Medical
Shamim Mahabeer
RN, RM Grad Dip Critical Care, Grad Dip Midwifery

Nurse Unit Manager Intensive Care / Emergency Department
Kathryn Ross
(Acting from September 2019)
RN Grad Dip Critical Care

David Briggs
(to Sept 2019)
BSc Nursing, MACN, Grad Cert Critical Care, Cert IV Work, Health & Safety, Cert IV Training & Assessment

Nurse Unit Manager Surgical/ Obstetrics
Judith Ford
(from Aug 2019)
RN, BA Clinical Nursing, Grad Dip Nurse Education. Royal Melbourne Hospital Intensive Care Course. Dip Business Management

Vinu Karukapparambil Sebastian
(Acting to Aug 2019) RN

Nurse Unit Manager Theatre/CSSD
Mark Stevenson RN
Periop Cert, Grad Cert Bus Admin, Sterilisation & Infection Control Cert

Learning and Development Manager
Erin Campbell
(from Sept 2019)
BNurs(Prereg), PGDipMidSc, MEd (Research)

Infection Control & Wound Care Clinical Nurse Consultant
Kaye Roberts-Rundell
(from Nov 2019)
Grad Cert Nursing Science (Infection Control Nursing)

Lesley Stewart
(to Nov 2019)
RN, Sterilisation & Infection Control Cert, Post Grad Cert Wound Management

Wound Care Clinical Nurse Consultant
Lesley Stewart RN,
Sterilisation & Infection Control Cert, Post Grad Cert Wound Management

Maternity Services Clinical Nurse Consultant
Sonia Shaw RN
RM - BA Nursing, Grad Dip Midwifery

Cancer Services Clinical Nurse Consultant
Carmen Jacobs
BA Nursing, Module 2 Cert Oncology Nursing

CDHS & PDHS

DON / Manager Coleraine & Director of Aged Care Services (Coleraine & Penshurst)
Bronwyn Roberts RN,
ICU Cert, Grad Cert Bus Admin, MACN

Director of Nursing Penshurst
Catherine Loria RN,
RM, Coronary Care Cert, Oncology Cert, Grad Dip Community Health, Grad Cert Bus Admin

Nurse Unit Manager Penshurst

Joanne Canny
(from Nov 2019) RN, BA (Nursing), Masters in Perioperative Nursing, Cert IV HR Management, Nurse Immuniser

Julie Riches
RN, Grad Dip Aged Care Management

Nurse Unit Manager Coleraine
Susan Jones
RN, Grad Cert (Infection Control), MA (Health Services Management)

AGED CARE

Director of Aged & Home Care Services Hamilton
Katherine Armstrong RN,
BAppSci (Nursing), Grad Cert Bus Admin

Nurse Unit Manager The Birches
Eryn Cottier RN,
BA Nursing, Cert IV in Training & Assessment, Accredited Nurse Immuniser

Nurse Unit Manager The Grange
Erin Rhook, RN

Aged Care Services Manager
Joanne Hay
Diploma of Business Management

MEDICAL SERVICES

Chief Medical Officer
Dale Ford
MBBS, FRACGP, FACRRM

Quality Manager
Aisling Cunningham RN

Director of Pharmacy
Dayo Ayorinde
B. Pharm (OAU) PGDipClinPharm (UTAS)

SENIOR MEDICAL STAFF

Director of Anaesthetics
Evelina Shepherd
MUDr (Czech Rep), FANZCA (Aus)
Anaesthetists in General Practice

Anaesthetists in General Practice

John Craig deKievit
MBBS (University of Adelaide), DRANZCOG, FACRRM

Kim Fielke
MBBS, DA (UK) , FACRRM

Stephanie Giddy
MBBS, BSc, JCCA, FRACGP

Anaesthesia and Pain Management Specialist
Associate Professor Malcolm Hogg
MBBS, Grad Dip (PM), FANZCA, FPMANZCA, FIPP

General Practitioners
John Craig deKievit
MBBS (Adelaide), DRANZCOG, FACRRM

Dale Ford
MBBS (University of Melbourne), FRACGP, FACRRM

Mark Johnson
MBBS (HON) (University of Sydney) Grad Dip Counselling and Psychotherapy (Essex)

Robey Joyce
MB, ChB (University of Pretoria – South Africa)

Andrew McAllan
MBBS (University of Sydney), MMed (Ophth) FRACGP

Alan Reid
MBBS (Monash University) FRACGP Dip RANZCOG (Adv)

Susan Robertson
MBBS (University of Melbourne), FRACGP, Dip Obs RACOG DipPallCare

Jan Slabbert
MB, ChB (University of the Orange Free State – South Africa), FRACGP

Amy Tai
MBBS B Med Sc (University of Melbourne) DRANZCOG Advanced DCH FACRRM DipCH

Amanda Teo
MBBS (Honours) (University of Melbourne) FRACGP

Leesa Walker
MBBS (Monash University), FRACGP Clinical Educator with Flinders University and Masters in Clinical Education

Yong Yu
MBBS (Shanxi Medical University Clinical) FRACGP PhD AMC

Brian Coulson
MBBS Dip Obs RACO&G, FACRRM

Linda Thompson
BMS, FRACGP

Khaled Moussa
BM

Gaya Ekanyake
MBBS FRACGP

General Practitioner Registrar
Rizwan Jaipurwala MD (University of Melbourne) MBA Candidate B Pharmacy

Phyo Kyaw
MBBS (University of Medicine – Myanmar) AMC

Yota Yoshimitsu
BMBS (Deakin University), PGDipAdvClinOptom (University of Melbourne)

Richard Lunz
Bachelor of Medicine / Bachelor of Surgery (University of the Witwatersand – South Africa)

Endocrinologists
Fergus Cameron
BMedSci, MBBS, DipRACOG, FRACP, MD

Peter Simm
MBBS (Hons) MD FRACP (Paediatric)
General Surgeons

Stephen Clifforth
MBBS, FRACS

Uvarasen Kumarswami Naidoo
MBcHB, FCS, FRACS

Chris Lu
MBBS, FRACS
Hospital Medical Officers

Mohanad Abody
MBBS (Iraq)

Rana Karakchi
MBBS (Iraq)

Hadeer Ali Dz
MBBS (Iraq)

Zaid Abody
MBBS (Iraq)

Rotating Hospital Medical Officers
Barwon Health
One general medicine intern, five emergency PGY3, two surgical registrars, three medical registrars

St Vincent's Hospital
Two general surgical interns, two general medicine interns

Nephrologist
Nigel Toussaint
MBBS FRACP PhD

Obstetrician / Gynaecologist
Rosemary Buchanan
MBBS, FRANZCOG

Clare Myers
MBBS (Hons), FRANZCOG

Sam Newbury
MBBS, FRANZCOG

Obstetricians in General Practice
John Craig deKievit
MBBS (University of Adelaide), DRANZCOG, FACRRM

Jan Slabbert
MB, ChB (University of the Orange Free State – South Africa), FRACGP

Amy Tai
MBBS B Med Sc (University of Melbourne) DRANZCOG Advanced DCH FACRRM DipCH

Alan Reid
MBBS (Monash University) FRACGP Dip RANZCOG (Adv)

Oncologist
David Campbell
MBBS, FRACP

Stephen Brown
MBBS FRACP

Sharad Sharma
MBBS FRACP

Matt Neve
BHB, MBChB, FRANZCR

Ophthalmologist
Vincent Lee
MBBS, MMed, FRACS, FRANZCO

Graeme Fowler
LDS, BDSc, MDSc, FDSRCPS

Orthopaedic Surgeons
Rick Cunningham
MBBS, FRACS (Orth)

Alasdair Sutherland
MBChB MD(Hons) FRCSEd(Tr&Orth) FRACSOrth FAOrthA

John Dillon MB, MD, FRCS Orth, FRACS Orth

Otolaryngologists
Anne Cass MBBS, FRACS

SENIOR STAFF

Paediatrician
Christian Fiedler
MD, FRACP

Pathologist
David Clift
MBBS, FRCPA

David Song
BHB, MBBS, FRCPA

Song Chen
MBBS

James Knox
MBBS, BSc(Med), DTM&H, FRCPA

Consultant Physicians
Andrew Bowman
MBChB (Zimb),LRCP(Edin),LR CS(Edin), LRCP&S(Glas), FRCP(UK),CCST(UK), FRACP

Andrew Bradbeer
MBBS, FRACP

Respiratory Physicians
Eduardo Gaio
MD MSc PhD FRACP

Nader Fayazi
MD, FRACP (Iran)

Mai Altous
MBBS MD FRACP

Infectious Diseases Physician
Joseph Sasadeusz
MBBS, FRACP, Ph.D

Emergency Physician
Joanne Brown
MBBS, FACEM, Grad Cert Clin Ed

Radiologists
Damien Cleeve
MBBS, FRACR

John Eng
MBBS, FRANZCR

Robert Jarvis
MBBS, FRACR

Sarah Skinner
BMBS, FRANZCR

Julius Tamangani
MBChB (Hons), MSc, FRCR

Jill Wilkie
BSc (Hons), MBBS, MRCP, FRCR

Rachel Battye
MBBS, FRANZCR

Urologists
Richard Grills
MBBS, FRACS

Adee Davidson
MBBS, FRACS

PRIMARY & PREVENTATIVE HEALTH

Director
James 'Mac' McInnes
BSW, DipSW, PCHSM

Manager Community Nursing Services
Sue Morrissey RN,
Grad Dip Health Science (Management), Grad Cert Rehabilitation

Complex Care Team Leader
Robyn Beaton RN

Continence Team Leader
Sharon Homberg RN
Grad Dip Nursing (Urology & Continence)

Diabetes Education Team Leader
Megan McLeish RN, Grad Cert Diabetes & Healthcare

Discharge Support Services Team Leader
Susie Stevenson RN

District Nursing Services/TCP Coordinator
Jen Membrey RN

Chief Dietitian
Jodie Nelson
BHSc (Nutrition & Dietetics) Diploma of Management

Chief Occupational Therapist
Sarah Baker
B.AppSci (OT) Hons

Chief Physiotherapist
Tatum Pretorius
BSc (Physio)

Manager Speech Pathology
Karen Abdullah
BA Speech Pathology

Chief Podiatrist
Phuong Huynh
MSc, BAppSci(Pod), MAPodA, AAPSM

Men's Health Nurse Practitioner
Stuart Willder
MnSc (Nurse Practitioner) Grad Dip ICU, CCU Grad Dip Men's Health

Palliative Care Team Leader
Erika Fisher
RN. Grad Cert. Palliative Care

Women's Health Nurse Practitioner
Susan Watt
MnSc (Nurse Practitioner), Grd Dip Community Health and Development, RN, RM

Senior Counsellor
Frances Kelly
BA Human Sciences & Social Work, Grad Cert in Case Management

South West Community Transport Coordinator
Jeanette Ryan
Dip CS, Dip PM, EN

PRIMARY CARE PARTNERSHIP

Executive Officer SGGPCP
Janette Lowe
MBA, BEng

NATIONAL CENTRE FARMER HEALTH

Director
Professor Susan Brumby RN, RM, DipFMgt, MHM, PhD AFCHSE, MACN, GAICD, FARL

Staff enjoying the annual carolling competition and Christmas party.

Code of Conduct

All staff must abide by the Victorian Public Sector Commission Code of Conduct and WDHS values, policies and procedures.

Industrial Relations

No industrial action occurred and no work hours were lost during 2019/20.

Central Sterilising and Supply Department Instrument Technician, Morgan Mason talks to high school students about different career paths in health at the 'Careers in Health' day

Workforce Profile 2020	June Current Month FTE*		June YTD FTE*	
Labour Category	**2020**	**2019**	**2020**	**2019**
Nursing	256.02	249.75	249.45	239.06
Administration and Clerical	95.76	87.72	89.29	87.78
Medical Support	27.64	30.51	27.29	28.24
Hotel and Allied Services	135.69	130.33	130.36	131.86
Medical Officers	1.66	1.13	1.32	1.15
Hospital Medical Officers	21.34	21.27	19.67	20.66
Ancillary Staff (Allied Health)	49.99	50.09	47.89	47.02
Total	**588.10**	**570.80**	**565.25**	**555.71**

*Full time equivelent

Occupational Health and Safety Statistics	2019/20	2018/19	2017/18
Number of reported hazards / incidents for the year per 100 FTE	42.69	26.09	44.44
Number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.2300	0.7198	0.9257
Average cost per WorkCover claim for the year ('000)	$22,085	$56,703	$18,843

Occupational Violence Statistics	2019/20
Workcover accepted claims with an occupational violence cause per 100 FTE	Nil
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	Nil
Number of occupational violence incidents reported	72
Number of occupational violence incidents reported per 100 FTE	12.698
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

RECOGNISING EXCELLENCE & SERVICE

Employees of the Month

July	Arun Ranjit	Associate Nurse Unit Manager, Emergency Department
August	Carolyn Templeton	Infection Control Consultant
September	Mary Saligari	Endorsed Enrolled Nurse, The Birches
October	Sharon Homberg	Continence Team Leader
November	Leonie Sharrock	Community Liaison Officer
December	Dr Mohanad Abody	Hospital Medical Officer
January	Julian Gardner	Maintenance
February	Kathy Ross	Acting Nurse Manager, Emergency/ICU
March	Dr. Rana Karakchi	Hospital Medical Officer
April	Tonia Evans	After-Hours Coordinator
May	Jeanette Ryan	South West Community Transport Coordinator
June	Bianca Todd	Systems Manager and Improvement & Innovation Advisor

Annual General Meeting Award Recipients

Staff Above and Beyond Award

Stuart Willder
- Men's Health Nurse Practitioner

Stu is an expert in his field, is actively involved in research, leads the way in men's health and continues to expand his knowledge and experience, particularly in the area of Urology. Stu is known for his high levels of empathy, professionalism, and dedication to his patients.

Clinical Excellence Award

The Healthy Leg Club

The Healthy Leg Club is an innovative community model of care established to provide health promotion, education and ongoing care for people of all age groups who are experiencing leg related problems. The Hamilton club is one of only three operating in Victoria. The WDHS team's passion and enthusiasm has been a large of part of the local program's success and led to over 50 members joining since its establishment.

Non-Clinical Excellence Award

The 'Go Green'
Implementation Team

In November 2018, WDHS became the first organisation in Australia to introduce a 100% GREEN menu, as assessed against Nutrition Australia's Healthy Eating Advisory Service traffic light system. With poor diet one of the biggest known risk factors for preventable disease, WDHS and the Hotel Services Team has taken the innovative approach of introducing a 100% GREEN healthy choices policy.

Community Award

The Community 4 Youth Board
- Holi Festival

The Community for Youth Board was established in 2016, to address the needs of young people living in the Southern Grampians region. In November 2018 the Community for Youth Board organised and held the inaugural Holi Music and Arts festival. The event was attended by 600 secondary students from across four senior schools in Hamilton and promoted a socially inclusive community.

Men's Health Nurse Practitioner, Stu Willder was the recipient of the 2019 Staff Above and Beyond Award. Stu also assisted with the establishment of the COVID-19 Drive-thru Clinic in March.

Staff Service Milestones

10 Year Service Badges

Chloe Ahearn
David Bird
Stephen Connolly
Amy Flavell
Teresa Holmes
Paula Hoy
Lea Hudson
Liza Leonard
Shamim Mahabeer
Jacqueline McCabe
Michelle McErvale
Abbey-Jean McKerlie
Joscelyn Mibus
Zoe Price
Michelle Schultz
Toni Simson
Robyn Smith
Susan Summers
Ben Taylor
Kara Templeton
Bianca Todd
Shaylee Walkenhorst

15 Year Service Badges

Eleni Alexandrou
Kayleen Annett
Sharon Gorrie
Patricia Jacobson
Natasha Macdonald
Raymond McCabe
Naomi McKay
Yvette Morton
Sara Moyle
Julie Pedrina
Lesley Povey
Erin Rhook
Rachel Vershuren

20 Year Service Badges

Margi Bilston
Anthony Jackson
Benjamin Kele
Belinda Kennedy
Leesa Ladd
Lynette Peach
Raewyn Powlton
Jane Rentsch
Nicholas Starkie
Andre Steele

25 Year Service Badges

Rosalie Broadfoot
Angela Brown
Jane Bunge
Maree Harrison
Kathryn Sypott

30 Year Service Badges

Russell Armstrong
Christine McGennisken
Carol Scherek

35 Year Service Badges

Robyn Beaton
Jennifer Kearney
Lorraine Northcott
Kathryn Ross
Liza Watt

40 Year Service Badges

Craig McAllister
Madonna Spong

Payroll Manager, Craig McAllister and Grange Enrolled Nurse, Madonna Spong were recognised for 40 years of continuous service.

LIFE GOVERNORS

Aarons, B, OAM
Beggs, HN
Boyle, J
Broers, M
Brown, MA
Brumby, A
Bunge, B
Burgin, E
Clifforth, S
Coggins, G
Dean, J
Duff, S
Eales, M
Edmonds, J
Fleming, JD
Fletcher, J
Ford, D
Fraser, T
Gardiner, PD
Gaussen, D
Grant, M
Gubbins, J
Gumley, F, PSM
Gurry, AJ
Heazlewood, P
Hickleton, E
Holmes, ES
Hutton, J
Hutton, T
Kanoniuk, M
Kelsh, J
Kruger, N
Langley, C
Lawson, V
Linke, N
Lyon, E
Macdonald, H
McLean, M
Milne, L
Milton, S
Morrison, HM
Murray, EM
Northcott, J
O'Beirne, P
Rentsch, T
Robertson, M
Runciman, P
Ryan, D
Scaife, C
Scaife, R
Scullion, E
Templeton, H
Thornton, A
Tully, R
Turnbull, P
Turner, J
Walker, O
Wallis, V
Walter, R, AM
Wettenhall, HM
Wettenhall, M
Wombwell, T
Wraith, L

COMMUNITY SUPPORT

Thanks to the generosity of the Lions Club and a substantial donation from local resident Ken Moore, the number of ventilators available at Hamilton Base Hospital increased to six.

FUNDRAISING

Total funds raised for the year from donations, bequests, events and appeals was $537,000.

Events and Appeals

November 2019
Fun Run - $8,394
Operating Theatre - Gorilla Steriliser

Op Shop Golf Tournament - $17,180
Operating Theatre - Gorilla Steriliser

December 2019
Christmas Appeal - $10,550
Cancer & Dialysis Centre - Accuvein

February 2020
Cocktails in the Courtyard - $7,577
Merino - ECG machine

March 2020
International Women's Day Lunch - $730
CQU Scholarship

April 2020
Murray to Moyne - $3,400
Postponed due to COVID-19

Barefoot Bowls - $1,686

Movie Night - $580

May 2020
Hospital Door Knock Appeal
Cancelled due to COVID-19

July 2020
Medicine Ball
Postponed due to COVID-19

Gifts Over $3,000

AGL Energy Limited

Bunnings Group - Hamilton Store

Coleraine District Health Service Ladies Auxiliary

Collier Charitable Fund

Mr A Craig & Family

Findex

Freemasons Public Charitable Foundation

Gentlemen of Geelong

Geoff And Helen Handbury Foundation

Hamilton & District Aged Care Trust

Hamilton Base Hospital Ladies Auxiliary

Hamilton Lions Club Inc.

Mr and Mrs T & H Henry

The Honda Foundation

Hospital Opportunity Shop

Estate of Mr Allen O Lehmann

The Estate of Rae Loh

The Margaret McLeod Memorial Fund

Mr K Moore

Murray River Jet Ski Marathon

Auxiliaries

Hamilton Hospital Op Shop - $75,000

Birches Auxiliary*

Hamilton & District Aged Care Trust -$15,000

Hamilton Hospital Ladies Auxiliary - $5,000

North Hamilton Ladies Auxiliary - $3,045

Penshurst & District Ladies Auxiliary - $1,000

Coleraine Opportunity Shop - $900

Coleraine Hospital Ladies Auxiliary - $8,663

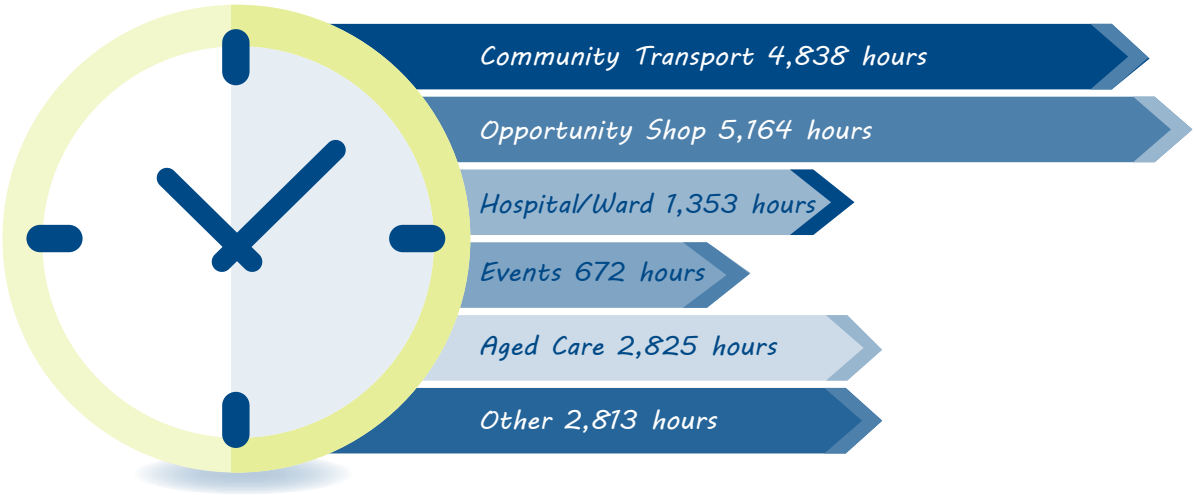
Coleraine Homes for the Aged*

Coleraine Bookshop/ Coleraine Book Exchange*

*Receipt of funds deferred to 2020-21.

We said farewell to the North Hamilton Base Hospital Ladies Auxiliary in July. The Auxiliary has been fundraising for Hamilton Base Hospital for over 70 years.

VOLUNTEER CONTRIBUTIONS 2019/20



Charlie Watt Volunteer of the Month Recipients

July	James Kane	Community Transport, Social Support Group
August	Pauline Kelly	Theatre Buddy, Community Transport, Palliative Care
September	Shirley Schurmann	Opportunity Shop
October	Barry Dowling	Community Transport
November	Maree Bell	Grange Residential Care Service, Healthy Leg Club
December	Belinda Stuart	Coleraine Hospital
January	John Hodkinson	Birches Specialist Extended Care Service
February	Kim Chintock	Merino Community Car
March	Jennifer Lambie	Coleraine Hospital
April	Casey Jolly	Community Transport, Helping Hands, COVID19 Screening Station
May	Judith Guy	Community Transport, Helping Hands, COVID19 Screening station
June	Paula Heine	District Nursing, Helping Hands

Our very special volunteers celebrated another incredible year at the annual volunteer Christmas lunch.

GIFTS OVER $100

AGL Energy Limited
Mr & Mrs M & A Archer
Mr R Arnel
Mr T Auden
Mr G Aydon
Mr & Lady D Bailey
Mrs M Barber
Mr & Mrs CJ & K Baulch
Mr A Bawden
Bendigo Community Bank - Coleraine & District
Mr & Mrs G & B Botterill
Braemar College Limited
Mr & Mrs C & C Brinkmann
Mr H Bromell
Bunnings Group - Hamilton Store
Mrs D Bunworth
Mrs H Christie
The Christie Family
Coleraine District Health Service Ladies Auxiliary
Coleraine Opportunity Shop
Collier Charitable Fund
Rev P Cook
Mrs K Coote
Mr B Cordy
Mr A Craig & Family
Mr & Mrs K & A Creek
Dr & Mrs L & E Cummins
CWA East Wimmera Group
CWA Of Victoria - Hawkesdale Branch
CWA Yarrawonga & Border Branch
Mr & Mrs H & J Delahunty, MP
Mr J Dempster
Mrs D Douglas
Mr & Mrs M & E C Elliott
Mrs L Emsley
Equity Trustees Ltd
Mr & Mrs P & E Falkenberg
Findex
Mr & Mrs R & K Fitzgerald
Freemasons Hamilton Grange Lodge
Freemasons Publice Charitable Foundation
Mr & Mrs D & H Garfoot
Gentlemen of Geelong
Mr & Mrs S & K Giles
Mr & Mrs J & M Gough
Mr & Mrs T & S Guthrie
Hamilton & District Aged Care Trust
Hamilton Base Hospital Ladies Auxiliary
Hamilton Lions Club Inc.
Hamilton Quilters Inc
Hammonds Paints
Geoff & Helen H&bury Foundation
Ms C Hawker
Mr I Heard
Ms L Hedley
Mr & Mrs T & H Henry
Mr & Mrs M & P Hill
Ms E Hill
Mrs A Hindson
The Honda Foundation
Mr & Mrs S & A Hornby
Hospital Opportunity Shop
Humpty Dumpty Foundation
Mr & Mrs T & J Hutton
Johnson & Johnson Medical Pty Ltd Employees
Ms J Keen
Mrs P Kelly
Mrs J Kenna
Estate of & Mr Allen O Lehmann
Mrs J Lewis
Ms P L Lewis
Mr & Mrs G & R Linke
Mr N Linke
Ms Y Linke
Livestock Logic
The Estate of Rae Loh
Mrs K Lyons
Mr & Mrs I & H Macgugan
Mr & Mrs H & S Mackinnon
Mr & Mrs E & M MacLean
Mr & Mrs N & H MacLean
Mr R Mann
Mattiske & Henderson Insurance Services
Ms J McDonald
Mr & Mrs D & S McFarlane
Margaret McLeod Memorial Fund
Estate of Brian Alex&er McCutcheon
Merino Digby Lions Club
Mr & Mrs P & S Millear
Monaro's Out West
Mr K Moore
Ms H Morton
Ms R Morton
Mr M Murray
Murray River Jet Ski Marathon
Ms M Nolte
North Hamilton Base Hospital Ladies Auxiliary
Mr & Mrs R & S Officer
Mr & Mrs F & V Onnen
Penshurst & Dist Health Service Ladies Auxiliary
Penshurst Combined Churches
Penshurst Hotel
Portl& Coast Guard
The Estate of Mrs Barbarra Jean Ralston
Mr & Mrs S & D Richardson
Mr S Richardson
Mr D Robertson
Mrs L Schneider
Mrs K Schurmann
Mrs N Smooker
Mr & Mrs F & D Soulsby
Southern Grampians Livestock & Real Estate
Southern Grampians Shire Council
Mr M Stewart
Mr & Mrs R & J Street
Mr R Sutherl&
Tabor Lutheran Church
Tarrington Ladies Fellowship
Mr & Mrs B & B Templeton
Mrs B Todd
Mr P Tung
Mr R Urquhart
Magistrates' Court Of Victoria
Mrs J Warne
Warrayure Driver Reviver Program
Warrnambool Racing Club
Mr & Mrs J & J Watt

Part A

In 2019/20 Western District Health Service contributed to the achievement of the Victorian Government's commitments within Health 2040: Advancing health, access and care by:

GOALS	STRATEGIES	HEALTH SERVICE DELIVERABLES	OUTCOMES
BETTER HEALTH			
• **A system geared to prevention as much as treatment** • **Everyone understands their own health and risks** • **Illness is detected and managed early** • **Healthy neighbourhoods and communities encourage healthy lifestyles**	o Reduce state-wide risks o Build healthy neighbourhoods o Help people stay healthy	o In partnership with Youth Live4Life Ltd deliver youth mental health first aid training, and work towards implementing the Youth Live4Life program, to improve access and support young peoples' mental health and wellbeing.	Partly achieved. A partnership group was established and agreements signed. We recruited 21 crew members and held a crew induction day. The launch of the full program was postponed due to COVID-19.
		o As a part of GenR8 Change, support community groups, businesses, schools and sporting clubs to reduce youth obesity in the Southern Grampians region through influencing appropriate outcomes to make the healthy choice the easy choice.	Partly achieved. We undertook bi-annual measurement of children's health indicators. The 2019 Southern Grampians child health data indicated some stabilisation of healthy behaviours in children in the region and negative results about changes in weight status.
BETTER ACCESS			
• **Care is always being there when people need it** • **Better access to care in the home and community** • **People are connected to the full range of care and support they need** • **Equal access to care**	o Plan and invest o Unlock innovation o Provide easier access to care and support o Ensure fair access	o Implement evidence-based care pathways for people with Chronic Obstructive Airways Disease, using an early identification approach.	Achieved. Two workshops were held with stakeholders. The COPD Program was systematised and incoporated as a part of business as usual activities.
		o In collaboration with Portland District Health, develop a framework to support a local rural generalist training pathway.	Achieved. Pathway to begin in 2021. Coordinator appointed training modules in progress.
BETTER CARE			
• **Targeting zero avoidable harm** • **Healthcare that focuses on outcomes** • **Patients and carers are active partners in care** • **Care fits around people's needs**	o Put quality first o Join up care o Partner with patients o Strengthen the workforce o Embed evidence o Ensure equal care	o Develop a pilot project with Quit Victoria to operationalise a smoking cessation model of care for the Victorian health service setting. The aim of the project is to ensure that any inpatient identified as a smoker is given every opportunity to accept services and support to help them quit if they are ready to do so.	Partly achieved. A decision was made to defer the roll-out of the project due to COVID-19
		o Implement best practice cognitive impairment management education.	Partly achieved. WDHS increased awareness and management of dementia and delirium, following the implementation of the program, which was evidenced through the ACHS accreditation process.

STATEMENT OF PRIORITIES

Part A Continued

GOALS	STRATEGIES	HEALTH SERVICE DELIVERABLES	OUTCOMES
SUPPORTING THE MENTAL HEALTH SYSTEM			
• **Improve service access to mental health treatment to address the physical and mental health needs of consumers.**		◦ The National Centre for Farmer Health will deliver training and information sessions tailored for the farming and broader rural community. This engagement will build capacity and confidence in recognising and responding to mental health challenges in rural communities.	Partly achieved. 33 post graduate students completed units in Agricultural Health and Medicine. Work with the Victorian Coroner's Office into place based rural suicides in Victoria completed and published. Online psychological assistance provided with bulk billing options. 1,136 'Managing Stress on Farm' books distributed. New work commenced to prevent risks to mental health for primary producers with WorkSafe WorkWell.
ADDRESSING OCCUPATIONAL VIOLENCE			
• **Foster an organisational wide occupational health and safety risk management approach, including identifying security risks and implementing controls, with a focus on prevention and improved reporting and consultation.** • **Implement the department's security training principles to address identified security risks.**		◦ Building on the work undertaken in 2018/19, install a CCTV camera and swipe card access system to address recommendations from the Security Risk Assessment and Security Action Plan.	Partly achieved. 70 new CCTV cameras installed across the Health Service and 73 doors fitted with swipe card access.
ADDRESSING BULLYING & HARASSMENT			
• **Actively promote positive workplace behaviours, encourage reporting and action on all reports.** • **Implement the department's Framework for promoting a positive workplace culture: preventing bullying, harassment and discrimination and Workplace culture and bullying, harassment and discrimination training: guiding principles for Victorian health services.**		◦ Implement the minimum standards of the department's Framework for Promoting a Positive Workplace Culture: Preventing Bullying, Harassment and Discrimination.	Achieved. WDHS is compliant with the Departments 'Framework for Promoting Workplace Culture: Preventing Bullying, Harassment and Discrimination'. Policies have been updated, training is ongoing, with the WDHS values and respectful conversations a consistent topic in team meetings at WDHS.
SUPPORTING VULNERABLE PATIENTS			
• **Partner with patients to develop strategies that build capability within the organisation to address the health needs of communities and consumers at risk of poor access to health care.**		◦ WDHS will partner with Aboriginal and Torres Strait Islander stakeholders to develop and implement a health plan to improve health outcomes for the local Aboriginal and Torres Strait Islander community.	Achieved. New policy and online cultural awareness training developed. Referral process to access Aboriginal healthcare worker implemented for ATSI clients presenting to ED.

Part A Continued

GOALS	STRATEGIES	HEALTH SERVICE DELIVERABLES	OUTCOMES
SUPPORTING ABORIGINAL CULTURAL SAFETY			
• **Improve the health outcomes of Aboriginal and Torres Strait Islander people by establishing culturally safe practices across all parts of the organisation to recognise and respect Aboriginal culture and deliver services that meet the needs, expectations and rights of Aboriginal patients, their families, and Aboriginal staff.**		◦ Deliver mandatory online cultural awareness training for all staff.	Partly achieved. An online Cultural Awareness package is mandatory for all WDHS staff to complete.
ADDRESSING FAMILY VIOLENCE			
• **Strengthen responses to family violence in line with the Multiagency Risk Assessment and Risk Management Framework (MARAM) and assist the government in understanding workforce capabilities by championing participation in the census of workforces that intersect with family violence.**		◦ Embed the Strengthening Hospital Response to Family Violence (SHRFV) whole-of-hospital model enabling staff to respond to people experiencing family violence presenting at the health service through: ◦ An annual review of all Family Violence policies; and ◦ Delivery of the final stage of all staff SHRFV training enabling staff and managers to respond to family violence and deliver fit-for-purpose models of support.	Partly achieved. WDHS family violence policies, procedures and guidelines were reviewed. A new training course was developed and reviewed by WDHS family violence contact officers. The roll-out of the final training program was deferred due to COVID-19.
IMPLEMENTING DISABILITY ACTION PLANS			
• **Continue to build upon last year's action by ensuring implementation and embedding of a disability action plan which seeks to reduce barriers, promote inclusion and change attitudes and practices to improve the quality of care and employment opportunities for people with disability.**		◦ Ensure a more inclusive, accessible and welcoming health service by partnering with the community to deliver the Disability Action Plan.	Partly achieved. WDHS embedded the actions of the Disability Inclusion Plan. We partnered with WDEA Works, hosting three job seekers for work experience and onboarding two staff to assist with COVID-19 screening duties. A full signage audit was also conducted to assess ease of wayfinding across WDHS campuses. The audit identified key areas to improve the overall customer experience and accessibility of the health service.
SUPPORTING ENVIRONMENTAL SUSTAINABILITY			
• **Contribute to improving the environmental sustainability of the health system by identifying and implementing projects and/or processes to reduce carbon emissions.**		◦ The Wellbeing & Environmental Sustainability Workgroup will work to achieve the 2020 Environment Management Plan objective by implementing three priority actions.	Achieved. A number of new environmental practices were introduced against the three priority actions of leadership, energy and food, including the commissioning of 1,900 solar panels across all Health Service campuses.

STATEMENT OF PRIORITIES

Part B - Performance Priorities

HIGH QUALITY AND SAFE CARE		
Key Performance Indicator	**TARGET**	**RESULT**
Accreditation		
Compliance with the Aged Care Standards	Full compliance	Full compliance
Infection prevention & control		
Compliance with the Hand Hygiene Australia program*	83%	88.3%
Percentage of healthcare workers immunised for influenza	84%	98%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95%	95.4%
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75%	80.5%
Victorian Healthcare Experience Survey – patient's perception of cleanliness	70%	87.3%
Healthcare associated infections (HAIs)		
Rate of patients with surgical site infection	No outliers	Met
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	0.0	0.0
Adverse Events		
Sentinel events – root cause analysis (RCA) reporting	All RCA reports submitted within 30 business days	Achieved
Maternity and Newborn		
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%	1.7%
Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%	N/A**
Continuing Care		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	2.020

STRONG GOVERNANCE, LEADERSHIP AND CULTURE		
Key Performance Indicator	**TARGET**	**RESULT**
Organisational Culture		
People matter survey - percentage of staff with an overall positive response to safety and culture questions	80%	92%
People matter survey – percentage of staff with a positive response to the question, "I am encouraged by my colleagues to report any patient safety concerns I may have"	80%	98%
People matter survey – percentage of staff with a positive response to the question, "Patient care errors are handled appropriately in my work area"	80%	95%
People matter survey – percentage of staff with a positive response to the question, "My suggestions about patient safety would be acted upon if I expressed them to my manager"	80%	95%
People matter survey – percentage of staff with a positive response to the question, "The culture in my work area makes it easy to learn from the errors of others"	80%	93%
People matter survey – percentage of staff with a positive response to the question, "Management is driving us to be a safety-centred organisation"	80%	95%
People matter survey – percentage of staff with a positive response to the question, "This health service does a good job of training new and existing staff"	80%	80%
People matter survey – percentage of staff with a positive response to the question, "Trainees in my discipline are adequately supervised"	80%	87%
People matter survey – percentage of staff with a positive response to the question, "I would recommend a friend or relative to be treated as a patient here"	80%	90%

Part B - Performance Priorities

TIMELY ACCESS TO CARE		
Key performance indicator	TARGET	RESULT
Emergency Care		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	100%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	92%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	80%
Number of patients with a length of stay in the emergency department greater than 24 hours	0%	0%
Specialist clinics		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	NA***
Percentage of routine patients referred by a GP or external specialist who attended a first appointment within 365 days	90%	NA***

EFFECTIVE FINANCIAL MANAGEMENT		
Key Performance Indicator	TARGET	2019/20 ACTUAL
Finance		
Operating result ($m)	0.01	0.26
Average number of days to pay trade creditors	60 days	44
Average number of days to receive patient fee debtors	60 days	55
Public and Private WIES activity performance to target	100%	93.38%
Adjusted current asset ratio	0.70	1.53
Forecast number of days available cash (based on end of year forecast)	14 days	138.6
Actual number of days available cash, measured on the last day of each month	14 days	Achieved
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ $250,000	0.24

* hand hygiene – quarter 4 data is not available due to COVID-19 - result is based on available data

** No cases of severe foetal growth restriction in singleton pregnancy recorded

*** Data not available

Part C - Activity and Funding

FUNDING TYPE	2019/20 ACTIVITY ACHIEVED
ACUTE ADMITTED	
Acute WIES	5,053
WIES DVA	103
Other Admitted	24
ACUTE NON-ADMITTED	
Emergency Services	9,255
Specialist Clinics	6,802
SUBACUTE & NON-ACUTE ADMITTED	
Subacute WIES - Rehabilitation Public	97
Subacute WIES - Rehabilitation Private	11
Subacute WIES - GEM Public	21
Subacute WIES - GEM Private	2
Subacute WIES - Palliative Care Public	40
Subacute WIES - Palliative Care Private	2
Subacute WIES - DVA	7
Transition Care - Bed days	846
Transition Care - Home days	1,078
SUB ACUTE NON-ADMITTED	
Palliative Care Non-admitted	808
Health Independence Program - Public	15,184
Health Independence Program - DVA	NA
AGED CARE	
Residential Aged Care	46,379
HACC	4,820
Aged Care Other	NA
MENTAL HEALTH & DRUG SERVICES	
Aged Care Other Mental Health Residential	1,052
PRIMARY HEALTH	
Community Health / Primary Care Programs	3,496
SMALL RURAL	
Small Rural Acute	1,401
Small Rural Primary Health & HACC	1,669
OTHER SPECIFIED FUNDING	
Health Workforce	NA

The 2019/20 Annual Report of the Western District 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
Ministerial Directions Report of Operations		
Charter and Purpose		
FRD 22H	Manner of establishment and the relevant Ministers	Inside front cover, 2, 3
FRD 22H	Purpose, functions, powers and duties	2, 3
FRD 22H	Nature and range of services provided	12,13
FRD 22H	Activities, programs and achievements for the reporting period	4 - 13
FRD 22H	Significant changes in key initiatives and expectations for the future	4 - 8
Management and Structure		
FRD 22H	Organisational structure	14
FRD 22H	Workforce data / employment and conduct principles	19
FRD 22H	Occupational Health and Safety	19
Financial and Other Information		
FRD 22H	Summary of the financial results for the year	9 - 10
FRD 22H	Significant changes in financial position during the year	9 - 10
FRD 22H	Operational and budgetary objectives and performance against objectives	9, 9 - 11
FRD 22H	Subsequent events	59
FRD 22H	Details of consultancies under $10,000	10
FRD 22H	Details of consultancies over $10,000	10
FRD 22H	Disclosure of ICT expenditure	10
Legislation		
FRD 22H	Application and operation of Freedom of Information Act 1982	32
FRD 22H	Compliance with building and maintenance provisions of Building Act 1993	32
FRD 22H	Application and operation of Public Interest Disclosure Act 2012	32
FRD 22H	Statement on National Competition Policy	32
FRD 22H	Application and operation of Carers Recognition Act 2012	32
FRD 22H	Summary of the entity's environmental performance	11
FRD 22H	Additional information available on request	32 - 33

Other relevant reporting directives		Page Ref
FRD 25D	Local Jobs First Act disclosures	32
SD 5.1.4	Financial Management Compliance attestation	33
SD 5.2.3	Declaration in report of operations	34
Other relevant reporting directives		
	Attestation on Data Integrity	33
	Attestation on managing Conflicts of Interest	33
	Attestation on Integrity, Fraud and Corruption	33
Other reporting requirements		
Reporting of outcomes from Statement of Priorities 2019–20		25 - 30
Occupational Violence reporting		19
Reporting of compliance Health Purchasing Victoria policy		33
Reporting obligations under the Safe Patient Care Act 2015		32
Reporting of compliance regarding Car Parking Fees (if applicable)		N/A

LEGISLATIVE COMPLIANCE

Financial Management Act (1994)
In accordance with the *Direction of the Minister for Finance part 9.1.3 (IV)*, information requirements have been prepared and are available to the relevant Minister, Members of Parliament and the public on request.

Safe Patient Care Act (2015)
Western District Health Service has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

Local Jobs First Policy Act (2003)
WDHS abides by the *Local Jobs First Policy Act 2003*. In 2019/20 there were no contracts requiring disclosure under the Local Jobs First Policy.

Carers Recognition Act (2012)
The *Carers Recognition Act 2012* recognises, promotes and values the role of people in care relationships. WDHS understands the different needs of people in care relationships and that care relationships bring benefits to the patients, their carers and to the community. WDHS takes all practicable measures to ensure that its employees, agents and carers have an awareness and understanding of the care relationship principles and this is reflected in our commitment to a model of patient and family centred care and to involving carers in the development and delivery of our services.

Freedom of Information (FOI) Act (1982)
Access to documents and records held by WDHS may be requested under the *Freedom of Information Act 1982*. Consumers wishing to access documents should apply in writing to the FOI Officer at WDHS. This year 111 FOI requests were received and all were granted in full.

Public Interest Disclosure Act (2012)
WDHS has in place appropriate procedures for disclosure in accordance with the *Public Interest Disclosure Act 2012*. No public interest disclosures were made under the Act in 2019/20.

Compliance with DataVic Access Policy
Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, all data tables included in this Annual Report will be available at http://www.data.vic. gov.au/ in machine readable format.

Competitive Neutrality
All competitive neutrality requirements were met in accordance with Government costing policies for public hospitals.

Declarations of Pecuniary Interest
All necessary declarations have been completed. Refer to Note 8.4 of the Financial Statements.

Fees
WDHS charges fees in accordance with the Commonwealth Department of Health and Aged Care, the Commonwealth Department of Family Services and the Department of Health (Vic) directives, issued under Regulation 8 of the Hospital and Charities (Fees) Regulations 1986, as amended.

Building Act (1993)
All building works have been designed in accordance with DHHS Capital Development Guidelines and comply with the *Building Act 1993*, Building Regulations 2006 and Building Code of Australia relevant at the time of the works.

Infrastructure Projects
Project Status:

- Birches refurbishment completed July 2019
- Nurse call system HBH completed July 2019
- Solar project completed November 2019
- Swipe card stage 2 completed, stage 3 commenced, expected completion September 2020
- CCTV replacement of 71 cameras, over 6 sites completed November 2019
- Penshurst fire ring main upgrade completed September 2019
- Medical Unit family room refurbishment completed July 2019
- Operating Theatre steriliser replacement x 2 completed September 2019
- Hamilton Base Hospital kitchen flooring upgrade, completed January 2020
- COVID-19 staff change rooms and aged care visiting rooms constructed

Building Compliance

- Penshurst fire ring main building permit issued July 2019
- Birches refurbishment occupancy permit issued July 2019

Additional Information Available on Request
Consistent with FRD 22H (Section 6.19) the items listed below have been retained by WDHS and are available to the relevant Ministers, Members of Parliament and the public on request (subject to freedom of information requirements, if applicable):

(a) Declarations of pecuniary interests have been duly completed by all relevant officers;

(b) Details of shares held by senior officers as nominee or held beneficially;

(c) Details of publications produced by the entity about itself, and how these can be obtained;

(d) Details of changes in prices, fees, charges, rates and levies charged by the Health Service;

(e) Details of any major external reviews carried out on the Health Service;

(f) Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations;

(g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;

(h) Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services;

(i) Details of assessments and measures undertaken to improve the occupational health and safety of employees;

(j) General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations;

(k) A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;

(l) Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

Financial Management Compliance Attestation

I, Darren Barber, on behalf of the Responsible Body, certify that the Western District Health Service has complied with the applicable Standing Directions 2018 under the *Financial Management Act 1994* and Instructions.

Darren Barber
BOARD PRESIDENT
22 September 2020

Attestation for Conflict of Interest

I, Rohan Fitzgerald, certify that the Western District 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 Western District 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.

Rohan Fitzgerald
CHIEF EXECUTIVE
22 September 2020

Attestation on Data Integrity

I, Rohan Fitzgerald, certify that the Western District Health Service has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Western District Health Service has critically reviewed these controls and processes during the year.

Rohan Fitzgerald
CHIEF EXECUTIVE
22 September 2020

Compliance with Health Purchasing Victoria (HPV) Health Purchasing Policies

I, Rohan Fitzgerald, certify that the Western District Health Service has put in place appropriate internal controls and processes to ensure that it has complied with all requirements set out in the HPV Health Purchasing Policies including mandatory HPV collective agreements as required by the *Health Services Act 1988 (Vic)* and has critically reviewed these controls and processes during the year.

Rohan Fitzgerald
CHIEF EXECUTIVE
22 September 2020

Integrity, Fraud and Corruption

I, Rohan Fitzgerald, certify that the Western District Health Service has put it place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Western District Health Service during the year.

Rohan Fitzgerald
ACCOUNTABLE OFFICER
22 September 2020

Board Members', Accountable Officer's and Chief Finance & Accounting Officer's Declaration

The attached financial statements for Western District Health Service have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance 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 2020 and the financial position of Western District Health Service at 30 June 2020.

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

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

Darren Barber
President

Hamilton
22 September 2020

Rohan Fitzgerald
Chief Executive

Hamilton
22 September 2020

Nicholas Starkie
Chief Finance and Accounting Officer

Hamilton
22 September 2020

The Humpty Dumpty Foundation funded a new resciscitaire for newborn babies at Hamilton Base Hospital

Local prop designer, Jason Tully and WDHS Electrician, Matt Gebbert worked with local companies to manufacture protective eyewear and gowns for staff during COVID-19.

FINANCIAL STATEMENTS

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Board of Western District Health Service

Opinion	I have audited the financial report of Western District Health Service (the health service) which comprises the: • balance sheet as at 30 June 2020 • 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 2020 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.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

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 September 2020

Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement For the Year Ended 30 June 2020	Note	Total 2020 $'000	Total 2019 $'000
Income from Transactions			
Operating Activities	2.1	85,155	78,025
Non-operating Activities	2.1	551	927
Total Income from Transactions		**85,706**	**78,952**
Expenses from Transactions			
Employee Expenses	3.1	(61,553)	(57,556)
Supplies and consumables	3.1	(12,247)	(10,803)
Finance costs	3.1	(9)	(49)
Depreciation and Amortisation	4.3	(8,035)	(7,066)
Other Operating Expenses	3.1	(8,322)	(8,212)
Other Non-operating Expenses	3.1	(146)	(143)
Total Expenses from Transactions		**(90,312)**	**(83,829)**
Net Result from Transactions - Net Operating Balance		**(4,606)**	**(4,877)**
Other Economic Flows included in Net Result			
Net Gain/(Loss) on Sale of Non-Financial Assets	3.2	(23)	138
Net Gain/(Loss) on Financial Instruments at Fair Value	3.2	72	(2)
Other Gain/(Loss) from Other Economic Flows	3.2	(237)	(605)
Share of Other Economic Flows from Joint Operation	3.2	2	4
Total Other Economic Flows included in Net Result		**(186)**	**(465)**
Net Result for the year		**(4,792)**	**(5,342)**
Other Comprehensive Income			
Items that will not be reclassified to Net Result			
Changes in Property Revaluation Surplus	4.2(b)	-	**19,341**
Changes to Value of Financial Assets Classified through Other Comprehensive income		(221)	**(14)**
Total Other Comprehensive Income		**(221)**	**19,327**
Comprehensive result for the year		**(5,013)**	**13,985**

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

Balance Sheet As at 30 June 2020	Note	Total 2020 $'000	Total 2019 $'000
Current assets			
Cash and cash equivalents	6.2	41,275	32,469
Receivables	5.1	2,405	3,055
Investments and other financial assets	4.1	4,248	6,509
Inventories	4.4	87	55
Prepayments and Other assets		222	340
Total current assets		**48,237**	**42,428**
Non-current assets			
Receivables	5.1	2,251	2,059
Investments and other financial assets	4.1	1,835	2,056
Investments accounted for using the equity method	8.8	124	122
Property, plant & equipment	4.2(a)	143,135	149,168
Total non-current assets		**147,345**	**153,405**
TOTAL ASSETS		**195,582**	**195,833**
Current liabilities			
Payables	5.2	6,894	4,277
Borrowings	6.1	279	288
Provisions	3.4	12,263	10,813
Other current liabilities	5.3	18,876	17,618
Total current liabilities		**38,312**	**32,996**
Non-current liabilities			
Borrowings	6.1	431	691
Provisions	3.4	2,356	2,132
Total non-current liabilities		**2,787**	**2,823**
TOTAL LIABILITIES		**41,099**	**35,819**
NET ASSETS		**154,483**	**160,014**
EQUITY			
Property, plant & equipment revaluation surplus	4.2(f)	97,514	97,514
Financial asset at fair value through other comprehensive income revaluation reserve	SCE	(94)	127
Restricted specific purpose surplus	SCE	11,736	10,877
Contributed capital	SCE	49,535	49,535
Accumulated surpluses/(deficits)	SCE	(4,208)	1,961
TOTAL EQUITY		**154,483**	**160,014**

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

Statement of Changes in Equity for the Year Ended 30 June 2020

	Property, Plant & Equipment Revaluation Surplus $'000	Financial Asset through other comprehensive income Revaluation Surplus $'000	Financial Asset Available for Sale Revaluation Surplus $'000	Restricted Specific Purpose Surplus $'000	Contributions by Owners $'000	Accumulated Surpluses $'000	Total $'000
Balance at 1 July 2018	**78,173**	**-**	**141**	**11,817**	**49,535**	**6,363**	**146,029**
Net result for the year	-	-	-	-	-	(5,342)	(5,342)
Opening balance adjustment on adoption of AASB 9	-	141	(141)	-	-	-	-
Other comprehensive income for the year	19,341	(14)	-	-	-	-	19,327
Transfer to accumulated surplus	-	-	-	(940)	-	940	-
Balance at 30 June 2019	**97,514**	**127**	**-**	**10,877**	**49,535**	**1,961**	**160,014**
Effect of adoption of AASB 15, 16 and 1058 NOTE: 8.10						(518)	(518)
Restated Balance at 30 June 2019	97,514	127	-	10,877	49,535	1,443	159,496
Net result for the year	-	-	-	-	-	(4,792)	(4,792)
Other comprehensive income for the year	**-**	**(221)**	**-**	**-**	**-**	**-**	**(221)**
Transfer to accumulated surplus	**-**	**-**	**-**	**859**	**-**	**(859)**	**-**
Balance at 30 June 2020	**97,514**	**(94)**	**-**	**11,736**	**49,535**	**(4,208)**	**154,483**

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

Cash Flow Statement For the Year Ended 30 June 2020	Note	Total 2020 $'000	Total 2019 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants from government		73,682	64,097
Capital grants from government		1,885	982
Patient and resident fees received		6,035	6,746
Donations and bequests received		509	476
GST received from/(paid to) ATO		49	15
Interest received		499	818
Dividend received		52	99
Other capital receipts		-	902
Other receipts		6,037	5,032
Total receipts		**88,748**	**79,167**
Employee expenses paid		(43,052)	(52,197)
Non--salary labour costs		(16,773)	(4,114)
Payments for supplies & consumables		(10,871)	(11,828)
Finance costs		(9)	(49)
Other payments		(9,198)	(8,089)
Total payments		**(79,903)**	**(76,277)**
NET CASH FLOW FROM OPERATING ACTIVITIES	8.1	**8,845**	**2,890**
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale/(Purchase) of investments		2,305	18,102
Payments for non-financial assets		(1,977)	(4,701)
Proceeds from sale of non-financial assets		97	217
NET CASH FLOW FROM INVESTING ACTIVITIES		**425**	**13,618**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Receipt/(Payment) of Bonds		(298)	2,617
Borrowings received/(repayment)		(166)	687
NET CASH FLOW FROM FINANCING ACTIVITIES		**(464)**	**3,304**
NET INCREASE IN CASH AND CASH EQUIVALENTS HELD		**8,806**	**19,812**
Cash and cash equivalents at beginning of financial year		**32,469**	**12,657**
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6.2	**41,275**	**32,469**

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

CONTENTS

Basis of Preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Note 1: Summary of Significant Accounting Policies

These annual financial statements represent the audited general purpose financial statements for Western District Health Service for the year ended 30 June 2020. The report provides users with information about Western District Health Service's stewardship of resources entrusted to it.

(a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs, 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, and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

Western District Health Service is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to not-for-profit Health Service under the AASs.

(b) Reporting Entity

The financial statements include all the controlled activities of the Western District Health Service.

Its principal address is:

20 Foster Street

Hamilton, Victoria 3300

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

(c) Basis of Accounting Preparation and Measurement

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

The accounting policies have been applied in preparing the financial statements for the year ended 30 June 2020, and the comparative information presented in these financial statements for the year ended 30 June 2019.

The financial statements are prepared on a going concern basis (refer to Note 8.9 Economic Dependency). These financial statements are presented in Australian dollars, the functional and presentation currency of Western District Health Service.

All amounts shown in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Minor discrepancies in tables between totals and sum of components are due to rounding.

Western District Health Service operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds.

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

Judgements, estimates and assumptions are required to be made about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings and plant and equipment (refer to Note 4.2 Property, Plant and Equipment);
- Defined benefit superannuation expense (refer to Note 3.5 Superannuation); and
- Employee benefit provisions are based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.4 Employee Benefits in the Balance Sheet).

Impacts - COVID-19 pandemic

A state of emergency was declared in Victoria on 16 March 2020 due to the global coronavirus pandemic, known as COVID-19. A state of disaster was subsequently declared on 2 August 2020.

To contain the spread of the virus and to prioritise the health and safety of our communities various restrictions have been announced and implemented by the state government, which in turn has impacted the manner in which businesses operate, including Western District Health Service.

In response, Western District Health Service placed restrictions on non-essential visitors, implemented reduced visitor hours, deferred elective surgery and reduced activity, performed COVID-19 testing and implemented work from home arrangements where appropriate.

For further details refer to Note 2.1 Funding delivery of our services and Note 4.2 Property, plant and equipment.

Regional areas have generally been less impacted by the pandemic, however the changed conditions continue to provide uncertainty and a reluctance from the community to engage as regularly with the Health Sector. The State Government has recognised the importance of a strong public health system and are providing ongoing support to ensure we remain financially viable and we can continue to support our staff who are at the front line of defence should the pandemic impact our community even more directly going forward.

Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

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

(d) Jointly Controlled Operation

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

In respect of any interest in joint operations, Western District Health Service recognises in the financial statements:

- its assets, including its share of any assets held jointly;
- any liabilities including its share of liabilities that it had incurred;
- its revenue from the sale of its share of the output from the joint operation;
- its share of the revenue from the sale of the output by the operation; and
- its expenses, including its share of any expenses incurred jointly.

Western District Health Service is a member of the South West Alliance of Rural Health Joint Venture and retains joint control over the arrangement, which it has classified as a joint operation (refer to Note 8.7 Jointly Controlled Operations).

(e) Equity

Contributed Capital

Consistent with the requirements of AASB 1004 Contributions, 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 Western District Health 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.

Financial Assets at Fair Value Through Other Comprehensive Income Revaluation Surplus

The fair value through other comprehensive income revaluation surplus arises on the revaluation of the share portfolio asset. Where a revalued financial asset is sold, that portion of the surplus which relates to that financial asset is effectively realised and is recognised in the Comprehensive Operating Statement as other comprehensive income.

Specific Restricted Purpose Surplus

The Specific Restricted Purpose Surplus is established where Western District Health Service has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

Note 2: Funding Delivery of Our Services

The Health Service's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

To enable the Health Service to fulfil its objective it receives accrual based grant funding for the provision of outputs. The Health Service also receives income from the supply of services.

Structure
2.1 Analysis of revenue by source

Note 2.1 (a): Income from Transactions

	Total 2020 $'000	Total 2019 $'000
Government Grants (State) - Operating [i]	57,784	51,103
Government Grants (Commonwealth) - Operating	14,617	13,188
Government Grants (State) - Capital	858	982
Government Grants (Commonwealth) - Capital	898	902
Other Capital purpose income	-	779
Patient and Resident Fees	6,255	6,534
Private Practice Fees	8	12
Commercial Activities [ii]	2,756	3,063
Assets received free of charge or for nominal consideration	592	540
Other Revenue from Operating Activities (including non-capital donations)	1,387	922
Total Income from Operating Activities	**85,155**	**78,025**
Capital Interest	167	319
Other Interest	332	509
Dividends	52	99
Total Income from Non-Operating Activities	**551**	**927**
Total Income from Transactions	**85,706**	**78,952**

i. Government Grant (State) – Operating includes funding of $4.8m which was spent due to the impacts of COVID-19.

ii. Commercial activities represent business activities which the health service enter into to support their operations.

Impact of COVID-19 on revenue and income

As indicated at Note 1, Western District Health Service's response to the pandemic included the deferral of elective surgeries and reduced activity. This resulted in Western District Health Service incurring lost revenue as well as direct and indirect COVID-19 costs. The Department of Health and Human Services provided funding which was spent due to COVID-19 impacts on the Western District Health Service. Western District Health Service also received essential personal protective equipment free of charge under the state supply arrangement.

Accounting policies

Government Grants

Income from grants for construction of the Penshurst redevelopment is recognised when (or as) Western District Health Service satisfies its obligations under the transfer. This aligns with Western District Health Service's obligation to construct the asset. The progressive percentage costs incurred is used to recognise income because this most closely reflects the construction's progress as costs are incurred as the works are done. Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB 15 as revenue from contracts with customers, with revenue recognised as these performance obligations are met.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when Western District Health Service has an unconditional right to receive the cash which usually coincides with receipt of cash. On initial recognition of the asset, the Western District Health Service recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

a) contributions by owners, in accordance with AASB 1004;
b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
c) a lease liability in accordance with AASB 16;
d) a financial instrument, in accordance with AASB 9; or
e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

As a result of the transitional impacts of adopting AASB 15 and AASB 1058, a portion of the grant revenue has been deferred. If the grant income is accounted for in accordance with AASB 15, the deferred grant revenue has been recognised in contract liabilities whereas grant revenue in relation to the construction of capital assets which the health service controls has been recognised in accordance with AASB 1058 and recognised as deferred grant revenue (refer note 5.2).

If the grant revenue was accounted for under the previous accounting standard AASB 1004 in 2019-20, the total grant revenue received would have been recognised in full.

Performance obligations

The types of government grants recognised under AASB15 Revenue from Contracts with Customers includes:

- Activity Based Funding (ABF) paid as WIES casemix
- DHHS grants with performance obligations linked to Statement of Priorities targets.
- Commonwealth grants for provision of residential aged care
- other one-off grants if funding conditions contain enforceable and sufficiently specific performance obligations.

The performance obligations for ABF are the number and mix of patients admitted to hospital (casemix) in accordance with levels of activity agreed to with the Department of Health and Human Services (DHHS) in the annual Statement of Priorities (SoP). Revenue is recognised when a patient is discharged and in accordance with the WIES activity for each separation. The performance obligations have been selected as they align with funding conditions set out in the Policy and funding guidelines issued by the DHHS.

For Commonwealth residential aged care grants recognised under AASB 15, revenue is recognised as the performance obligations for service provision are satisfied. Funds are recognised in arrears as the service is provided.

Grants for the National Centre for Farmer Health recognised under AASB 15 are recognised as the performance obligations of the project are completed and expenditure incurred. During the 2019-2020 financial year a number of projects were partially completed with the portion of funds recognised and the funds where performance obligations were not fully satisfied have been held at year end and will be recognised during 2020-2021 financial year as performance obligations are completed.

For other grants with performance obligations the Western District Health Service exercises judgement over whether the performance obligations have been met, on a grant by grant basis.

Previous accounting policy for 30 June 2019

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to Western District Health Service without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

Some grants are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider). Western District Health Service recognises income when it has satisfied its performance obligations under the terms of the grant.

For non-reciprocal grants, Western District Health Service recognises revenue when the grant is received.

Grants can be received as general purpose grants, which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

The following are transactions that the Western District Health Service has determined to be classified as revenue from contracts with customers in accordance with AASB 15. Due to the modified retrospective transition method chosen in applying AASB 15, comparative information has not been restated to reflect the new requirements.

Patient and Resident Fees

The performance obligations related to patient fees are provision of service by medical specialists including but not limited to medical procedures. These performance obligations have been selected as they align with the terms and conditions of the providing services. Revenue is recognised as these performance obligations are met. Western District Health Service exercises judgement over whether performance obligations related to medical procedures are met. This is measured by delivery of the service and discharge of the patient from hospital.

Resident fees are recognised as revenue over time as Western District Health Service provides accommodation. This is calculated on a daily basis and invoiced monthly.

Private Practice Fees

The performance obligations related to private practice fees are provision of anaesthetic services for medical procedures and consultations. These performance obligations have been selected as they align with the terms and conditions agreed with the private provider. Revenue is recognised as these performance obligations are met. Western District Health service exercises judgement over whether performance obligations related to private practice anaesthetic fees are met. This is measured by when the medical service or consultation is provided.

Commercial Activities

Revenue from commercial activities such as rental property income, share of jointly controlled operations revenue, cafeteria and catering income are recognised as revenue at the time of sale, or when invoices are raised.

Note 2.1 (b): Fair value of assets and services received free of charge or for nominal consideration

	Total 2020 $'000	Total 2019 $'000
Personal Protective Equipment	27	-
Medical Equipment assets	28	32
Capital Donations	537	508
Total fair value of assets and services received free of charge or for nominal consideration	**592**	**540**

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

The exception to this would be when the resource is received from another government department (or agency) as a consequence of a restructuring of administrative arrangements, in which case such a transfer will be recognised at its carrying value in the transferring department or agency as a capital contribution transfer.

Voluntary Services:

Contributions in the form of services are only recognised when a fair value can be reliably determined, and the services would have been purchased if not donated. Western District Health Service did receive some volunteer services however the services would not have been purchased had they not been donated.

Non-cash Contributions from the Department of Health and Human Services

Payments made by the Department of Health and Human Services on behalf of the health service are as follows:

- The Victorian Managed Insurance Authority non-medical indemnity insurance payments are recognised as revenue following advice from the Department of Health and Human Services
- 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 and Human Services Hospital Circular.

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

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. Western District Health Service recognises revenue when it transfers control of a good or service to the customer i.e. revenue is recognised when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Income from the sale of goods are recognised when the goods are delivered and have been accepted by the customer at their premises
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

For contracts that permit the customer to return an item, revenue is recognised to the extent it is highly probable that a significant cumulative reversal will not occur. Therefore, the amount of revenue recognised is adjusted for the expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised. There is no applicable adjustment for Western District Health Service in 2019-2020. Western District Health Service reviews its estimate of expected returns at each reporting date and updates the amount of the asset and liability accordingly. As the sales are made with a short credit term, there is no financing element present. There has been no change in the recognition of revenue from the sale of goods as a result of the adoption of AASB 15.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2). Where the performance obligations is satisfied but not yet billed, a contract asset is recorded (Note 5.1).

Note 2.1 (c): Other Income

	Total 2020 $'000	Total 2019 $'000
Other sundry operating revenue	544	396
Sales of Goods and Services	504	262
SWARH Other revenue	339	264
Total other income	**1,387**	**922**

Other income is recognised as revenue when received. Other income includes recoveries for salaries and wages and external services provided, and donations and bequests. If donations are for a specific purpose, they may be appropriated to a surplus, such as the specific restricted purpose surplus.

Dividend Revenue

Dividend revenue is recognised when the right to receive payment is established. Dividends represent the income arising from Western District Health Service's investments in financial assets.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset, which allocates interest over the relevant period.

Rental and Lease Income

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

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are given to the lessee, the aggregate cost of incentives is recognised as a reduction of rental income over the lease term, on a straight-line basis unless another systematic basis is more appropriate of the time pattern over which the economic benefit of the leased asset is diminished.

Non-cash Contributions from the Department of Health and Human Services

Payments made by the Department of Health and Human Services on behalf of the health service are as follows:

- The Victorian Managed Insurance Authority non-medical indemnity insurance payments are recognised as revenue following advice from the Department of Health and Human Services
- 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 and Human Services Hospital Circular.

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

Note 3: The Cost of Delivering Our Services

This section provides an account of the expenses incurred by the Health 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

3.1 Expenses from transactions

3.2 Other Economic Flows

3.3 Analysis of expense and revenue by internally managed and restricted specific purpose funds

3.4 Employee Benefits in the Balance Sheet

3.5 Superannuation

Note 3.1: Expenses from Transactions	Total 2020 $'000	Total 2019 $'000
Salary and Wages	44,780	41,353
On-Costs	12,405	11,630
Fee for Service Medical Officer Expenses	4,035	4,114
Workcover Premium	333	459
Total Employee Expenses	**61,553**	**57,556**
Drug Supplies	2,327	1,793
Medical and Surgical Supplies (Including Prostheses)	4,462	5,379
Diagnostic and Radiology Supplies	1,479	1,284
Other Supplies and Consumables	3,979	2,347
Total Supplies and Consumables	**12,247**	**10,803**
Finance Costs	9	49
Total Finance Costs	**9**	**49**
Fuel, Light, Power and Water	1,336	1,578
Repairs and Maintenance	880	768
Maintenance Contracts	325	247
Medical Indemnity Insurance	964	969
Expenses related to leases of low value assets	130	152
Other Administrative Expenses	4,687	4,498
Total Other Operating Expenses	**8,322**	**8,212**
Depreciation (refer Note 4.3)	8,035	7,066
Expenditure for capital purposes	146	143
Total other Non-Operating Expenses	**8,181**	**7,209**
Total Expenses from Transactions	**90,312**	**83,829**

Impact of COVID-19 on expenses

As indicated at Note 1, Western District Health Service's daily activities were impacted by the pandemic. This resulted in direct and indirect costs being incurred, such as increased staffing costs for domestic services and customer service. Equipment was purchased for the purposes of reducing the potential for virus transmission and expenditure was incurred for additional personal protective equipment and cleaning supplies.

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 premium.

Supplies and consumables

Supplies and consumables - Supplies and services costs which 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:

- interest on bank overdrafts and short-term and long-term borrowings (Interest expense is recognised in the period in which it is incurred); and
- finance charges in respect of finance 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:

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses

The Department of Health and Human Services also makes certain payments on behalf of Western District Health 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 for outside the normal operations such as depreciation and amortisation, and assets and services provided free of charge or for nominal consideration.

Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold).

Operating Lease Payments

Operating lease payments up until 30 June 2019 (including contingent rentals) were recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

From 1 July 2019, the following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term less than 12 months; and
- Low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than $10,000.

Variable lease payments not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occur.

Note 3.2: Other economic flows	Total 2020 $'000	Total 2019 $'000
Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property plant and equipment	(23)	138
Total net gain/(loss) on non-financial assets	**(23)**	**138**
Net gain/(loss) on financial instruments at fair value		
Allowance for impairment losses of contractual receivables	84	(16)
Net gain/(loss) from fair value movement in loan	(12)	14
Total net gain/(loss) on financial instruments at fair value	**72**	**(2)**
Share of other economic flows from Joint Operations		
Share of net profits/(losses) of associates, excluding dividends	2	4
Total share of other economic flows from Joint Operations	**2**	**4**
Other Gains/(Losses) from Other Economic Flows		
Change in ownership interest of joint venture	44	(19)
Net gain/(loss) arising from revaluation of long service liability	(281)	(586)
Total other gains/(losses) from other economic flows	**(237)**	**(605)**
Total other gains/(losses) from economic flows	**(186)**	**(465)**

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

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:

- Net gain/ (loss) on disposal of non-financial assets (Refer to Note 4.2 Property plant and equipment).
- Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

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

Net gain/ (loss) on financial assets and liabilities at fair value includes:

- Realised and unrealised gains and losses from revaluations of financial instruments at fair value; and
- Net gain/(loss) on investments in equity instruments designated as at Fair Value Through Other Comprehensive Income
- Impairment and reversal of impairment for financial instruments at amortised cost.

Other gains/ (losses) from other economic flows

Other gains/ (losses) include:

- The revaluation of the present value of the long service leave liability due to changes in the bond rate movements, inflation rate movements and the impact of changes in probability factors; and
- Transfer of amounts from the reserves to accumulated surplus or net result due to disposal or derecognition or reclassification.

Note 3.3: Analysis of expense and revenue by internally managed and restricted specific purpose funds	Expense		Revenue	
	Total 2020 $'000	Total 2019 $'000	Total 2020 $'000	Total 2019 $'000
Commercial Activities				
Catering	314	307	391	265
Laundry	169	154	112	102
Cafeteria	148	109	247	300
Property Expense/Revenue	139	113	707	821
Commercial Activities National Centre Farmer Health	-	-	318	423
Provision of goods and services supplied on commercial terms to external customers	976	1,152	981	1,152
Total Commercial Activities	**1,746**	**1,835**	**2,756**	**3,063**
TOTAL	**1,746**	**1,835**	**2,756**	**3,063**

Note 3.4: Employee benefits in the balance sheet

Current Provisions	Total 2020 $'000	Total 2019 $'000
Current Provisions		
Employee Benefits (i)		
Annual leave		
- Unconditional and expected to be settled wholly within 12 months (ii)	3,913	3,413
Long service leave		
- Unconditional and expected to be settled wholly within 12 months (ii)	601	867
- Unconditional and expected to be settled wholly after 12 months (iii)	5,849	4,776
Accrued Days Off		
- Unconditional and expected to be settled within 12 months (ii)	161	114
	10,524	**9,170**
Provisions related to Employee Benefit On-Costs		
- Unconditional and expected to be settled within 12 months (ii)	1,060	962
- Unconditional and expected to be settled after 12 months (iii)	679	681
	1,739	**1,643**
Total Current Provisions	**12,263**	**10,813**
Non-Current Provisions		
Employee Benefits (iii)	2,137	1,908
Provisions related to Employee Benefit On-Costs (iii)	219	224
Total Non-Current Provisions	2,356	2,132
Total Provisions	**14,619**	**12,945**

Notes: (i) Provisions for employee benefits consist of amounts for accrued days off, annual leave and long service leave accrued by employees, not including on-costs.

(ii) The amounts disclosed are nominal amounts
(iii) The amounts disclosed are discounted to present values

Note 3.4: Employee benefits in the balance sheet (cont.)

(a) Employee Benefits and Related On-Costs	Total 2020 $'000	Total 2019 $'000
Current Employee Benefits and related on-costs		
Unconditional Long Service Leave Entitlement	7,129	6,324
Annual Leave Entitlements	4,973	4,375
Accrued Days Off	161	114
Non-Current Employee Benefits and related on-costs		
Conditional Long Service Leave Entitlements [iii]	2,356	2,132
Total Employee Benefits and Related On-Costs	**14,619**	**12,945**

Notes:
(i) Provisions for employee benefits consist of amounts for accrued days off, annual leave and long service leave accrued by employees, not including on-costs.
(ii) The amounts disclosed are nominal amounts
(iii) The amounts disclosed are discounted to present values

(b) Movements in On-Costs Provisions	Total 2020 $'000	Total 2019 $'000
Balance at start of year	**1,867**	**1,320**
Provision made during the year		
- Revaluations	27	58
- Expense recognising employee service	124	577
Settlement made during the year	(60)	(88)
Balance at end of year	**1,958**	**1,867**

Employee Benefit Recognition
Provision is made for benefits accruing to 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.

Provisions
Provisions are recognised when the Health Service has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.
The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

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 health service does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

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

Long service leave (LSL)
Liability for 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 health 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 health service expects to wholly settle within 12 months; or
- Present value – where the entity does not expect to settle a component of this current liability within 12 months.

Conditional LSL is disclosed as a non-current liability. Any gain or loss followed 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.

On-costs related to employee expense
Provision for on-costs, such as workers compensation and superannuation are recognised separately from provisions for employee benefits.

Note 3.5: Superannuation	Paid Contribution for the year		Contribution Outstanding at Year End	
	Total 2020 $'000	Total 2019 $'000	Total 2020 $'000	Total 2019 $'000
(i) Defined benefit plans: [i]				
First State Super	125	117	10	-
Defined contribution plans:				
First State Super	2,815	2,777	223	-
HESTA	1,209	1,018	96	-
Other	622	367	54	-
Total	**4,771**	**4,279**	**383**	**-**

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

Employees of the Health Service are entitled to receive superannuation benefits and the Health Services contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

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.

Defined benefit superannuation plans
The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by the Health Service to the superannuation plans in respect of the services of current Health Service 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.
Western District Health Services does not recognise any unfunded defined benefit liability in respect of the plans because the hospital has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance 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 Western District Health Services.
The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Western District Health Services are disclosed above.

Note 4: Key Assets to Support Service Delivery

The Health 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 hospital to be utilised for delivery of those outputs.

Structure

4.1 Investments & Other Financial Assets
4.2 Property, plant & equipment
4.3 Depreciation and amortisation
4.4 Inventories

Note 4.1: Investments and other financial assets	Operating Fund		Specific Purpose Fund		Capital Fund		Total	
	Total 2020 $'000	Total 2019 $'000	Total 2020 $'000	Total 2019 $'000	Total 2020 $'000	Total 2019 $'000	Total 2020 $'000	Total 2019 $'000
CURRENT								
Amortised Cost								
Aust. Dollar Term Deposits > 3 months [i]	3,789	5,559	-	500	459	450	4,248	6,509
Total Current	**3,789**	**5,559**	-	**500**	**459**	**450**	**4,248**	**6,509**
NON CURRENT								
Amortised Cost								
Term Deposit								
Aust. Dollar Term Deposits > 12 months	-	-	-	-	8	8	8	8
Fair Value Through Other Comprehensive Income								
Equities and Managed Investment Schemes								
Australian Listed Equity Securities [ii]	-	-	1,827	2,048	-	-	1,827	2,048
Total Non Current	-	-	**1,827**	**2,048**	**8**	**8**	**1,835**	**2,056**
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	**3,789**	**5,559**	**1,827**	**2,548**	**467**	**458**	**6,083**	**8,565**
Represented by:								
Health Service Investments	3,789	5,559	1,827	2,048	467	458	6,083	8,065
Monies Held in Trust								
Patient Monies	-	-	-	500	-	-	-	500
TOTAL INVESTMENTS AND OTHER FINANCIAL ASSETS	**3,789**	**5,559**	**1,827**	**2,548**	**467**	**458**	**6,083**	**8,565**

Notes:
(i) Term deposits under 'Aust. Dollar Term Deposits > 3 months' class include only term deposits with maturity greater than 90 days.
(ii) The Health Service designated all its equities and managed investment schemes at fair value through other comprehensive income. Therefore all equities and managed investments are classified as non-current.

Investment recognition

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.
Investments are classified as fair value through other comprehensive income financial assets and amortised cost financial assets.
Western District Health Service classifies its other financial assets between current and non-current assets based on the Board of Management's intention at balance date with respect to the timing of disposal of each asset. Western District Health Services assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.
Western District Health Service's investments must comply with Standing Direction 3.7.2 - Treasury and Investment Risk Management including Centralised Banking System.
All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

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 Health 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 Health Service has transferred its rights to receive cash flows from the asset and either:
  (a) has transferred substantially all the risks and rewards of the asset; or
  (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

At the end of each reporting period, Western District Health Service assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through other comprehensive income, are subject to annual review for impairment.
In order to determine an appropriate fair value as at 30 June 2020 for its portfolio of financial assets, Western District Health Service used the market value of investments held provided by the portfolio managers.
The above valuation process was used to quantify the level of impairment (if any) on the portfolio of financial assets as at year end.

Note 4.2: Property, plant & equipment

Initial Recognition

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment loss. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/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. The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.
The initial cost for non-financial physical assets under finance lease (refer to Note 6.1) is measured at amounts equal to the fair value of the right of use asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.
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.
Land and buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and accumulated impairment loss.

Right-of-use asset acquired by lessees (Under AASB 16 – Leases from 1 July 2019) - Initial measurement

Western District Health Service recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date; plus
- 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:

Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard 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) and is summarised on the following page by asset category.

Right-of-use asset – Subsequent measurement

Western District Health Service depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment, other than where the lease term is lower than the otherwise assigned useful life. The right-of-use assets are also subject to revaluation as required by FRD 103H however as at 30 June 2020 right-of-use assets have not been revalued.
In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Revaluations of Non-Current Physical Assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103H Non-Financial Physical Assets. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.
Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.
Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance

Note 4.2: Property, plant & equipment (cont.)

exists in the asset revaluation surplus in respect of the same class of property, plant and equipment.
Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.
Revaluation surplus is not transferred to accumulated funds on de-recognition of the relevant asset, except where an asset is transferred via contributed capital.
In accordance with FRD 103H, Western District Health Service's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Fair value measurement

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.
For the purpose of fair value disclosures, Western District Health Service has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained below.
In addition, Western District Health 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.
The Valuer-General Victoria (VGV) is Western District Health Service's independent valuation agency.
The estimates and underlying assumptions are reviewed on an ongoing basis.

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.

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 shall be 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.

Consideration of highest and best use (HBU) for non-financial physical assets

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 paragraph AASB 13 Fair Value Measurement, paragraph 29, Western District Health Services has assumed the current use of a non-financial physical asset is its HBU unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Non-Specialised Land, 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 2019.

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, Western District Health 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 Western District Health Service, the depreciated 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 Western District Health Service's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2019.

Heritage assets

Heritage assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Vehicles

The Health 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 Health 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).

Plant and Equipment

Plant and equipment (including medical equipment, computers and communication equipment and furniture and fittings) 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 depreciated 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 depreciated replacement cost will be materially different from the existing carrying amount.
There were no changes in valuation techniques throughout the period to 30 June 2020.
For all assets measured at fair value, the current use is considered the highest and best use.

(a) Gross carrying amount and accumulated depreciation	Total 2020 $'000	Total 2019 $'000
Land		
Land - Freehold	4,776	4,776
Total Land	**4,776**	**4,776**
Buildings		
Buildings Under Construction at cost	311	1,647
Buildings at Fair Value	133,890	131,886
Less Acc'd Depreciation	(6,515)	-
Landscaping Improvements at fair value	2,014	1,998
Less Acc'd Depreciation	(67)	-
Total Buildings	**129,633**	**135,531**
Plant and Equipment		
Plant and Equipment at Fair Value	6,654	6,569
Less Acc'd Depreciation	(2,369)	(2,091)
Total Plant and Equipment	**4,285**	**4,478**
Medical Equipment		
Medical Equipment at Fair Value	9,229	8,976
Less Acc'd Depreciation	(6,634)	(6,384)
Total Medical Equipment	**2,595**	**2,592**
Computers and Communication		
Computers and Communication at Fair Value	1,224	1,126
Less Acc'd Depreciation	(1,022)	(963)
Total Computers and Communication	**202**	**163**
Furniture and Fittings		
Furniture and Fittings at Fair Value	1,763	1,342
Less Acc'd Depreciation	(1,169)	(1,088)
Total Furniture and Fittings	**594**	**254**
Motor Vehicles		
Motor Vehicles at Fair Value	1,944	1,986
Less Acc'd Depreciation	(1,385)	(1,140)
Total Motor Vehicles	**559**	**846**
Right of Use Assets		
Computers and Communication	646	528
Less Acc'd Amortisation	(155)	-
Total Right of Use Assets	**491**	**528**
TOTAL	**143,135**	**149,168**

Note 4.2: Property, plant & equipment (cont.)

(b) Reconciliations of the carrying amounts of each class of asset	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Furniture & Fittings	Motor Vehicles	Right of Use Assets	Assets Under Construction	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2018	**4,837**	**117,272**	**4,017**	**2,700**	**282**	**301**	**789**	**321**	**1,739**	**132,258**
Additions	-	44	717	454	34	43	439	459	2,580	4,770
Assets Received Free of Charge	-	-	-	32	-	-	-	-	-	32
Revaluation	(61)	19,402	-	-	-	-	-	-	-	19,341
Net Transfers between Classes	-	2,672	-	-	-	-	-	-	(2,672)	-
Disposals	-	-	-	-	(89)	-	(78)	-	-	(167)
Depreciation (Note 4.3)	-	(5,506)	(256)	(594)	(64)	(90)	(304)	(252)	-	(7,066)
Balance at 30 June 2019	**4,776**	**133,884**	**4,478**	**2,592**	**163**	**254**	**846**	**528**	**1,647**	**149,168**
Additions	-	684	85	661	102	423	22	118	-	2,095
Assets Received Free of Charge	-	-	-	27	-	-	-	-	-	27
Revaluation	-	-	-	-	-	-	-	-	-	-
Net Transfers between Classes	-	1,336	-	-	-	-	-	-	(1,336)	-
Disposals	-	-	-	(89)	-	-	(31)	-	-	(120)
Depreciation (Note 4.3)	-	(6,582)	(278)	(596)	(63)	(83)	(278)	(155)	-	(8,035)
Balance at 30 June 2020	**4,776**	**129,322**	**4,285**	**2,595**	**202**	**594**	**559**	**491**	**311**	**143,135**

Land and buildings and right of use assets carried at valuation

A full revaluation of the Western District Health Service's land and buildings was performed by the Valuer-General of Victoria (VGV) in March 2019 in accordance with the requirements of Financial Reporting Direction (FRD) 103H Non-Financial Physical Assets. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction.

The effective date of the valuation for both land and buildings was 30 June 2019.

In compliance with FRD 103H, in the year ended 30 June 2020, Western District Health Service's management conducted an annual assessment of the fair value of land and buildings and right of use buildings. To facilitate this, management obtained from the Department of Treasury and Finance the Valuer General Victoria indices for the financial year ended 30 June 2020.

The VGV indices, which are based on data to March 2020, indicate an average increase of 2% across all land parcels and a 3% increase in buildings.

Management regards the VGV indices to be a reliable and relevant data set to form the basis of their estimates. Whilst these indices are applicable at 30 June 2020, the fair value of land and buildings will continue to be subjected to the impacts of COVID-19 in future accounting periods.

As the accumulative movement was less than 10% for land and buildings no managerial revaluation was required.

The land and building balances are considered to be sensitive to market conditions.

(c) Fair value measurement hierarchy for assets	Carrying amount as at 30 June 2020	Fair value measurement at end of reporting period (30 June 2019) using:			Carrying amount as at 30 June 2019	Fair value measurement at end of reporting period (30 June 2019) using:		
		Level 1 (i)	Level 2 (i)	Level 3 (i)		Level 1 (i)	Level 2 (i)	Level 3 (i)
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	Balance at 30 June 2020							
Land at fair value								
Non-specialised land	263	-	263	-	263	-	263	-
Specialised land	4,513	-	-	4,513	4,513	-	-	4,513
Total land at fair value	**4,776**	**-**	**263**	**4,513**	**4,776**	**-**	**263**	**4,513**
Buildings at fair value								
Non-specialised buildings	539	-	539	-	567	-	567	-
Specialised buildings	128,236	-	-	128,236	132,742	-	-	132,742
Heritage assets	547	-	-	547	575	-	-	575
Total building at fair value	**129,322**	**-**	**539**	**128,783**	**133,884**	**-**	**567**	**133,317**
Plant and equipment at fair value								
Plant and equipment at fair value	4,285	-	-	4,285	4,478	-	-	4,478
Total plant and equipment at fair value	**4,285**	**-**	**-**	**4,285**	**4,478**	**-**	**-**	**4,478**
Motor Vehicles at fair value								
Motor vehicles at fair value	559	-	-	559	846	-	-	846
Total motor vehicles at fair value	**559**	**-**	**-**	**559**	**846**	**-**	**-**	**846**
Medical equipment at fair value								
Medical equipment at fair value	2,595	-	-	2,595	2,592	-	-	2,592
Total medical equipment at fair value	**2,595**	**-**	**-**	**2,595**	**2,592**	**-**	**-**	**2,592**
Computers and Communication at fair value								
Computers and Communication at fair value	202	-	-	202	163	-	-	163
Total Computers and Communication at fair value	**202**	**-**	**-**	**202**	**163**	**-**	**-**	**163**
Furniture & Fittings at fair value								
Furniture & Fittings at fair value	594	-	-	594	254	-	-	254
Total Furniture & Fittings at fair value	**594**	**-**	**-**	**594**	**254**	**-**	**-**	**254**
Leased Assets at fair value								
Leased Assets at fair value	491	-	-	491	528	-	-	528
Total Leased Assets at fair value	**491**	**-**	**-**	**491**	**528**	**-**	**-**	**528**
	142,824	**-**	**802**	**142,022**	**147,521**	**-**	**830**	**146,691**

Note: (i) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the 2020 financial year. In the prior year there was transfers from level 2 to level 3 during the period to the value of $350,000 due to a change in valuation methodology by the external valuer.

Note 4.2: Property, plant & equipment (cont.)

(d) Reconciliation of Level 3 fair value	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Furniture & Fittings	Motor Vehicles	Right of Use Assets
30 June 2020	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Opening Balance at 1 July 2019	**4,513**	**133,317**	**4,478**	**2,592**	**163**	**254**	**846**	**528**
Additions/(Disposals)	-	2,020	85	599	102	423	(9)	118
Transfer from level 2	-	-	-	-	-	-	-	-
Items recognised in Other Comprehensive Income								
- Revaluation	-	-	-	-	-	-	-	-
Gains or losses recognised in net result								
- Depreciation	-	(6,554)	(278)	(596)	(63)	(83)	(278)	(155)
Closing Balance at 30 June 2020	**4,513**	**128,783**	**4,285**	**2,595**	**202**	**594**	**559**	**491**

(d) Reconciliation of Level 3 fair value	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Furniture & Fittings	Motor Vehicles	Right of Use Assets
Balance at 30 June 2019	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Opening Balance at 1 July 2018	**4,219**	**116,687**	**4,017**	**2,700**	**282**	**301**	**789**	**321**
Additions/(Disposals)	-	2,642	717	486	(55)	43	361	459
Transfer from level 2	350	-	-	-	-	-	-	-
Items recognised in Other Comprehensive Income								
- Revaluation	(56)	19,252	-	-	-	-	-	-
Gains or losses recognised in net result								
- Depreciation	-	(5,264)	(256)	(594)	(64)	(90)	(304)	(252)
Closing Balance at 30 June 2019	**4,513**	**133,317**	**4,478**	**2,592**	**163**	**254**	**846**	**528**

(e) Fair Value Determination

Asset class	Fair value level	Valuation approach	Significant inputs (Level 3 only)	
Non-specialised land	Level 2	Market approach	n.a.	
Specialised Land (Crown / Freehold)	Level 3	Market approach	Community Service Obligations Adjustments (i)	
Non-specialised buildings	Level 2	Market approach	n.a.	
Specialised buildings	Level 3	Depreciated replacement cost approach	- Cost per square metre	- Useful life
Heritage assets	Level 3	Depreciated replacement cost approach	- Cost per square metre	- Useful life
Vehicles	Level 3	Depreciated replacement cost approach	- Cost per item	- Useful life
Plant and equipment	Level 3	Depreciated replacement cost approach	- Cost per item	- Useful life

(i) CSO adjustment of 20% was applied to reduce the market approach value for Western District Health Service's specialised land.
There were no changes in valuation techniques throughout the period to 30 June 2020.

(f) Property Plant and Equipment Revaluation Surplus	Total 2020 $'000	Total 2019 $'000
Property, Plant and Equipment Revaluation Surplus		
Balance at the beginning of the reporting period	97,514	78,173
Revaluation Increment		
- Land (refer Note 4.2 (b))	-	(61)
- Buildings (refer Note 4.2 (b))	-	19,402
Balance as the end of reporting period*	**97,514**	**97,514**
*** Represented by:**		
- Land	3,627	3,627
- Buildings	93,511	93,511
- Leased Building	376	376
Total Plant and Equipment	**97,514**	**97,514**

Note 4.3: Depreciation	Total 2020 $'000	Total 2019 $'000
Depreciation		
Buildings	6,582	5,506
Plant & Equipment	278	256
Medical Equipment	596	594
Computers & Communication	63	64
Furniture & Fittings	83	90
Motor Vehicles	278	304
Right of Use Assets	155	252
Total Depreciation	**8,035**	**7,066**

Depreciation

All buildings, plant and equipment and other non-financial physical assets (excluding land) 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 are depreciated over the shorter of the asset's useful life and the lease term. Where Western District Health Service obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset overs its useful life.
The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

	2020	2019
Buildings		
- Structure Shell Building Fabric	15 to 43 years	20 to 50 years
- Site Engineering Services and Central Plant	13 to 33 years	20 to 40 years
Central Plant		
- Fit Out	7 to 22 years	10 to 25 years
- Trunk Reticulated Building systems	7 to 23 years	20 to 25 years
Plant and Equipment	10 to 40 years	10 to 40 years
Medical Equipment	5 to 20 years	5 to 20 years
Computers and Communication	4 to 20 years	4 to 20 years
Furniture and Fittings	4 to 20 years	4 to 20 years
Motor Vehicles	5 to 20 years	5 to 20 years
Land Improvements	10 to 50 years	10 to 50 years

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

Note 4.4: Inventories

	Total 2020 $'000	Total 2019 $'000
Pharmacy supplies at cost	71	42
General supplies at cost	16	13
TOTAL PAYABLES	**87**	**55**

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.

Note 5: Other assets and liabilities

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

Structure
5.1 Receivables and contract assets
5.2 Payables
5.3 Other liabilities

Note 5.1: Receivables and contract assets

	Total 2020 $'000	Total 2019 $'000
CURRENT		
Contractual		
Trade Debtors	1,080	1,081
Patient and Resident Fees	1,081	799
Accrued Revenue	138	407
Less Allowance for impairment losses of contractual receivables		
Trade Debtors	(27)	(5)
Patient Fees	(63)	(1)
	2,209	**2,281**
Statutory		
GST Receivable	196	237
Accrued Revenue - Department of Health and Human Services	-	537
	196	**774**
TOTAL CURRENT RECEIVABLES	**2,405**	**3,055**
NON-CURRENT		
Statutory		
Long Service Leave - Department of Health and Human Services	2,251	2,059
TOTAL NON-CURRENT RECEIVABLES	**2,251**	**2,059**
TOTAL RECEIVABLES	**4,656**	**5,114**

(a) Movement in the Allowance for impairment losses of contractual receivables	Total 2020 $'000	Total 2019 $'000
Balance at beginning of year	6	22
Reversal of amounts written off during the year as uncollectable	(72)	(46)
Increase/(decrease) in allowance recognised in net result	156	30
Balance at end of year	**90**	**6**

Receivables Recognition
Receivables consist of:

- Contractual receivables, which consists of debtors in relation to goods and services and accrued investment income. 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. Western District Health Service holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.
- Statutory receivables, which predominantly includes amounts owing from the Victorian Government for accrued revenue and employee long service leave along with Goods and Services Tax (GST) input tax credits recoverable from the ATO. 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. Western District 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*.
Western District Health 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(c) contractual receivables at amortised costs for Western District Health Service's contractual impairment losses.

Note 5.2: Payables and contract liabilities	Total 2020 $'000	Total 2019 $'000
CURRENT		
Contractual		
Trade Creditors	2,787	1,806
Accrued Salary and Wages	1,305	970
Accrued Expenses	1,152	769
Deferred Capital Grant Revenue (Note 5.2(a))	559	-
Contract liabilities - income received in advance (Note 5.2(b))	971	637
Inter-hospital creditors	67	50
	6,841	**4,232**
Statutory		
GST Payable	53	45
	53	**45**
TOTAL CURRENT	**6,894**	**4,277**
TOTAL PAYABLES	**6,894**	**4,277**

Payables consist of:

- contractual payables, 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 Western District Health Service prior to the end of the financial year that are unpaid; and
- statutory payables, that 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 nett 60 days.

(a) Deferred capital grant revenue	Total 2020 $'000
CURRENT	
Contractual	
Grant consideration for capital works recognised that was included in the deferred grant liability balance (adjusted for AASB 1058) at the beginning of the year	430
Grant consideration for capital works received during the year	131
Grant revenue for capital works recognised consistent with the capital works undertaken during the year	(2)
Closing balance of deferred grant consideration received for capital works	**559**

Grant consideration was received from Department of Health and Human Services. Grant revenue is recognised progressively as the asset is constructed, since this is the time when Western District Health Service satisfies its obligations under the transfer by controlling the asset as and when it is constructed. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done (see note 2.1). At 30 June 2020 Western District Health Service has deferred recognition of a portion of the grant consideration received as a liability as there are outstanding obligations for two capital projects that are partially funded by capital grants.

(b) Contract liabilities - Income in Advance	Total 2020 $'000
CURRENT	
Contractual	
Opening balance brought forward from 30 June 2019 adjusted for AASB 15	579
Add: Payments received for performance obligations yet to be completed during the period	164
Add: Grant consideration for sufficiently specific performance obligations received during the year	1,018
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(84)
Less: Grant revenue for sufficiently specific performance obligations works recognised consistent with the performance obligations met during the year	(706)
Total contract liabilities	**971**
Represented by	
Current contract liabilities	971
Non-current contract liabilities	-

Contract liabilities include consideration received in advance from Rural Bank for programs that support farmer health, wellbeing and safety and Deakin University for clinical educator program. Revenue is recognised once the goods and services are delivered/provided.

(c) Grant considerations	Total 2020 $'000
Revenue recognised from performance obligations satisfied in previous periods	-
Transaction price allocated to the remaining performance obligations from contracts with customers to be recognised in:	
Not longer than one year	1,530
Longer than one year but not longer than five years	-
Longer than five years	-
Total contract liabilities	**1,530**

Maturity analysis of payables
Please refer to Note 7.1(b) for the maturity analysis of payables

Note 5.3: Other liabilities

	Total 2020 $'000	Total 2019 $'000
CURRENT		
Monies Held in Trust*		
- Patient Monies Held in Trust*	403	560
- Accommodation Bonds (Refundable Entrance Fees)*	16,065	16,206
Home Care Package Funds Held	1,657	721
Joint Venture Deferred Income	406	58
Other	345	73
Total Current	18,876	17,618
Total Other Liabilities	**18,876**	**17,618**
*** Total Monies Held in Trust Represented by the following assets:**		
Cash Assets	16,468	16,266
Investment and other Financial Assets	-	500
TOTAL	**16,468**	**16,766**

Accommodation bonds are non-interest-bearing deposits made by some aged care residents to the Group 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.
Accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts deducted from the accommodation bond in accordance with the *Aged Care Act 1997*.
Home Care Package funds held are held on behalf of the package holder and are to be utilised for approved home care package goods and services. The funds are a combination of Commonwealth funds and contributions by the package-holder which are refundable where the health service ceases to be the manager of the home care package.
Joint venture deferred income is recognised through Western District Health Service's share in the joint venture.
Other liabilities consolidates a number of small balance items including funds held in trust for fundraising events yet to be held.

Note 6: How we finance our operations

This section provides information on the sources of finance utilised by the Health Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Health 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
6.1 Borrowings
6.2 Cash and cash equivalents
6.3 Commitments for expenditure

Note 6.1: Borrowings	Total 2020 $'000	Total 2019 $'000
CURRENT		
– Lease Liability (i)	83	122
- Advances from government (ii)	196	166
Total Current	**279**	**288**
NON CURRENT		
– Lease Liability (i)	110	186
- Advances from government (ii)	321	505
Total Non-Current	**431**	**691**
Total Borrowings	**710**	**979**

(i) Secured by the assets leased. Leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.
(ii) These are unsecured loans which bear no interest.

There is no approved bank overdraft.

(a) Maturity analysis of borrowings
Please refer to Note 7.1(b) for the maturity analysis of borrowings.

(b) Defaults and breaches
During the current and prior year, there were no defaults and breaches of any of the borrowings.

(c) Lease liabilities	Minimum future lease payments 2020 $'000	Minimum future lease payments 2019 $'000	Present value of minimum future lease payments 2020 $'000	Present value of minimum future lease payments 2019 $'000
Other lease liabilities payable				
Not longer than one year	83	122	83	122
Longer than one year but not longer than five years	122	205	110	186
Minimum future lease payments	**205**	**327**	**193**	**308**
Less future finance charges	12	19	-	-
Present value of minimum lease payments	**193**	**308**	**193**	**308**
Included in the financial statements as:				
Current borrowings lease liabilities	83	122	83	122
Non-current borrowing lease liabilities	110	186	110	186
	193	**308**	**193**	**308**

The weighted average interest rate implicit in the finance lease is 7.04% (2019: 5.44%).

Leases
A lease is a right to use an asset for an agreed period of time in exchange for payment. All leases are recognised on the balance sheet, with the exception of low value leases (less than $10,000 AUD) and short term leases of less than 12 months.

Western District Health Service's leasing activities
The joint venture (South West Alliance of Rural Health) has entered into leases related to ICT equipment which is brought to account in the Financial Statements of Western District Health Service through the share of investment in the joint venture (Note 8.7).
For any new contracts entered into on or after 1 July 2019, Western District Health Service considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition Western District Health Service assesses whether the contract meets three key evaluations which are whether:

- 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 Western District Health Service and for which the supplier does not have substantive substitution rights;
- Western District Health 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 Western District Health Service has the right to direct the use of the identified asset throughout the period of use; and
- Western District Health Service has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

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.

Note 6.1 Borrowings (cont.)

Recognition and measurement of leases as a lessee (under AASB 16 from 1 July 2019)

Lease Liability – 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 Western District Health Services incremental borrowing rate.
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.

Lease Liability – 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.

Short-term leases and leases of low value assets

Western District Health Service has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.
Western District Health Service through its share in the joint venture entered into leases which are administered by the jointly controlled operations which is shown in Note 8.7.

Presentation of right-of-use assets and lease liabilities

Western District Health Service presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

Recognition and measurement of leases (under AASB 117 until 30 June 2019)

In the comparative period, leases of property, plant and equipment were classified as either finance lease or operating leases.
Western District Health Service determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfilment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).
Leases of property, plant and equipment where Western District Health Service as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the consolidated comprehensive operating statement.
Contingent rentals associated with finance leases were recognised as an expense in the period in which they are incurred.

Assets held under other leases were classified as operating leases and were not recognised in Western District Health Services balance sheet. Operating lease payments were recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

Operating lease payments up until 30 June 2019

Operating lease payments up until 30 June 2019 (including contingent rentals) are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.
From 1 July 2019, the following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term less than 12 months; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than $10,000.

Entity as lessee

Leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease assets under the PPP arrangement are accounted for as a non-financial physical asset and is depreciated over the term of the lease plus five years. Minimum lease payments are apportioned between reduction of the outstanding lease liability, and the periodic finance expense which is calculated using the interest rate implicit in the lease, and charged directly to the Comprehensive Operating Statement.
Contingent rentals associated with leases are recognised as an expense in the period in which they are incurred.

Borrowings

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 Western District Health Service has categorised its liability as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'.
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'.

Note 6.2: Cash and Cash Equivalents

	Total 2020 $'000	Total 2019 $'000
Cash on hand (excluding monies held in trust)	23	23
Cash at bank (excluding monies held in trust)	1,471	616
Cash at bank (monies held in trust)	871	1,145
Cash at bank - CBS (excluding monies held in trust)	23,314	15,564
Cash at bank - CBS (monies held in trust)	15,596	15,121
Total Cash and Cash Equivalents	**41,275**	**32,469**

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

a) Commitments	Total 2020 $'000	Total 2019 $'000
Capital expenditure commitments		
Payable less than 1 year:		
Plant and Equipment	46	165
Buildings	885	303
Total capital expenditure commitments	931	468
Total Commitments (inclusive of GST)	**931**	**468**

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. 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 Health 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

7.1 Financial instruments
7.2 Contingent assets and contingent liabilities

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 Western District Health Service's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*

(a) Financial instruments: categorisation	Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Other Comprehensive Income	Financial Liabilities at Fair Value Through Net Result	Financial Liabilities at Amortised Cost	Total
2020	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Contractual Financial Assets					
Cash and cash equivalents	41,275	-	-	-	41,275
Receivables					
- Trade Debtors	1,053	-	-	-	1,053
- Other Receivables	1,156	-	-	-	1,156
Investment and Other Financial Assets					
- Term Deposit	4,256	-	-	-	4,256
- Shares in Other Entities	-	1,827			1,827
Total Financial Assets [i]	**47,740**	**1,827**	**-**	**-**	**49,567**
Financial Liabilities					
Payables	-	-	-	5,311	5,311
Borrowings	-	-	517	193	710
Other Financial Liabilities					
- Accommodation bonds	-	-	-	16,065	16,065
- Other	-	-	-	2,811	2,811
Total Financial Liabilities [i]	**-**	**-**	**517**	**24,380**	**24,897**
2019					
Contractual Financial Assets					
Cash and cash equivalents	32,469	-	-	-	32,469
Receivables					
- Trade Debtors	1,076	-	-	-	1,076
- Other Receivables	1,205	-	-	-	1,205
Other Financial Assets					
- Term Deposit	6,517	-	-	-	6,517
- Shares in Other Entities	-	2,048	-	-	2,048
Total Financial Assets [i]	**41,267**	**2,048**	**-**	**-**	**43,315**
Financial Liabilities					
Payables	-	-	-	3,595	3,595
Borrowings	-	-	671	308	979
Other Financial Liabilities					
- Accommodation bonds	-	-	-	16,206	16,206
- Other	-	-	-	1,412	1,412
Total Financial Liabilities [i]	**-**	**-**	**671**	**21,521**	**22,192**

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

Categories of financial assets under AASB 9 Financial Instruments

From 1 July 2018, Western District Health Service applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Financial assets at amortised cost

Financial assets are measured at amortised costs 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 Western District Health Service to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.
Western District Health Service recognises the following assets in this category:

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

Financial assets at fair value through other comprehensive income

Debt investments are measured at fair value through other comprehensive income 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 Western District Health Service to achieve its objective both by collecting the contractual cash flows and by selling the financial assets, and
- the assets' contractual terms give rise to cash flows thatare solely payments of principal and interest.

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and Western District Health Service has irrevocably elected at initial recognition to recognise in this category. This election was made in the 2018-2019 financial year and relates to the value of the share portfolio held.
These assets are initially recognised at fair value with subsequent change in fair value in other comprehensive income.
Upon disposal of these equity instruments, any related balance in fair value reserve is reclassified to retained earnings.
Western District Health Service recognises certain listed equity instruments within this category.

Financial assets and liabilities at fair value through net result

Financial assets and liabilities at fair value through net result are categorised as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition. Financial instruments at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows unless the changes in fair value relate to changes in the Western District Health Service's own credit risk. In this case, the portion of the change attributable to changes in Western District Health Service's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method.
Western District Health Service recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

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
- Western District Health 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
- Western District Health 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 Western District Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Western District Health 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

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when Western District Health Service's business model for managing its financial assets has changes such that its previous model would no longer apply.

Note 7.1: Financial Instruments (cont.)

(b): Maturity analysis of Financial Liabilities as at 30 June

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

	Note	Carrying Amount	Nominal Amount	Maturity Dates: Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years
2020	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial Liabilities							
At amortised cost							
Payables	5.2	5,311	5,311	5,311	-	-	-
Borrowings	6.1	193	193	-	-	83	110
Other Financial Liabilities (i)							
- Accommodation Bonds	5.3	16,065	16,065	-	-	4,177	11,888
- Other	5.3	2,811	2,811	917	1,581	313	-
At fair value through net result							
Borrowings	6.1	517	519	-	-	196	321
Total Financial Liabilities		**24,897**	**24,899**	**6,228**	**1,581**	**4,769**	**12,319**
2019							
Financial Liabilities							
At amortised cost							
Payables	5.2	3,595	3,595	3,595	-	-	-
Borrowings	6.1	308	308	-	-	122	186
Other Financial Liabilities (i)							
- Accommodation Bonds	5.3	16,206	16,206	-	-	4,359	11,847
- Other	5.3	1,412	1,412	461	794	157	-
At fair value through net result							
Borrowings	6.1	671	685	-	-	166	505
Total Financial Liabilities		**22,192**	**22,206**	**4,056**	**794**	**4,804**	**12,538**

(i) Maturity analysis of financial liabilities excludes the types of statutory financial liabilities (i.e. GST payable)

(c): Contractual receivables at amortised cost

01-Jul-19	Current	Less than 1 month	1-3 Months	3 Months - 1 year	1 - 5 years	Total $'000
Expected loss rate	0%	0%	1%	2%	4%	
Carrying amount of contractual receivables	1,518	529	42	95	103	**2,287**
Loss Allowance	-	-	-	2	4	**6**
30-Jun-20						
Expected loss rate	0%	1%	4%	9%	16%	
Carrying amount of contractual receivables	851	497	281	519	151	**2,299**
Loss Allowance	2	7	12	45	24	**90**

Impairment of financial assets under AASB 9 Financial Instruments

Western District Health Service records the allowance for expected credit loss for the relevant financial instruments, in accordance with AASB 9 Financial Instruments 'Expected Credit Loss' approach. Subject to AASB 9 Financial Instruments, impairment assessment includes the Western District Health Service's contractual receivables, statutory receivables and its investment in debt instruments. Equity instruments are not subject to impairment under AASB 9 Financial Instruments. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9 Financial Instruments. While cash and cash equivalents are also subject to the impairment requirements of AASB 9 Financial Instruments, any identified impairment loss would be immaterial.

Contractual receivables at amortised cost

The Western District Health Service applies AASB 9 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 Western District Health Service has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the health service's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Western District Health Service determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as disclosed above.

Reconciliation of the movement in the loss allowance for contractual receivables	2020 $'000	2019 $'000
Balance at beginning of year	6	22
Opening retained earnings adjustment on adoption of AASB 9	-	-
Opening Loss Allowance	6	22
Increase in provision recognised in the net result	156	30
Reversal of provision of receivables written off during the year as unrecoverable	(72)	(46)
Balance at end of the year	90	6

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.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

Statutory receivables and investments at amortised cost

The Western District Health 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 and investments in debt instruments 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 the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

Note 7.2: Contingent assets and contingent liabilities

As at balance date, the Board of Directors is unaware of the existence of any financial obligation that may have a material effect on the Balance Sheet as a result of any future event which may or may not happen.

Note 8: Other disclosures

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

Structure

8.1 Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities
8.2 Responsible persons disclosures
8.3 Remuneration of Executives
8.4 Related Parties
8.5 Remuneration of auditors
8.6 Events occurring after the Balance Sheet date
8.7 Jointly Controlled Operations
8.8 Investments Accounted for using the Equity Method
8.9 Economic Dependency
8.10 Changes in Accounting Policy
8.11 AASs Issued that are not yet Effective

Note 8.1: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities	Total 2020 $'000	Total 2019 $'000
Net result for the period	(4,792)	(5,342)
Non-cash movements:		
Depreciation	8,035	7,066
Provision for doubtful debts	156	30
Allowance from impairment losses of contractual receivables		
(Increase)/decrease in share of joint venture	(44)	19
Asset Received Free of Charge	(55)	(32)
Fair value movement in loan	12	(14)
Movements included in investing and financing activities		
Net (gain)/loss from disposal of non-financial physical assets	23	(138)
Net (gain)/loss on investments in equity instruments	(221)	-
Movements in assets and liabilities:		
Change in operating assets and liabilities		
(Increase)/decrease in receivables and other assets	445	(1,125)
(Increase)/decrease in prepayments	118	(147)
Increase/(decrease) in payables and other liabilities	3,526	791
Increase/(decrease) in provisions	1,674	1,747
Change in inventories	(32)	35
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	**8,845**	**2,890**

Note 8.2: Responsible persons disclosures

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

	Period
Responsible Ministers:	
The Honourable Jenny Mikakos, Minister for Health, Minister for Ambulance Services	01/07/2019 - 30/06/2020
The Honourable Martin Foley, Minister for Mental Health	01/07/2019 - 30/06/2020
The Honourable Luke Donnellan, Minister for Child Protection, Minister for Disability, Ageing and Carers	01/07/2019 - 30/06/2020
Governing Boards	
Mr I Whiting (Chair of the Board)	01/07/2019 - 30/06/2020
Mr D Barber	01/07/2019 - 30/06/2020
Mr P Besgrove	01/07/2019 - 30/06/2020
Ms C Coggins	01/07/2019 - 30/06/2020
Ms M Kruger	01/07/2019 - 30/06/2020
Ms A Hiscock	01/07/2019 - 30/06/2020
Mr N Hurria	01/07/2019 - 30/06/2020
Ms A Kenneally	01/07/2019 - 30/06/2020
Ms A Sweeney	01/07/2019 - 30/06/2020
Mr G Walcott	01/07/2019 - 30/06/2020
Accountable Officers	
Mr R. Fitzgerald (Chief Executive)	01/07/2019 - 30/06/2020

Remuneration of Responsible Persons The number of Responsible Persons are shown in their relevant income bands: **Income Band**	Total 2020 $'000	Total 2019 $'000
$10,000 - $19,999	9	9
$20,000 - $29,999	1	-
$350,000 - $359,999	-	1
$400,000 - $409,999	1	-
	11	**10**

	Total 2020 $'000	Total 2019 $'000
Total remuneration received or due and receivable by Responsible Persons from the Reporting Entity amounted to:	555	493

Amounts relating to Responsible Ministers are reported in the financial statements of the Department of Parliamentary Services.

Note 8.3: Remuneration of Executives

The number of executive officers, other than Accountable Officers, 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 8.4)	2020 $'000	2019 $'000
Short-term benefits	1,191	1,119
Post-employment benefits	112	108
Other long-term benefits	148	138
Total remuneration [i]	**1,451**	**1,365**
Total number of executives	**7**	**7**
Total annualised employee equivalent [ii]	**6.54**	**6.54**

Notes:
i The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within related parties note disclosure (Note 8.4).
ii Annualised employee equivalent is based working 38 hours per week over the reporting period.
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 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.

Termination benefits
Termination of employment payments, such as severance packages.

Other Factors
Several factors affected total remuneration payable to executives over the year. A number of remuneration packages were updated during the year, consistent with the recommended remuneration from the Government Sector Executive Remuneration Panel.

Note 8.4: Related Parties

The health 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;
- all cabinet ministers and their close family members;
- all hospitals and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements; and
- Jointly Controlled Operation - A member of the South West Alliance of Rural Health
- Investments Accounted for Using the Equity Method - Investment in Southern Grampians/Glenelg Shire Primary Care Partnership

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of Western District Health Service, directly or indirectly.
The Board of Directors and the Executive Directors of Western District Health Service are deemed to be KMPs.

Key Management Personnel of Western District Health Service		
Western District Health Service	Mr I Whiting (Chair of the Board)	Board Member
Western District Health Service	Mr D Barber	Board Member
Western District Health Service	Mr P Besgrove	Board Member
Western District Health Service	Ms C Coggins	Board Member
Western District Health Service	Ms M Kruger	Board Member
Western District Health Service	Ms A Hiscock	Board Member
Western District Health Service	Mr N Hurria	Board Member
Western District Health Service	Ms A Kenneally	Board Member
Western District Health Service	Ms A Sweeney	Board Member
Western District Health Service	Mr G Walcott	Board Member
Western District Health Service	Mr R Fitzgerald	Chief Executive
Western District Health Service	Mr N Starkie	Director of Corporate Services
Western District Health Service	Mr D Ford	Chief Medical Officer
Western District Health Service	Ms L Hedley	Director of Nursing
Western District Health Service	Ms B Roberts	Director of Nursing Coleraine & Penshurst
Western District Health Service	Mr J McInnes	Director of Primary & Preventative Health
Western District Health Service	Ms K Armstrong	Director of Aged Care
Western District Health Service	Ms S Brumby	Director National Centre for Farmer Health

The compensation detailed below is reported in $'000 and 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 is reported within the Department of Parliamentary Services' Financial Report.

Compensation KMPs	2020 $'000	2019 $'000
Short-term benefits	1,663	1,538
Post-employment benefits	155	145
Other long-term benefits	189	175
Total [i]	**2,007**	**1,858**

i KMPs are also reported in Note 8.2 Responsible Persons and Note 8.3 Remuneration of Executives

Significant Transactions with Government Related Entities
Western District Health Service received funding from the Department of Health and Human Services of $58,642,621 (2019: $51,590,081).
During the year, Western District Health Service had the following other government-related entity transactions:
- Expenses incurred by Western District Health Service in delivering services and outputs are in accordance with Health Purchasing 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 a Victorian Public Financial Corporation.

The Standing Directions of the Assistant Treasurer require the Western District Health Service to hold cash (in excess of working capital) in accordance with the State's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victorian unless an exemption has been approved by the Minister for Health and Human Services 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 he Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.
Outside of normal citizen type transactions with the Department of Health and Human Services, all other related party transactions that involved KMPs and their close family members have been entered into on an arm's length basis. Transactions are disclosed when they are considered material to the users of the financial report in making and evaluation decisions about the allocation of scarce resources.
There were no related party transactions with Cabinet Ministers required to be disclosed in 2020.
There were no related party transactions required to be disclosed for Western District Health Service Board of Directors and Executive Directors in 2020.

Note 8.5: Remuneration of auditors

	2020 $'000	2019 $'000
Victorian Auditor-General's Office		
Audit of financial statement	37	36
	37	**36**

Note 8.6: Events Occurring after the Balance Sheet Date

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by Western District Health Service at the reporting date. As responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on Western District Health Service, its operations, its future results and financial position. The state of emergency in Victoria was extended on 13 September 2020 until 11 October 2020 and the state of disaster is still in place.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Western District Health Service, the results of the operations or the state of affairs of the Western District Health Service in the future financial years.

Note 8.7: Jointly controlled operations

Name of Entity	Principal Activity	Ownership Interest 2020 %	Ownership Interest 2019 %
South West Alliance of Rural Health	Information Systems	8.53	8.89

Western District Health Service's interest in the above jointly controlled operations are detailed below. The amounts are included in the consolidated financial statements under their respective categories:

South West Alliance of Rural Health	2020 $'000	2019 $'000
Current Assets		
Cash at Bank	743	127
Receivables	550	556
Inventories	4	6
Other Current Assets	46	42
Total Current Assets	**1,343**	**731**
Non Current Assets		
DHHS LSL Non Current	49	-
Leased Assets	490	528
Intangibles	2	-
Total Non Current Assets	**541**	**528**
Total Assets	**1,884**	**1,259**
Current Liabilities		
Payables	806	384
Leased Liabilities	83	122
Employee Benefits	146	152
Deferred Income	406	58
Total Current Liabilities	**1,441**	**716**
Non Current Liabilities		
Employee Benefits	28	22
Leased Liabilities	110	186
Total Non Current Liabilities	**138**	**208**
Total Liabilities	**1,579**	**924**
Net Assets	**305**	**335**

Western District Health Service's interest in revenues and expenses resulting from jointly controlled operations are detailed below:

South West Alliance of Rural Health	2020 $'000	2019 $'000
Revenues		
Revenue from Operating Activities	1,504	2,059
Revenue from Non Operating Activities	156	5
Capital Purpose Income	82	150
Other Economic Flows	(14)	6
Total Revenue	**1,728**	**2,220**
Expenses		
Employee Benefits	748	741
Maintenance Contract & IT Support	543	433
Operating Lease Costs	-	-
Other Expenses from Ordinary Activities	259	570
Finance Costs	9	49
Depreciation	155	252
Total Expenses	**1,714**	**2,045**
Net Result	**14**	**175**

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: Investments accounted for using the equity method

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest 2020 %	Ownership Interest 2019 %	Published Fair Value 2020 $'000	Published Fair Value 2019 $'000
Jointly Controlled Entities						
Southern Grampians/Glenelg Shire Primary Care Partnership (a)(b)	Primary Health	Australia	45	45	124	122

(a) As at 30 June 2020, the fair value of Western District Health Service's interest in Southern Grampians/Glenelg Shire Primary Care Partnership was $124,537 based on the fair value measurement approach of AASB 13 Fair Value Measurement.

(b) The financial year end date of Southern Grampians/Glenelg Shire Primary Care Partnership is 30 June. This was the reporting date established when that Partnership was established. For the purpose of applying the equity method of accounting, the unaudited financial statements of Southern Grampians/Glenelg Shire PCP have been used.

Summarised financial information in respect of the agency's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with AASs, adjusted by the agency for equity accounting purposes

Summarised financial information for the joint venture	2020 $'000	2019 $'000
Summarised Financial Information of Joint Venture:		
Current Assets	492	473
Total Assets	**492**	**473**
Current Liabilities	209	197
Non-Current Liabilities	7	4
Total Liabilities	**216**	**201**
Net Assets	**276**	**272**
Share of Joint Venture's Net Assets	**124**	**122**
Summarised operating statement		
Total income from transactions	480	520
Total expenditure from transactions	476	510
Net result from continuing operation	**4**	**10**
Total comprehensive income	**4**	**10**
Share of Jointly Controlled Entities' Net Result After Income Tax	**2**	**4**
Movements in carrying amount of interests in the Joint Venture		
Carrying amount at the beginning of the year	122	118
Share of associate's net result after tax	2	4
Carrying amount at the end of the year	**124**	**122**

Dividends Received from Associates and Joint Ventures

During the 2020 financial year, Western District Health Service received dividends of $0 (2019/2020: $0) from its associates.

Contingent Liabilities and Capital Commitments

There are no contingent liabilities and capital commitments arising from associates.

The investment in the associate is accounted for using the equity method of accounting. Under the equity method of accounting, the investment in the associate is recognised at cost on initial recognition, and the carrying amount is increased or decreased in subsequent years to recognise Western District Health Service's share of the profits or losses of the associates after the date of acquisition. Western District Health Service's share of the associate's profit or loss is recognised in Western District Health Service's net result as 'other economic flows'. The share of post-acquisition changes in revaluation surpluses and any other reserves, are recognised in both the comprehensive operating statement and the statement of changes in equity. The cumulative post acquisition movements are adjusted against the carrying amount of the investment, including dividends received or receivable from the associate.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Joint ventures are joint arrangements whereby Western District Health Service, via its joint control of the arrangement, has rights to the net assets of the arrangements.

Interests in joint ventures are accounted for in the financial statements using the equity method, as applied to investments in associates and are disclosed as required by AASB 12.

Note 8.9: Economic Dependency

Western District Health Service is dependent on the Department of Health and Human Services for the majority of its revenue used to operate the entity. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support Western District Health Service.

Note 8.10: Changes in accounting policy

Changes in accounting policy

Leases

This note explains the impact of the adoption of AASB 16 Leases on Western District Health Service's financial statements.

Western District Health Service has applied AASB 16 with a date of initial application of 1 July 2019. Western District Health Service has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

Previously, Western District Health Service determined at contract inception whether an arrangement is or contains a lease under AASB 117 and Interpretation 4 – 'Determining whether an arrangement contains a Lease'. Under AASB 16, Western District Health Service assesses whether a contract is or contains a lease based on the definition of a lease as explained in note 6.1.

On transition to AASB 16, Western District Health Service has elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied AASB 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under AASB 117 and Interpretation 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under AASB 16 was applied to contracts entered into or changed on or after 1 July 2019.

Leases classified as operating leases under AASB 117

As a lessee, Western District Health Service previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to Western District Health Service. Under AASB 16, Western District Health Service recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low value leases.

On adoption of AASB 16, Western District Health Service recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using Western District Health Service's incremental borrowing rate as of 1 July 2019. On transition, right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019.

Western District Health Service has elected to apply the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Adjusted the right-of-use assets by the amount of AASB 137 onerous contracts provision immediately before the date of initial application, as an alternative to an impairment review;
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term;
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For leases that were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and lease liability at 1 July 2019 are determined as the carrying amount of the lease asset and lease liability under AASB 117 immediately before that date.

Leases as a Lessor

Western District Health Service is not required to make any adjustments on transition to AASB 16 for leases in which it acts as a lessor. Western District Health Service accounted for its leases in accordance with AASB 16 from the date of initial application.

When measuring lease liabilities, Western District Health Service discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied is 5.44% and is from the leases held with the jointly controlled entity.

Note 8.10: Changes in accounting policy (cont.)

	$'000
Total Operating lease commitments disclosed at 30 June 2019	-
Lease liabilities recognised at 1 July 2019	-

Revenue from Contracts with Customers

In accordance with FRD 121 requirements, the Western District Health Service has applied the transitional provision of AASB 15, under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, Western District Health Service applied this standard retrospectively only to contracts that are not 'completed contracts' at the date of initial application.
Western District Health Service has not applied the fair value measurement requirements for right-of-use assets arising from leases with significantly below-market terms and conditions principally to enable the entity to further its objectives as allowed under temporary option under AASB 16 and as mandated by FRD 122.
Comparative information has not been restated.
Note 2.1 – Grants includes details about the transitional application of AASB 15 and how the standard has been applied to revenue transactions.

Income of Not-for-Profit Entities

In accordance with FRD 122 requirements, Western District Health Service has applied the transitional provision of AASB 1058, under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, Western District Health Service applied this standard retrospectively only to contracts and transactions that are not completed contracts at the date of initial application.
Comparative information has not been restated.
Note 2.1 – Grants includes details about the transitional application of AASB 1058 and how the standard has been applied to revenue transactions.

Transition impact on financial statements.

This note explains the impact of the adoption of the following new accounting standards for the first time, from 1 July 2019:

- AASB 15 Revenue from Contracts with Customers;
- AASB 1058 Income of Not-for-Profit Entities; and
- AASB 16 Leases.

Impact on Balance Sheet due to the adoption of AASB 15, AASB 1058 and AASB 16 is illustrated with the following reconciliation between the restated carrying amounts at 30 June 2019 and the balances reported under the new accounting standards (AASB 15 and AASB 16) at 1 July 2019:

Balance Sheet	Note	Before new accounting standards Opening 1 July 2019 $'000	Impact of new accounting standards - AASB 16, 15 & 1058 $'000	After new accounting standards Opening 1 July 2019 $'000
Property, plant and equipment	4.2	149,168	-	149,168
Total non-financial assets		**149,168**	**-**	**149,168**
Total Assets		**149,168**	**-**	**149,168**
Payables and Contract Liabilities	5.2	4,277	518	4,795
Borrowings	6.1	979	-	979
Total Liabilities		**5,256**	**518**	**5,774**
Accumulated surplus/(deficit)		1,961	(518)	1,443
Physical revaluation surplus		97,514	-	97,514
Other items in equity		60,539	-	60,539
Total equity		**160,014**	**(518)**	**159,496**

Note 8.11: AASs Issued that are not yet Effective

Certain new Australian accounting standards have been published that are not mandatory for the 30 June 2020 reporting period. Department of Treasury and Finance assesses the impact of all these new standards and advises Western District Health Services of their applicability and early adoption where applicable.
As at 30 June 2020, the following standards and interpretations had been issued by the AASB but were not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as detailed in the table below.
Western District Health Services has not and does not intend to adopt these standards early.

Topic	Key requirements	Effective date	Impact on financial statements
AASB 17 Insurance Contracts	The new Australian standard seeks to eliminate inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reissuance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities. This standard currently does not apply to the not-for-profit public sector entities.	1 January 2021	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.	1 January 2022. However, ED 301 has been issued with the intention to defer application to 1 January 2023.	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 January 2022. However, ED 301 has been issued with the intention to defer application to 1 January 2023.	The assessment has indicated that there will be no significant impact for the public sector.

Glossary of Terms

AHSSQA
Australian Health Service Safety and Quality Accreditation

ACFI
Aged Care Funding Instrument

ACHSE
Australian College of Health Service Executives

AFPHM
Australasian Faculty of Public Health Medicine

Best Practice
The way leading edge organisations deliver world class performance

BOD
Board of Directors

BRICC
Ballarat Regional Integrated Cancer Centre

C4YB
Community 4 Youth Board

CDHS
Coleraine District Health Service

CE
Chief Executive

CSSD
Central Sterile Supply Department

DHHS
Department of Health and Human Services

DON
Director of Nursing

DRG
Diagnostic Related Grouper; a means by which hospitals define and measure case mix

DVA
Department of Veterans Affairs

EBA
Enterprise Bargaining Agreement

ECG
Electrocardiograph

ED
Emergency Department

EN
Enrolled Nurse

ENT
Ear, Nose and Throat

FHCC
Frances Hewett Community Centre

FMIS
Financial Management Information System

FOI
Freedom of Information

FRD
Financial Reporting Directions

FReeZA
Alcohol and drug free activities for youth

GCAHM
Graduate Certificate of Agricultural Health and Medicine

GEM
Geriatric Evaluation Management

GP
General Practitioner

GS
Glenelg Shire

HACC
Home and Community Care

HBH
Hamilton Base Hospital

HCP
Home Care Package

HMG
Hamilton Medical Group

HMMC
Hamilton Midwifery Model of Care

HMO
Hospital Medical Officer

HR
Human Resources

ICT
Information, Communication and Technology

ICU
Intensive Care Unit

ILU
Independent Living Unit

IMG
International Medical Graduates

IT
Information Technology

KPI
Key Performance Indicator

LGBTI
Lesbian, Gay, Bisexual, Transgender and / or Intersex

NCFH
National Centre for Farmer Health

NHMRC
National Health and Medical Research Council

NSQHS Standards
National Safety and Quality Health Service Standards

OH&S
Occupational Health and Safety

OT
Occupational Therapy

PDHS
Penshurst & District Health Service

PPH
Primary & Preventative Health

QI
Quality Improvement

RN
Registered Nurse

Separation
Process by which a patient is discharged from care

SFF
Sustainable Farm Families

SGGPCP
Southern Grampians and Glenelg Primary Care Partnership

SGSC
Southern Grampians Shire Council

SWARH
South West Alliance of Rural Health

VET
Vocational Education and Training

VHA
Victorian Healthcare Association Ltd

VICNISS
Victorian Hospital Acquired Infection Surveillance System

VMIA
Victorian Managed Insurance Authority

VMO
Visiting Medical Officer

VPSM
Victorian Patient Satisfaction Monitor

VST
Victorian Stroke Telemedicine

WDHS
Western District Health Service

WIES
Weighted Inlier Equivalent Separations; allocated resource weight for a patient's episode of care. A formula is applied to the resource weight to determine the WIES for recovery of funding.











wdhs Western District Health Service

Hamilton Base Hospital
20 Foster Street
Hamilton 3300
T + 61 3 5551 8222

Coleraine District Health Service
71 McLeod Street
Coleraine 3315
T + 61 3 5553 2000

Penshurst & District Health Service
Cobb Street
Penshurst 3289
T + 61 3 5552 3000

Merino Community Health Centre
19 – 21 High Street
Merino 3310
T + 61 3 5579 1303

Frances Hewett Community Centre
2 Roberts Street
Hamilton 3300
T + 61 3 5551 8450

The Birches Residential Care
Tyers Street
Hamilton 3300
T + 61 3 5551 8329

Grange Residential Care Service
17 – 19 Gray Street
Hamilton 3300
T + 61 3 5551 8257

National Centre for Farmer Health
20 Foster Street
Hamilton 3300
T + 61 3 5551 8533

All correspondence to:

Chief Executive
Western District
Health Service
PO Box 283
Hamilton Vic 3300
T + 61 3 5551 8222
F + 61 3 5571 9584
E ceo@wdhs.net

www.wdhs.net