

2023



# ANNUAL REPORT

*Creating Australia's healthiest rural community*



• New Medical Oncologist, Dr George Iatropoulos, Cancer & Dialysis  
Centre, Nurse Unit Manager, Carmen Jacobs and Registered Nurse, Tanya  
Millard



Western District Health Service  
acknowledges the Gunditjmara as  
the Traditional Owners of this land  
and we pay our respects to  
Elders past, present  
and emerging.

This report is also available on the WDHS website at:  
[www.wdhs.net/publications](http://www.wdhs.net/publications)

# 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).

This annual report outlines the operational and financial performance of WDHS from 1 July 2022 to 30 June 2023.

## The responsible Ministers for the period were:

Minister for Health

The Hon Mary-Anne Thomas

From 1 July 2022 to 30 June 2023

## Other Ministers

Minister for Disability, Ageing and Carers

The Hon. Colin Brooks

From 1 July 2022 to 5 December 2022

The Hon. Lizzie Blandthorn

From 5 December 2022 to 30 June 2023

Minister for Mental Health

The Hon. Gabrielle Williams

From 1 July 2022 to 30 June 2023

Minister for Ambulance Services

The Hon Mary-Ann Thomas

From 1 July 2022 to 5 December 2022

The Hon. Gabrielle Williams

From 5 December 2022 to 30 June 2023

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wdhs



MRI

# BOARD CHAIR CE MESSAGE

Chairperson, Anna Sweeney with Chief Executive, Rohan Fitzgerald outside the new MRI pod

# MESSAGE FROM THE CHAIRPERSON AND CHIEF EXECUTIVE

This year's annual report serves as both a retrospective and a forward glance. As we cast our eyes back on the past year, we also focus our vision on an even brighter future.

The pandemic, with all its challenges, has offered valuable insights and a fresh perspective on life for many. We are proud of our adaptive response to each COVID-19 outbreak, demonstrating resilience and effectiveness time and again.

In service to the region, we have expanded our home care services to include the Commonwealth Home Support Program. With increasing demand on our services, we also welcomed a new orthopaedic surgeon and medical oncologist to our team.

Recognizing the anxieties of hospital visits, we introduced a virtual tour of our hospital and Birches aged care facility, allowing for an immersive experience from the comfort of our customers home.

We continued our commitment to enhancing the lives of older people. The \$6.9 million investment at the Penshurst Campus took shape and we kicked off the Grange Dining Room refurbishment. Following several delays due to COVID-19, November saw the unveiling of the Birches refurbishment and revitalisation of the garden areas at the facility.

This year we developed plans to revamp our sterilising department and advocated for the upgrade of the Hamilton Base Hospital Emergency Department and Intensive Care Unit. In a significant advancement, we have received a nod from the Department of Health to move to the detailed design phase of this project.

An external evaluation of the National Centre for Farmer Health confirmed its value to farmers both in Victoria and across Australia. The 'MRI for U&I Appeal hit its fundraising targets, and by March 2023, the new MRI was up and running.

The community spirit and support has been remarkable. Post-pandemic, the Medicine Ball served as a joyous return to normal for many. With a spotlight on men's health and generous backing from Roland Cameron, we raised funds for a transperineal biopsy machine and purchased a new laser for our urologists to effectively treat kidney stones.

November marked a successful accreditation outcome for our acute hospital facilities, and we met the Aged Care Standards following audits at Coleraine, the Grange and Penshurst.

We provided interim executive support to Casterton Memorial Hospital. A permanent Dual Chief Executive role for CMH and Western District Health Service (WDHS) will be introduced later in the year, with our current WDHS Chief Executive set to step down by the end of 2023.

WDHS is at the forefront of technology across the region, integrating the Microsoft365 platform and launching a new application to enhance internal communication between our clinical and non-clinical teams.

WDHS thrives because of its staff, community, and the customers we serve, and it is the support of many individuals, which enables us to offer unparalleled healthcare. We express profound gratitude to our team for their dedication throughout the year, ensuring the delivery of excellent customer care.

A big thank you to our community for their unwavering support, both in spirit and funding. Your belief in us ensures we can continue serving you effectively.

To all who have supported us this year – individuals, organisations, auxiliaries, clubs, associations, and trusts – we extend our deepest appreciation.

Our strategic focus remains sharp, guiding us towards our goal of 'Creating Australia's Healthiest Rural Community'. It is this direction that fuels our drive to implement transformative projects.

We are excited for what lies ahead, especially advancing the ED & ICU and striving to secure funding for this pivotal project.

We remain committed to our pursuit of excellence and service to the community.



**Anna Sweeney**

Chairperson



**Rohan Fitzgerald**

Chief Executive





# REPORT OF OPERATIONS

• Anna Higgins with her new baby and son in the Midwifery Unit at Hamilton Base Hospital

# WDHS AT A GLANCE



**10,035**

Emergency  
Department  
Presentations



**7,775**

Inpatient  
Admissions



**2,978**

Operations



**179**

Babies Born



**48,987**

Outpatient  
Appointments



**914**

Staff  
(Headcount)



**309**

Home Care  
Package Clients



**262**

Residents  
Cared For



**500**

Community  
Support  
Service Clients





## YEAR IN REVIEW - HIGHLIGHTS

• The 350 strong crowd enjoying the 2022 Medicine Ball Spectacular, raising funds for the MRI Appeal



## JULY 2022

### Annual Appeal Raises \$52,000

Students, community members and staff joined forces to help raise over \$52,000 for the MRI project. Over 125 volunteers helped 'letter drop' flyers in local postcodes, including 84 enthusiastic students from The Hamilton and Alexandra College.

### 96.8% Cleaning Audit Result

A key part of the WDHS quality assurance program is continually monitoring our performance against the cleaning standards. HBH achieved an overall cleaning result of 96.8% (11.8% more than the compliance target) at its annual audit.

### New Orthopaedic Surgeon Commences

A third orthopaedic Surgeon, Mr Nick Russell commenced consulting and operating at WDHS.

## AUGUST 2022

### Respiratory Clinic Relocation

A reduction in local COVID cases, lead to the first of many changes to our pandemic response, with the relocation of the Respiratory Clinic to the ED pod.

### Micro-credential Training

Hundreds of staff attended micro-credential training programs. The Communicate and Manage modules provide participants a deeper knowledge of teamwork, emotional intelligence, resilience and managing self.

## SEPTEMBER 2022

### NCFH Symposium

The National Centre for Farmer Health (NCFH) hosted a two-day symposium at Deakin University Waurin Ponds. This year's theme, 'Farming a Brighter Future' provided an excellent opportunity to acknowledge the achievements of the NCFH, reflect on and question current thinking and prompt discussion about the challenges to be addressed.

## OCTOBER 2022

### Medicine Ball

Hamilton's night of nights - the Medicine Ball Spectacular - was attended by over 350 guests and supported by 80 volunteers. The event raised \$150,000 for the MRI project. The MRI raffle winners were also announced on the night, raising a further \$120,000 for the MRI Appeal.

### Aged Care Transition Project

WDHS assumed responsibility for the provision of the Commonwealth Home Support Program (CHSP) and Home and Community Care – Program for Younger People (HACC – PYP) from previous provider, Southern Grampians Shire Council. A project team worked to put the necessary staffing, systems and resources in place to ensure a seamless transition for staff and clients.

### COVID Drive Thru Closure

Two and a half years and 21,407 PCR tests after our COVID-19 drive-thru opened to protect our community, the facility closed in October 2022. WDHS was one of the first regional hospitals to launch a COVID-19 Drive Thru clinic in March 2020.

## NOVEMBER 2022

### Opening of The Birches Redevelopment and Gardens

We welcomed guests to the official opening of the Birches redevelopment on Thursday 17th November. The infrastructure project was completed in November 2019, however the opening was delayed due to the pandemic. The event was also an opportunity to open the newly completed architect designed gardens at the facility.

### Acute Accreditation

WDHS participated in a site assessment against the National Safety and Quality Health Service Standards (NSQHS). Three representatives from the ACHS visited WDHS campuses, conducting a thorough review of compliance against the eight National Safety and Quality Health Service Standards (2nd Edition). This review included discussions with the leadership team, staff and consumers. WDHS successfully achieved reaccreditation status until 2026.

### Coleraine Accreditation

Aged care assessors made an unannounced visit to Coleraine to ensure the facility was meeting the requirements of the Aged Care Quality Standards.

### Live4Life Southern Grampians End of Year Celebration

Over 200 Year 8 students and 17 Year 9 crew members converged on HILAC for the Live4Life end of year celebration. Live4Life Southern Grampians empowers rural communities to improve youth mental health and reduce youth suicide. WDHS is the lead agency for this important program.

### Radiology & Pathology Refresh

It's been around 60 years since the Radiology Department got a makeover and construction teams moved in to prepare for the arrival of the MRI. Pathology also received a modest facelift, with new vinyl and paint to freshen up the space and create a more welcoming environment for customers.

## DECEMBER 2022

### Oedema Management Program Pilot

An Oedema Management Program Pilot was introduced at the Coleraine Campus by the Physiotherapy team. The pilot included the establishment of the Coleraine Healthy Limbs Club, where community members can drop in for a social chat while having their legs or arms monitored/managed for signs of oedema, or poor skin health.

### New Ophthalmologist

Ophthalmologist Mr Robert Harvey commenced consulting and operating at WDHS.

## JANUARY 2023

### New Oncology Service Provider

WDHS continues to expand the services provided for people living with cancer. In January 2023 Dr George Iatropoulos commenced in the role of WDHS Medical Oncologist as we transitioned services from the Ballarat Regional Integrated Cancer Centre.

### Southern Grampians Shire - Young Citizens of the Year Award

The Southern Grampians Live4Life 'crew' were recognised for their significant efforts to improve mental health outcomes for young people in our region, taking out the Southern Grampians Shire Council 'Young Citizens of the Year' award on Australia Day.

### MRI Arrives on Site

After two years of fundraising and 12 months of construction works, the MRI pod and machine were carefully craned into position, ready for the final fit-out and installation.

### Theatre Pre-admission Clinic Move

The Theatre Pre-admission Clinic moved in January to improve workflows and free up space in the Theatre Department. The move allows for the upgrade of the Central Sterile Supply Department (CSSD) to contemporary design standards, and the inclusion of a Day Procedure Centre in this area.



## FEBRUARY 2023

### WDHS Op-Shop Golf Day

Over \$17,000 was raised for the MRI project on a hot and windy Op Shop Golf Day. The event was postponed in November 2022 due to unseasonal rain.

### New Medical Clinic for Coleraine Community

WDHS secured the services of a GP practice in Coleraine following the closure of the town's only medical practice.

### 2023 Graduate Nurse Program

The Graduate Nurse Program at WDHS welcomed seven enrolled and ten registered nurses (RN) to the team.

## MARCH 2023

### E-Vehicle Fleet

We took a significant step towards reducing our carbon footprint and contributing to a cleaner environment, with the introduction to our fleet of four E-Vehicles (EVs) and the installation of six electric charging stations at WDHS campuses.

### Cancer at Home

We established the Cancer at Home program to provide patients with the choice to have procedures and treatments in their own home. Through the program, trained cancer nurses travel to homes across the region to provide expert care. The program will soon be expanded to include simple chemotherapy infusions.

### Hamilton Fun Run

Held on March 26, the Fun Run was more than just a race. It was a celebration of community and the final fundraiser for the MRI for U&I Appeal. The event brought together 200 participants of all ages and abilities who gave their all for a great cause, raising \$6,500 for the MRI.

### International Nurse Recruitment

To address nursing workforce issues, WDHS recruited 11 international registered nurses to join our team in 2023, hailing from New Zealand, Ireland and the United Kingdom.

### E-Bike Trial

To encourage more sustainable transport options, reduce our carbon footprint, and promote healthier lifestyles for employees, WDHS partnered with E-bike provider Ride-Kola to run a staff e-bike trial across our campuses. Over 20 staff made the most of the opportunity to trial the e-bikes for use at work, after-hours, or commuting to and from work.

### MRI First Patient

WDHS achieved a major milestone when after weeks of testing, the first patients received their MRI scans at Hamilton Base Hospital.

### Agricultural Health & Medicine HMF701 Course

The NCFH held its first face-to-face Agricultural Health and Medicine (HMF701) course in two years, with nine students from a number of different professional backgrounds attending the week-long intensive, with many travelling from interstate to take part.

## APRIL 2023

### Community Connector

As part of the Attract, Connect, Stay project, a 'Community Connector' was engaged to help new healthcare professionals and their families who are moving to the region create meaningful connections, settle into our community, and set down roots in our area.

### Joy in Work Project

WDHS joined the Safer Care Victoria Wellbeing for Healthcare Workers initiative, which aims to increase joy in work, decrease burnout and improve overall wellbeing of healthcare workers across the State. The 14 month 'Joy in Work' project is being piloted in the Medical and Surgical wards.

### Dual Chief Executive

Casterton Memorial Hospital (CMH) entered into an interim partnership with WDHS to appoint a Dual Chief Executive.

### Community Dementia Forum

WDHS held a community dementia education forum focusing on an introduction to dementia and understanding the impacts of changed behaviour. Dementia Australia facilitated the interactive session.



◆ Tanya Barmby and Debra Dumesny from BMD Constructions and GPG Naturgy Group, organised a prostate cancer awareness day for windfarm staff, raising \$30,000 for a biopsy machine for Hamilton Base Hospital



## Aged Care Marketing Project

An experienced aged care marketing consultancy was engaged to re-brand and market our growing range of aged care services and facilities.

## MAY 2023

### Women's Health Menopause Event

Over 140 attendees joined our Women's Health and Allied Health teams for an evening dedicated to empowering women and shedding light on the often-misunderstood topic of menopause.

### Fun Scrubs Fridays

Fun scrubs Fridays were introduced on the wards to boost wellbeing for both staff and patients.

### Stage 1 of PDHS Redevelopment Completed

In June residents at Penshurst Nursing Home and their family members toured their contemporary new home, as stage 1 of the \$6.8 million upgrade was completed.

### Aged Care Accreditation

The Grange and Penshurst Campus received an unannounced visit from Aged Care Quality Commission auditors to conduct a site assessment for compliance against the Aged Care Quality Standards. Both facilities were successfully reaccredited for a three-year period. Staff, resident and relative participation is a significant component of the Aged Care assessment process and the auditors were extremely complimentary of the high level of participation achieved.

## JUNE 2023

### ED & ICU Project Detailed Design Phase Approval

After a decade of advocacy, WDHS received the green light from the Department of Health to progress to the detailed design phase of the ED / ICU project.

### Windfarm Cancer Awareness Event

Companies involved in the Hawkesdale Macarthur Windfarm project joined forces with local cancer survivor, Roland Cameron to host a prostate cancer awareness and fundraising event on site, featuring Men's Health Nurse Practitioner Stu Willder and Male Bag Foundation advocate, David Parkin.

### Urology Service Enhancement

The WDHS urology service took a leap forward with the purchase of a \$55,000 laser for our Operating Theatres. Used for kidney stone removal, the laser not only makes the procedure safer but also faster. Customers can also expect a higher success rate and fewer complications.

### Staff Electric Vehicle Trial

WDHS again showed its commitment to a sustainable and eco-friendly future, by offering staff the chance to trial electric fleet vehicles in their spare time. The trial aimed to promote the use of EVs in our region to support a cleaner environment.

# NATIONAL CENTRE FOR FARMER HEALTH

The NCFH continues to expand its work to support the health, wellbeing and safety of farmers, farm workers and farming families.

Farm safety continues to be a big focus. Child safety on farms is an ongoing area of work for the NCFH, including research projects, learning activities for young children, and the development of the Shifting Gears program – engaging video material and teacher resources to support secondary-level agriculture education. The program delivers unique, unscripted farm safety videos and digital animations relatable to a young audience – shifting the learning outcomes beyond safety compliance and regulations. The materials are now being piloted in secondary schools across Australia.

The NCFH team has been excited to return to face-to-face engagement this year, including:

- The 'Farming a Brighter Future' Symposium with 103 attendees coming together to connect, network and explore opportunities to support farmer health, wellbeing and safety;
- 212 Health and Lifestyle Assessments at field days and events across Victoria;
- 14 Rural Health and Stress Training Workshops to 192 participants.

With an ongoing focus on mental health, the team wrapped up the Primary Producer Knowledge Network, bringing together over 120 partners to produce 'Campfire'—including 20 podcasts, 24 interactive Q&A sessions, 27 blogs and 22 roadshow events across Victoria. #BuildingFarmSpirit—a campaign designed to support mental health following floods and extreme climatic conditions across many farming communities—captured 44 inspiring video stories, delivered mental health training to 115 trusted farm advisors, supported 34 community events (with over 3000 people attending) and disseminated countless resources including the ever popular Managing Stress on the Farm booklet.

The NCFH team are excited to be commencing a range of new research projects across a wide range of topics, including farmers with disability; regenerative agriculture and farmer wellbeing; oral health in farming populations; and, farmer perceptions of electrical safety. Industry-funding has also been received to trial a highly innovative peer-led model of evidence-based mental health support in farming communities across Victoria.

♦ NCFH Program & Data Coordinator, Tracey Hatherell, Deakin Psychology student Bella Macdonald and Nurse Unit Manager, West Wimmera Health Service, Trish Heinrich at the Mildura Field Days.







## WDHS MRI VISION BECOMES A REALITY

After two years of dedicated fundraising and months of construction, the long-awaited MRI machine at Hamilton Base Hospital received the tick of approval to go live on Thursday March 2.

By June 30, over 300 people had already benefitted from the service, reducing the need for travel to Warrnambool, Ballarat and Geelong.

This state-of-the-art machine marks a major leap forward in our imaging capabilities at WDHS, with the Bendigo Radiology team managing this essential imaging service to support patients, specialists and general practitioners across the region.

The new scanner boasts a wider tunnel, providing a more comfortable experience for those who may feel uneasy in enclosed spaces. Additionally, the MRI is equipped with a sophisticated sound system so that patients can enjoy their favorite music during the procedure.

These enhanced comforts, alongside the unit's faster scanning and noise reduction technology, result in a vastly improved patient experience, while also delivering advanced high-resolution imaging.

The MRI is the culmination of many years of planning, and would not have been possible without the support of the Southern Grampians community and the State Government.

Over 1,000 donations were received from generous community members and businesses. We should also recognise the efforts of our staff who worked behind the scenes, local tradespeople, and the exceptional team at Bendigo Radiology.

We can't thank everyone enough for helping us reach this important milestone.



## Strategy 2021 - 2025

This strategy acknowledges the Gunditjmara as traditional custodians of the lands on which we operate, and pays respects to elders, past, present and emerging

### Purpose

#### The reason we exist

Creating Australia's healthiest rural community

### Mission

#### What we do

We enable physical, social and community wellbeing through:

- Building awareness of health and preventing ill-health
- Providing highest quality, safe and contemporary service
- Leading and supporting our communities

◊ Local students at the Live4Life launch.

# ABOUT WDHS



# Values

(IICARE)

Beliefs that predict our success. We underpin every decision, service encounter and plan with these six values



## Integrity

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



## Innovation

We will boldly break new ground and improve the way things are done



## Collaboration

We will both lead and work together with others in teams and partnership



## Accountability

We will take responsibility for our decisions and actions



## Respect

We will value all people's opinions and contributions



## Empathy

We will endeavour to understand other people's feelings and perspectives

## Priority 1:

### Transforming rural health

Our communities are enabled to be the healthiest they can be, reducing the need for high-intensity, high-cost interventions

#### Outcomes

Our role in contributing to building the fabric of our communities is supported and recognised

Serious illnesses are avoided wherever possible through investments in prevention and early intervention

We are recognised as lead agents in system-wide health and wellbeing improvements

#### What we want to see

Community health status improved

## Priority 2:

### Services improving the experience of care

Our patients get the personalised, integrated and seamless services they require, as soon as they need them, in ways that work best for them

#### Outcomes

Personalised care recognises specific needs and preferences

Accessible and seamless care within and outside WDHS

Highest quality care evidenced by clinical outcomes and patient satisfaction

#### What we want to see

Satisfaction and reputation  
Accessible services  
Service outcomes and highest quality

## Priority 3:

### Exemplary, motivated teams

A fit-for-purpose workforce where employees love coming to work

#### Outcomes

Highly capable employees enjoy a positive and safe employee experience

Our workforce optimised for future models of care and scale of demand

#### What we want to see

Healthy Workforce

## Priority 4:

### Investing in our communities' future

Attract investment in facilities and services to ensure the health service continues to be a central part of our communities' lives

#### Outcomes

First class care and support enabled by locally available infrastructure and services

Future proof operations and build confidence by enabling new and existing commercial and public funding streams

Our service delivery is technologically enabled

#### What we want to see

Financial, operational and environmental sustainability



## \$6.8 MILLION PENSHURST REDEVELOPMENT

Stage 1 of the \$6.8 million Penshurst redevelopment is nearing completion, with residents at Penshurst Nursing Home set to move into their contemporary new home in September 2023.

Stage 1 includes the bright, spacious new accommodation wing, new reception area and link-way between Kolor Lodge and the Nursing Home.

Work will commence on Stage 2 of the project in late October.

Stage 2 includes the completion of new consulting suites, a contemporary café for residents to enjoy with friends and family members and the all-important hairdressing salon to ensure our residents are looking and feeling their best.

The beautiful outlook at the Penshurst facility has always been a feature, and landscaping works to enhance the new buildings are also nearing completion.



# OUR STORY

## 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

## Amalgamation

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

## Aged Care

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

## Coleraine

Coleraine District Health Service joins WDHS

## NCFH

National Centre for Farmer Health established in partnership with Deakin University

## Grange

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

## CDHS & HBH REHAB

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

## Cancer care

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

## Birches

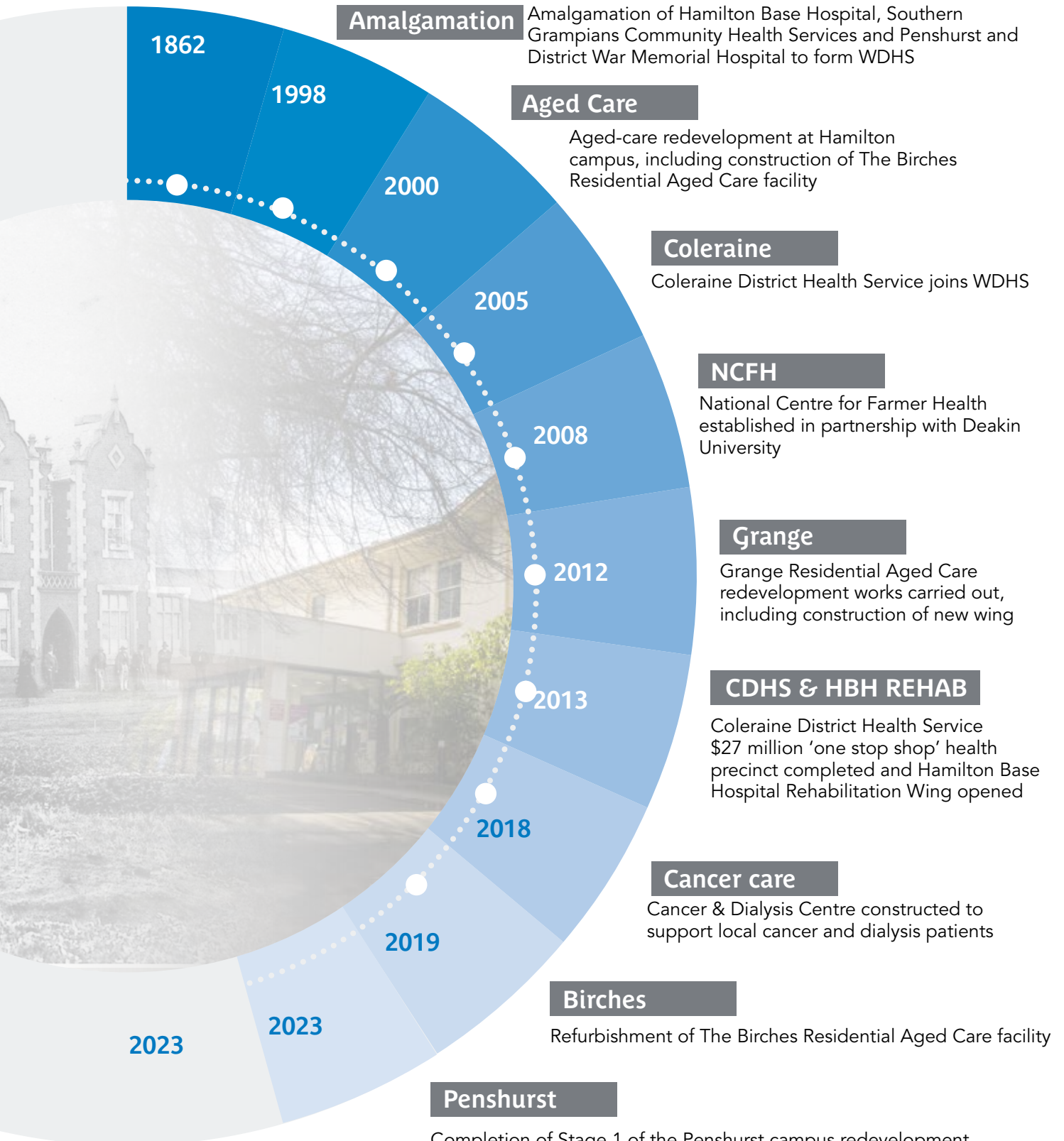
Refurbishment of The Birches Residential Aged Care facility

## Penshurst

Completion of Stage 1 of the Penshurst campus redevelopment

## Hamilton MRI

Magnetic Resonance Imaging (MRI) machine and pod located at Hamilton Base Hospital



# NATURE AND RANGE OF SERVICES

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 provided across our campuses is shown below:

## 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, Bransholme, Byaduk, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst and Tarrington. WDHS also serves the communities of Merino and Digby in the Glenelg Shire.

## Hamilton

- Hamilton Base Hospital is a 75-bed acute hospital, with Emergency Department, day stay Cancer and Dialysis Centre and education facility.
- The Birches Residential Aged Care, a 46-bed facility providing residential aged and palliative care, as well as support for people with dementia and special needs.
- The Grange Residential Care Service, providing 50 residential aged care beds.
- Home Care Packages (309 across 5 LGAs).
- 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.

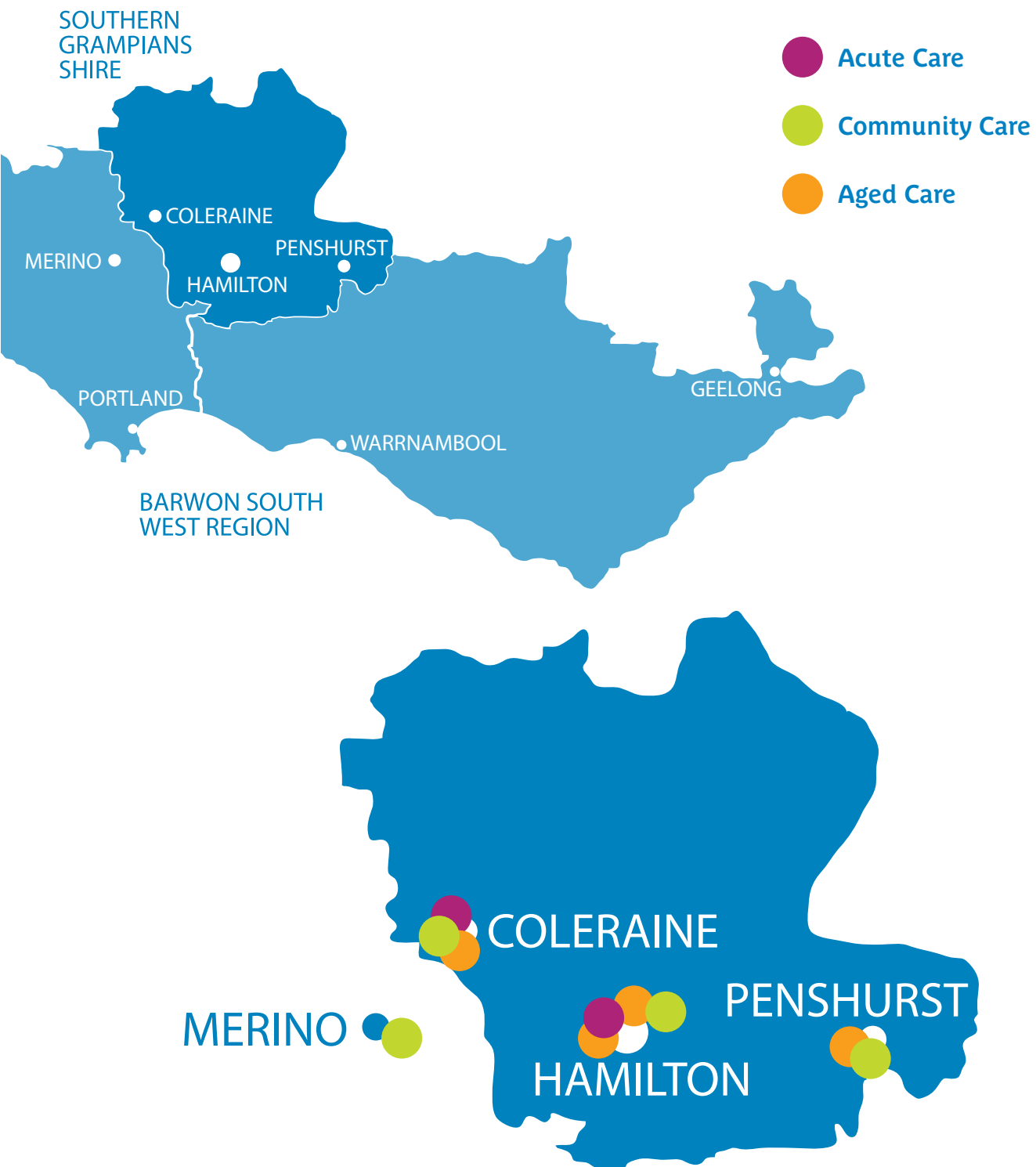
## Coleraine & Merino

- Thomas Hodgetts Primary Care Centre accommodates the Riverview Family Health Clinic, dental, maternal and child health and visiting allied health teams.
- Wannon Court Hostel provides permanent and respite aged care accommodation for 39 residents.
- Valley View Nursing Home provides permanent and respite aged care accommodation for 12 residents.
- 25 independent living units.
- Merino Community Health Centre delivers primary nursing and allied health services to the Merino and surrounding communities.

## Penshurst

- Provides acute and community services for the Penshurst and district community.
- Kolor Lodge provides permanent aged care and respite accommodation for up to ten residents.
- Penshurst Nursing Home provides aged care accommodation for 19 residents.
- WDHS also manages ten independent living units in Penshurst and Dunkeld.





## BOARD OF DIRECTORS

Anna Sweeney (Chairperson)  
 Rowena Clift (Vice Chairperson)  
 Andrew Bradbury  
 Caroline Coggins  
 Ashlyn Hiscock  
 Gillian Jenkins  
 Adele Kenneally  
 Greg Walcott  
 Daniel Wilson (resigned 21 June 2023)

## Committees of the board

### AGED CARE GOVERNANCE

Board Representatives: Gillian Jenkins (Chair),  
 Adele Kenneally

### CLINICAL APPOINTMENTS ADVISORY

Board Representatives: Anna Sweeney (Chair),  
 Daniel Wilson, Rowena Clift

### COLERAINE DISTRICT HEALTH SERVICE MANAGEMENT

Board Representative: Rowena Clift

### COMMUNITY ADVISORY

Board Representatives: Caroline Coggins (Chair),  
 Ashlyn Hiscock

### COMMUNITY 4 YOUTH BOARD

Board Representatives: Ashlyn Hiscock (Chair),  
 Caroline Coggins

### FINANCE, RISK AND AUDIT

Board Representatives: Andrew Bradbury (Chair),  
 Adele Kenneally, Daniel Wilson

### FUNDRAISING COMMITTEE

Board Representatives: Anna Sweeney, Caroline  
 Coggins, Ashlyn Hiscock

### MEDICAL CONSULTATIVE

Board Representatives: Anna Sweeney (Chair),  
 Gillian Jenkins

### NATIONAL CENTRE FOR FARMER HEALTH ADVISORY

Board Representative: Greg Walcott

### NATIONAL CENTRE FOR FARMER HEALTH BOARD OF MANAGEMENT

Board Representative: Greg Walcott

### PENSHURST DISTRICT HEALTH SERVICE ADVISORY

Board Representative: Gillian Jenkins

### PROJECT CONTROL GROUP

Board Representatives: Adele Kenneally (Chair),  
 Anna Sweeney, Andrew Bradbury

### QUALITY AND SAFETY

Board Representatives: Rowena Clift (Chair),  
 Andrew Bradbury, Daniel Wilson

Residents, family members and dignitaries joined us for the Official Opening of the Birches redevelopment in November 2022

## ADMINISTRATIVE STRUCTURE



# 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 AGED & HOME CARE SERVICES HAMILTON

Katherine Armstrong  
RN, BAppSci (Nursing), Grad Cert Bus Admin

## DIRECTOR OF NURSING / MANAGER COLERAINE

## DIRECTOR AGED CARE SERVICES (COLERAINE / PENSURST)

Bronwyn Roberts  
RN, ICU Cert, Grad Cert Bus Admin MACN

## DIRECTOR OF PRIMARY & PREVENTATIVE HEALTH

James 'Mac' McInnes  
BSW, DipSW, PCHSM

## DIRECTOR OF NATIONAL CENTRE FOR FARMER HEALTH

Associate Professor  
Alison Kennedy  
BBSc (Honours),  
PostGradDipArts (Criminology),  
GCertHighEd, PhD

# ORGANISATIONAL CHART





## STAFF, VOLUNTEER & COMMUNITY RECOGNITION

WDHS Midwife, Rosie Robertson



We acknowledge the exceptional commitment, resilience, and dedication shown by staff at WDHS in 2022/23. Each member has played a pivotal role in upholding the service's high standards of customer care. Their commitment, has ensured that our community received quality care and support when they needed it most.

## 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 2022/23.

Workforce Profile 2023		June Current Month FTE		June YTD FTE
Labour Category	2023	2022	2023	2022
Nursing	250.17	259.99	250.71	259.97
Administration and Clerical	110.44	101.24	106.33	103.30
Medical Support	27.77	27.43	27.75	26.29
Hotel and Allied Services	150.88	143.28	152.14	146.37
Medical Officers	0.25	0.25	0.31	0.27
Hospital Medical Officers	20.97	22.21	23.47	20.43
Ancillary Staff (Allied Health)	53.06	49.91	52.63	48.57
<b>Total</b>	<b>613.54</b>	<b>604.31</b>	<b>613.34</b>	<b>605.20</b>

Occupational Health and Safety Statistics	2022/23	2021/22	2020/21
Number of reported hazards / incidents for the year per 100 FTE	27.50%	24.21%	32.72%
Number of 'lost time' standard WorkCover claims for the year per 100 FTE	0.47%	0.1658	0.6611
Average cost per WorkCover claim for the year ('000)	\$10,022	\$89,447	\$11,297

Occupational Violence Statistics	2022/23	2021/22
WorkCover accepted claims with an occupational violence cause per 100 FTE	Nil	Nil
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	Nil	Nil
Number of occupational violence incidents reported	93	65
Number of occupational violence incidents reported per 100 FTE	14.53%	10.78%
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	9.80%	7.60%

# RECOGNISING EXCELLENCE & SERVICE

## Employees of the Month

### July

Robyn Soulsby

Facility Supervisor Support Services (Coleraine Hotel & Support Services)

### August

Emma Satchell

Manager (Aged Care Services)

### September

Kathleen O'Brien

Senior Instrument Technician (CSSD)

### October

Daniel Hallam

Recruitment Consultant (People and Culture)

### November

Sophie Krause

Aged Care Placement Coordinator (Aged Care Services)

### December

Tanya Millard

Clinical Nurse Specialist (Cancer and Dialysis Centre)

### January

Kate Barber

WDHS Café Barista (Food Services)

### February

Michelle Rook

Menu Monitor Inpatient Meals (Food Services)

### March

Jaibu Phillip

Social Worker (Social Work and Welfare Services)

### April

Pam Menzel

Administration and Accounts (Aged Care Services)

### May

Amy Flavell

Registered Nurse (Medical / ICU)

### June

Colin Thompson

Salary Packaging Officer (Finance)

## Life Governors

Aarons, B, OAM

Barber, D

Beggs, HN

Boyle, J

Broers, M

Brown, MA

Brumby, A

Brumby, S

Bunge, B

Clifforth, S

Coggins, G

Dean, J

de Kievit, C

Duff, S

Eales, M

Edmonds, J

Fleming, JD

Fletcher, J

Ford, D

Fraser, T

Gardiner, PD

Grant, M

Gubbins, J

Gumley, F, PSM

Gurry, AJ

Heazlewood, P

Holmes, ES

Hutton, J

Hutton, T

Kearney, J

Kelsh, J

Kruger, N

Langley, C

Lawson, V

Lyon, E

Macdonald, H

McAllister, C

McLean, M

Milton, S

Morrison, HM

Murray, EM

Northcott, J

O'Beirne, P

Rentsch, T

Robertson, M

Runciman, P

Scaife, R

Scullion, E

Templeton, H

Tully, R

Turnbull, P

Turner, J

Walker, O

Wallis, V

Walter, R, AM

Wettenhall, HM

Wettenhall, M

Whiting, I

Wombwell, T



## Staff Service Milestones



- Gareth Abrahamson
- Nicki Cameron
- Richard Casey
- Aisling Cunningham
- Craig De Kievit
- Alexandra Enright
- Karin Giles
- Felicity Griffiths
- Kerry Harris
- Susanne Hillier
- Roxanne Holmes
- Annette Huf
- Donald Irving
- Kathleen Jansen
- Jithin Janardhanan
- Danielle Lee
- Wendy McCabe
- Eisha McKerlie
- Jeanette Membrey
- Jessica Niewand
- Reena Sebastian
- Jacqueline Weinberg



- Alison Criddle
- Georgie Dunn
- Deborah Ferris
- Kerry Hiatt
- Mandy McAdam
- Abby-Jean Mckerlie
- Debbie Nolte
- Rodney Nolte
- Tatum Pretorius
- Margaret Ross
- Robyn Soulsby



- Kevin Brown
- Julian Gardner
- Lorraine Hill
- Katrina Hodgson
- Natalie Hook
- Debra Robinson
- Melanie Steele
- Melinda Taylor
- Neil Webb



- Camilla Dundon
- Kathleen Hook
- Brenda Uebergang



- Susan Ferrier
- Fay Picken
- Heather Robertson
- Leah Swainston
- Stuart Willder



- Kathleen Brown
- Jillian Jackson
- Lorace Parsons
- Maryanne Spong
- Mark Stevenson
- Susan Stevenson



- Lynette Christie
- Rowena Ford
- Jennifer Lane
- Julie Pollock
- Patrick Turnbull
- Debbie Vaughan



- Kavell Lyons



## VOLUNTEERS



# OUR VOLUNTEERS

At Western District Health Service, we are proud to acknowledge the invaluable contributions made by our dedicated volunteers. As we reflect on the past year's achievements, we recognise the immeasurable impact these selfless individuals have on our organisation and the communities we serve.

## CHARLIE WATT VOLUNTEER OF THE MONTH RECIPIENTS

### July

**Sue Kimpton**  
CDHS Aged Care

### August

**Peter Menzel**  
Community Transport

### September

**Dennis Dawson**  
Community Transport

### October

**Leonie Jacobson**  
The Birches

### November

**Christine MacDonald**  
Social Support Group

### December

**Heather Wilkinson**  
The Grange

### January

**Pam Bensch**  
Op Shop

### February

**Pauline Kelly**  
Palliative Care

### March

**Brian Jenkins**  
Meals on Wheels Hamilton

### April

**Graeme McDonald**  
Meals on Wheels Hamilton

### May

**Ruth Eastwood**  
Op Shop

### June

**Margaret Burgin**  
Op Shop

## VOLUNTEER HOURS

Service	Number of Volunteers	Hours	Kms
The Birches	3	600	
Community Transport Hamilton	37	2,633	108,761
District Nursing	1	130	
The Grange	3	120	
Healthy Leg Club	1	48	
Helping Hands	1	24	
Hospital Opportunity Shop	24	6,864	
Palliative Care	3	42	
Social Support Group Hamilton/Penshurst	4	527	
Theatre Buddies	1	48	
Administration	2	471	
Coleraine Aged Care	4	1,722	
Coleraine Community Transport	6	544	13,640
Social Support Group Coleraine/Merino	2	205	
Merino Community Car & Shopping Bus	13	708	
Meals on Wheels Hamilton	44	4,953	
Meals on Wheels Coleraine	11	195	
<b>Totals</b>	<b>160</b>	<b>19,834</b>	<b>122,401</b>

## Fundraising Volunteers

Medicine Ball	80	370
Annual Appeal	35	70
Golf Tournament	21	77
Fun Run	13	36
Fundraising Committee and Sub-Committees	50	500
Auxiliaries	40	200
	<b>239</b>	<b>1,253</b>

# FUNDRAISING

WDHS recognises the incredible commitment of the Southern Grampians community to supporting access to high quality healthcare services in our region. This year our community came together to raise vital funds for the MRI project, Emergency Department ultrasound, prostate biopsy machine and vein finder for our Cancer Centre. We extend our heartfelt thanks to the community for their continued generosity and tireless efforts to make a difference to the lives of our patients, residents and their families.

Total funds raised for the year from donations, bequests, events and appeals was \$1.45 million.

## MRI Events and Appeals 2022-23

- MRI Raffle – 1,500 tickets sold, raising \$120,000, thanks to our sponsors Taylor Toyota, Donehue's Leisure and Barry Francis Pty Ltd
- Medicine Ball - \$154,000, thanks to our sponsors ACE Radio 3HA & MixxFM, AGL Energy Limited, Bendigo Radiology, Brown Brothers, Drs Anne Cass & Laurie Ryan, Craig Collins Building, Crawford River Wines, Dorevitch Pathology, Etica Digital, Finchett's Plumbing, Fox Refrigeration, Hamilton Vetcare, Henry's Hydraulic Services, Henty Estate, Noel and Rosalie Howard, Jigsaw Farms, Mackkcon Homes, Monivae College, Nutrien Ag Solutions, Southern Grampians Livestock & Real Estate, Ultrabuild Construction Group, Westvic Staffing Solutions
- Fun Run \$7,285 Thanks to our sponsors ACE Radio 3HA & MixxFM, Australian Bluegum Plantations, ILUKA Resources Ltd
- Golf Tournament \$18,431 Thanks to our sponsors Hospital Opportunity Shop, Hamilton Flooring Xtra, Drs Anne Cass & Laurie Ryan, ILUKA Resources Ltd

## Other Events and Appeals

- Christmas Appeal - \$15,357 – ED Ultrasound
- Green Hills Open Garden - \$2,385 Penshurst
- 2023 Annual Appeal - \$40,577 – Transperineal Biopsy Machine

## Auxiliaries:

- Hamilton Hospital Op Shop \$83,198
- Hamilton & District Aged Care Trust \$5,000
- Hamilton Base Hospital Auxiliary \$3,999
- Penshurst & District Ladies Auxiliary \$2,800
- Coleraine Opportunity Shop \$1,300
- Coleraine Bookshop \$1,983
- Coleraine District Health Service Ladies Auxiliary N/A

## Gifts Over \$3,000

- C & A Bawden
- Bullock Family
- Byaduk Spring Show
- Community Bank Coleraine & District
- CWA Henty Group
- Dunkeld & District Community Bank, Branch Of Bendigo Bank
- Estate of Cyril Canham
- Estate of Kevin Doyle
- Freemasons Benevolent Fund
- Glenthompson & District Community Group
- Hamilton & District Aged Care Trust
- Hamilton Base Hospital Auxiliary
- Hamilton Lions Club Inc
- Hamilton Medical Group
- Hamilton Speed Shear
- Hospital Opportunity Shop
- L Maylor in Memory of Mary-Anne Maylor
- Royal Antediluvian Order Of Buffaloes
- Techwool Trading
- United Clinical
- J Ussher



# GIFTS OVER \$100

- W Agar
- Alexandra House
- M & A Archer
- G & C Armstrong
- J Atkins
- G Aydon
- J & A Bagnall
- Baimbridge College Hamilton
- Y Barber
- CJ & K Baulch
- Bats Football Club
- P & S Baulch
- C & A Bawden
- G & R Bellchambers
- J Bensch
- I Black
- B & G Botterill
- J Bragg
- M & H Brian
- C & C Brinkmann
- Bullock Family
- G & R Burger
- A Burne
- A & B Burrowes
- Byaduk Spring Show
- P Canavan
- Estate of Cyril Canham
- M Cartledge
- Casterton Coleraine Pipe Band Inc
- Casterton District Senior Citizen Centre
- Casterton Motor Enthusiasts Club
- I Chisholm
- CHS Group of Companies
- CoggerGurry Chartered Accountants
- G & L Coggins
- I & S Colclough
- J Colcott
- D & J Coldbeck
- Coleraine Bookshop
- Coleraine Opportunity Shop
- Coles Supermarket
- C & C Collins
- D & K Collins
- Community Bank Coleraine & District
- Community Bank Dunkeld & District
- P & D Cook
- B Cordy
- M Coustley
- J Coxon
- P Cumming
- E & L Cummins
- CWA - Hamilton Evening
- CWA - Hawkesdale Branch
- CWA Henty Group
- L Dahlenburg
- A De Vries
- J & L Dean
- B Delany
- E Dix
- D Douglas
- Estate of Kevin Doyle
- J Duyvestyn
- L Eales
- G Eats
- W Elliott
- M & E Engelsmann
- M Fenech
- M Ferguson
- W & A Ferguson
- I Field
- K & M Field
- B Finlay
- F & N Fitzgerald
- Frank Long Classic Cycling Race
- R Fraser
- Freemasons Benevolent Fund
- Freemasons Hamilton Grange Lodge
- D & H Garfoot
- G Gleeson
- Glenthompson & District Community Group
- M & M Godden
- Good Shepherd College
- W Gordon
- A Gough
- D Gough
- J & M Gough
- Groke Hamilton
- A Gubbins
- K & E Haines
- E Hallam
- Hamilton & District Aged Care Trust
- Hamilton Base Hospital Auxiliary
- Hamilton Duplicate Bridge Club
- Hamilton Golf Club
- Hamilton Lions Club Inc.
- Hamilton Medical Group
- Hamilton North Primary School
- Hamilton Pastoral Museum
- Hamilton Regional Business Association (HRBA)
- Hamilton Speed Shear
- R & V Harman
- L & J Hayes
- E Healy
- J Hedley
- T & H Henry
- Louisa Henty Estate
- T Hicks
- C & S Hines
- J & S Hockey
- P & L Holt
- Hospital Opportunity Shop
- M & H Howman
- J & L Howman
- R & B Hunter
- T & J Hutton
- J Iredell
- R & K Irvine
- D & R Jaeschke
- H Jansen
- John Russell Macpherson Fund
- S Kaspers
- J Keen
- J Kennett
- B & J King
- S & M Laidlaw
- J Le Souef
- G Leech
- H & I Lehmann
- Louis Lesser Charitable Trust
- J Lewis
- A Liberman
- A & B Linke
- I & R Linke
- N Linke
- Lions Club Of Merino & Digby
- A MacDonald
- R MacDonald
- R & J Macfarlane
- R & E Macgugan
- Mackkcon Homes
- E & M MacLean
- C Manson
- L Maylor in Memory of Mary-Anne Maylor
- J McArthur
- K & J McArthur
- P McDonald
- W McDonald
- K & B McEachern
- J & R McErvale
- D & S McFarlane
- E McGrath
- J McIntosh
- J McIntyre
- P & J Menzel
- D & H Milich
- D & H Morrison
- D Morton
- D & J Nagorcka
- M & A Newns
- M Nolte
- P Oliver-Snell
- A & K Patterson
- N Paulet
- J Pearse
- Penshurst & District Health Service Ladies Auxiliary
- A Peters
- N & J Pickford
- C Pitman
- G Rentsch
- M & V Rentsch
- C Richardson
- G Ritter
- J & C Roads
- D Robertson
- R Robinson
- Rotary Hamilton
- Royal Antediluvian Order Of Buffaloes
- P Ryan
- T & A Sanderson
- T Sandison
- F Scholten
- M & R Schultz
- J & I Schurmann
- J Scott
- E Smith
- N Smooker
- F & D Soulsby
- South West TAFE
- M Spiller
- Sportswomen's Association of Australia Inc
- D & C Spring
- P & N Stanes
- S Stanley
- Stanley Heath Fund
- R Stevenson
- R & L Stewart
- N Sullivan
- J & D Sun
- A & J Sweeney
- Tarrington Lutheran School
- Techwool Trading
- V Templeton
- The Hamilton Hamper
- A Thomas
- C Thomas
- R Thompson
- J & C Thomson
- B Todd
- E & J Tonissen
- L Toyer
- United Clinical
- J Ussher
- G & S Watt
- J & J Watt
- Western District Campdraft Association Inc
- C & V Whitehead
- George Williamson Estate
- P & L Young
- B & P Zimmermann
- M & S Zwar

# REPORT FROM DIRECTOR OF CORPORATE SERVICES



o Director of Corporate Services, Nick Starkie.

**In 2022/23 Western District Health Service (WDHS) achieved an operating surplus of \$105,000.**

## Financial Results Summary for WDHS 2022/23

### Performance:

WDHS achieved a surplus of \$105,000 in the 2022/23 financial year.

### Victorian Department of Health (DoH) Support:

Due to challenges like workforce issues, the pandemic, and increased patient activity, WDHS received an additional \$3.9 million from the Department of Health (DoH) to help maintain our financial position.

### Financial Reporting:

WDHS's financial statements were prepared in line with relevant financial regulations and standards as of 30 June 2023.

### Operating Result:

The operating result, which is an important performance metric, showed a surplus of \$105,000. This surpassed the target set by the WDHS Board of Directors and Minister for Health. Contributing factors include a 12.1% rise in operating revenue, sound financial management and DoH investment.

### Patient Activity:

The Emergency Department saw an 11% increase in presentations. Acute inpatient bed days rose slightly from the previous year, while residential aged care maintained similar occupancy levels. The Home Care Package program saw a notable 24.8% increase.

### New Services:

WDHS began offering home support services to older people living in the Southern Grampians Shire Council in October 2022, providing 8,669 care hours till June 2023.

### Net Results:

The comprehensive result for the year was a deficit of \$1.701 million, factoring in various economic flows and asset revaluations.

### Liquidity:

Positive cash flows of \$10.6 million were generated, though the cash position dropped by \$480,000, ending at \$50.558 million. The ratio of assets to liabilities applying the Department of Health model was 1.34:1, which exceeds the target ratio of 0.70 set by DoH.

### Asset Management:

Investments worth \$10.7 million were made, including significant upgrades like a new MRI machine and other medical equipment.

### Community Support:

Community donations amounted to \$1.45 million in the 2022/23 financial year, facilitating infrastructure improvements and the procurement of new medical equipment.

WDHS had a challenging but successful financial year with notable growth in some areas, crucial support from the DoH, and tremendous community backing.

# YEAR IN BRIEF

	2023	2022	2021	2020	2019
	\$000	\$000	\$000	\$000	\$000
<b>Operating Result</b>	<b>105</b>	<b>508</b>	<b>187</b>	<b>258</b>	<b>64</b>
Total revenue	114,419	101,838	93,684	85,706	78,952
Total expenditure	(116,120)	(105,640)	(97,625)	(90,312)	(83,829)
<b>Net result from transactions</b>	<b>(1,701)</b>	<b>(3,802)</b>	<b>(3,941)</b>	<b>(4,606)</b>	<b>(4,877)</b>
Total other economic flows	79	(192)	1,848	(186)	(465)
<b>Net result</b>	<b>(1,622)</b>	<b>(3,994)</b>	<b>(2,093)</b>	<b>(4,792)</b>	<b>(5,342)</b>
Total assets	216,622	213,555	195,342	195,582	195,883
Total liabilities	(55,544)	(50,753)	(42,722)	(41,099)	(35,819)
<b>Net assets / Total equity</b>	<b>161,078</b>	<b>162,802</b>	<b>152,620</b>	<b>154,483</b>	<b>160,064</b>

Reconciliation between the net result from transactions reported in the model to the operating result as agreed in the Statement of Priorities

	2023	2022	2021	2020	2019
	\$000	\$000	\$000	\$000	\$000
<b>Operating Result *</b>	<b>105</b>	<b>508</b>	<b>187</b>	<b>258</b>	<b>64</b>
<b>Capital and specific items</b>					
Capital purpose income	6,546	2,739	4,006	3,571	2,269
Specific income					
Assets provided free of charge	527	1,114	621	27	32
Assets received free of charge					
Expenditure for capital purpose	(191)	(187)	(71)	(209)	(143)
Depreciation and amortisation	(8,235)	(8,153)	(8,125)	(8,035)	(7,066)
Impairment of non-financial assets					
Finance costs		(5)	(6)	(9)	(49)
Other	(453)	182	(553)	(209)	16
<b>Net result from transactions</b>	<b>(1,701)</b>	<b>(3,802)</b>	<b>(3,941)</b>	<b>(4,606)</b>	<b>(4,877)</b>

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

## ICT Expenditure

The total ICT expenditure incurred during 2022/23 was \$2.535 million (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)
\$2.200 million	\$0.335 million	\$0.251 million	\$0.171 million



# CONSULTANCIES

In 2022/23 Western District Health Service engaged four consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred in 2022/23 relating to these consultancies was \$24,677 (excluding GST).

In 2022/23 there were seven consultancies where the total consultants' fees payable were \$10,000 or greater. The total expenditure incurred during 2022/23 in relation to these consultancies is \$205,994 (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 2022/23 (exc GST)	Future Expenditure (exc GST)
Cath Cosgrave Consulting	Whole-of-Person Retention Improvement Framework	14/03/22	30/06/23	\$101,322	\$50,661	0
Cynthia Mahoney Pty Ltd	NCFH Strategic Plan development	1/01/23	31/09/23	\$50,000	\$37,500	12,500
Sensum Vic Pty Ltd	Intensive Project Review and Strategy - PDHS	1/05/22	31/03/24	\$121,920	\$38,400	83,520
Saunders Marianne	Wound management education	1/07/22	30/06/23	\$11,285	\$11,285	0
Power Solutions DTD Pty LTD	VCDC Submission	1/07/21	30/06/24	\$65,550	\$18,000	16,200
Deloitte Access Economics Pty Ltd	NCFH Mid-Term Evaluation Project	1/06/22	31/07/22	\$64,942	\$19,482	0
ABI Analytics	Economic and impact evaluations for NCFH	1/07/22	31/10/22	\$30,666	\$30,666	0
Total				445,685	205,994	112,220

# SOCIAL PROCUREMENT

## Case Study

A team of supported workers at Nigretta Hamilton are ensuring our hospital fleet vehicles remain sparkling clean.

The team are contracted to regularly wash vehicles at WDHS, providing an avenue for meaningful employment and an opportunity to contribute to the Health Service and community.

WDHS is partnering with Western District Employment Access (WDEA) in the initiative, which aligns with the organisation's Social Procurement Policy and Disability Inclusion Plan.

Nigretta Site Manager, Vivian Porter, says the initiative provides another avenue for meaningful employment and the team really enjoy the work.

"The supported employees are really happy to do something different and some are real car enthusiasts, so they are quite excited about the work".

The collaboration spans more than car washing, with the Nigretta team also sorting the Health Service's e-waste for recycling. The Nigretta team pick up anything electrical and separate components to be sent for recycling, waste or elsewhere.

WDHS Director of Corporate Services, Nick Starkie hopes that other local organisations might see the benefits and reach out to Nigretta to run similar programs.

## Social Procurement Framework (SPF)

SPF Objective	SPF Outcome	2022-23 SPF Reporting Metrics	
Opportunities for Victorian Aboriginal people	Purchasing from Victorian Aboriginal businesses	Number of Victorian Aboriginal businesses engaged	2
		Total expenditure with Victorian Aboriginal businesses (excl. GST)	\$8,819
Opportunities for Victorians with disability	Purchasing from Victorian social enterprises and	Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged (Group 1)	3
		Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises (excl. GST) (Group 1)	\$249,306
	Australian Disability Enterprises	Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged (Group 2)	1
		Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises (excl. GST) (Group 2)	\$139,291
Opportunities for disadvantaged Victorians	Purchasing from Victorian social enterprises	Number of Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts) engaged (Group 1)	4
		Total expenditure with Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts; excl GST) (Group 1)	\$248,083
		Number of Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts) engaged (Group 2)	3
		Total expenditure with Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts; excl GST) (Group 2)	\$148,110
Sustainable Victorian social enterprises and Aboriginal business sectors	Purchasing from Victorian social enterprises and	Number of Victorian social enterprises engaged (Group 1)	10
		Total expenditure with Victorian social enterprises (excl GST) (Group 1)	\$261,889
	Australian businesses	Number of Victorian social enterprises engaged (Group 2)	
		Total expenditure with Victorian social enterprises (excl GST) (Group 2)	

# STATEMENT OF PRIORITIES

## Part A:

In 2022/23 WDHS assisted with the following state-wide priorities to develop and implement important system reforms, including modernising our health system through redesigned governance; driving system reforms that deliver better population health, high-quality care and improved patient outcomes and experiences; and reforming clinical services to ensure we are delivering our community the best value care.

## KEEP PEOPLE HEALTHY AND SAFE IN THE COMMUNITY:

### Maintain COVID-19 readiness

WDHS remains highly responsive to the fluctuations in COVID activity in the community and has implemented various business as usual strategies to address these including:

- Implementation of outbreak management plans actively monitoring and managing COVID cases and outbreaks.
- Following the WDHS COVID Roadmap which defines the policies and procedures that are designed to keep health service staff and customers safe.
- Adherence to PPE and cleaning protocols to ensure a safe environment.
- Ongoing vaccinations for staff, volunteers, and aged care residents to protect against COVID.
- Readiness of a designated COVID ward to provide specialised care if needed.
- Regular staff training to ensure compliance with infection control measures.
- Community messaging is consistently shared through social media posts to keep everyone informed.

## CARE CLOSER TO HOME:

### Delivering more care in the home or virtually

The health service is increasing the provision of home-based or virtual care, where appropriate and preferred by patients via the following programs:

- Cancer at Home service established this year to support patients to receive chemotherapy and other cancer treatments at home.
- Telehealth Hubs established in Penshurst, Coleraine, Dunkeld and Hamilton.

- Hospital in the home provided for acute medical and surgical patients.
- Virtual consults by Allied Health professionals.
- Pre-admission clinics.
- Post-operative support for day-stay patients.

## KEEP IMPROVING CARE:

### Improve quality and safety of care

WDHS continues to work to improve the quality and safety of care, implementing a number of new programs and strategies in 2022/23:

- Symptom Urgent Review Clinic established - to support patients at home, who are experiencing side-effects after receiving chemotherapy treatment.
- External maternity service review implemented.
- Project implemented to evaluate and reduce 'low value care'. Care that provides little or no benefit, may cause patient harm, or yields marginal benefits at a disproportionately high cost.
- Participation in the antimicrobial stewardship program.
- Appointment of a Respiratory Nurse Practitioner to actively promote primary care and early intervention for chronic health conditions.
- Partnership in Care program implemented in aged care facilities.
- Funded a research project to investigate ways to better manage lymphedema.

### Improve Emergency Department access

The Hamilton Base Hospital Emergency Department had a record 10,035 presentations in 2022-23. This is an increase of 11% compared to the previous year, and 32% in three years. New Fellowship of Australasian College Emergency Medicine and ward clerk roles were implemented and thanks to our highly skilled team, WDHS continued to track well against targets.

### Plan update to nutrition and food quality standards

WDHS has updated the aged care and acute menu to be fully compliant with the standards.



# STATEMENT OF PRIORITIES

## Part A continued:

A newly revamped menu will be implemented in the last quarter of 2023 in conjunction with the new electronic patient and resident menu system.

WDHS is also supporting other health services across the south west to adopt the standards.

### Climate Change Commitments

WDHS is contributing to enhancing health system resilience by improving environmental sustainability by actively identifying projects and/or processes that will contribute to committed emissions reduction targets. Projects implemented this year include:

- Introducing Electric Vehicles to the WDHS pool car fleet. This project is in its early stages however three Hyundai Kona EVs are currently in use with a fourth on order. Four 22kW AC chargers were also installed at Hamilton Base Hospital with one to be installed at each of Coleraine and Penshurst hospitals.
- Directing waste from landfill to recycling wherever possible.
- Running an electric bike trial for staff to explore the option of riding to work instead of driving.
- Conducting a bin audit to determine where changes to waste management can be made.
- Diverting food waste from landfill to the local council Food Organics and Garden Organics collection scheme.

### Asset Maintenance and Management

WDHS submitted its annual asset management plan to the DoH in January 2023. In addition the Health Service is also a member of the Barwon South West Health Infrastructure Asset Management Communities of Practice.

## IMPROVE ABORIGINAL HEALTH AND WELLBEING:

### Improve Aboriginal cultural safety

The Health Service works in partnership with Aboriginal and Torres Strait Islander employees, Elders, community members and the Winda-Mara Aboriginal Corporation to identify the health needs of the Aboriginal and Torres Strait Islander community. In addition to recognising the barriers to accessing healthcare, plans are put in place to achieve better health outcomes.

Staff training on 'Asking the Question' ensures the identification of Aboriginal and/or Torres Strait Islander patients/clients is undertaken in a culturally appropriate way.

The employment of a full-time Aboriginal Liaison Officer (ALO) ensures we are providing services that meet patient needs, and deliver much needed support to our customers.

WDHS is also investigating ways to reduce barriers for Aboriginal people accessing Radiology services.

## MOVING FROM COMPETITION TO COLLABORATION:

### Foster and develop local partnerships

A Dual Chief Executive role was created to support Casterton Memorial Hospital in 2023. Due to the success of the dual arrangement, the health services are currently recruiting a permanent Dual Chief Executive. WDHS is actively engaging in the Better at Home Program and is on track to meet its targets in relation to HITH and Cancer at Home services. The Health Service also received funding to roll out a remote monitoring system. Consumer Hubs are available through the Virtual Care Program and we've put in place training to support our team. WDHS has also worked with the regional Public Health Unit to develop a regional Public Health Strategy.

## A STRONGER WORKFORCE:

### Improve workforce wellbeing

A key aspect of the Attract, Connect, Stay framework has been the implementation of a 'Community Connector' who commenced in June 2023. This critical function assists WDHS to attract and retain key clinical employees to ensure our staffing levels are optimised. This in turn will assist in the alleviation of staff shortage, stress and fatigue in the longer term.

Staff in the Surgical and Medical wards are participating in the Safer Care Victoria Healthcare Worker Wellbeing initiative, based on the Institute for Healthcare Improvement Joy in Work Framework.

Mental Health First Aid training was rolled out to 23 staff across the Health Service.

The Employee Wellbeing Officer resource was re-located to the People and Culture team.

# STATEMENT OF PRIORITIES

## Part B: Key 2022/23 Health Service Performance Priorities

Key performance measure	Target	Result
<b>HIGH QUALITY AND SAFE CARE</b>		
<b>Infection prevention and control</b>		
Compliance with the Hand Hygiene Australia program	85%	90.6%
Percentage of healthcare workers immunised for influenza	92%	100%
<b>Continuing Care</b>		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	3.652
<b>Healthcare associated infections (HAI's)</b>		
Rate of surgical site infections for selected procedures (aggregate)	No outliers	No outliers
Rate of central line (catheter) associated blood stream infections (CLABSI) in intensive care units, per 1,000 central line days	0.0	0.0
<b>Patient experience</b>		
Percentage of patients who reported positive experiences of their hospital stay	95%	97%
<b>Maternity and Newborn</b>		
Percentage of full-term babies (without congenital anomalies) who are considered in poor condition shortly after birth (APGAR score <7 to 5 minutes)	≤ 1.4%	2.2%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation	≤ 28.6%	0.0%
<b>STRONG GOVERNANCE, LEADERSHIP AND CULTURE</b>		
<b>Organisational culture</b>		
People matter survey — Percentage of staff with an overall positive response to safety culture survey questions	62%	65%

# STATEMENT OF PRIORITIES

## Part B: Key 2022/23 Health Service Performance Priorities continued

Key performance measure	Target	Result
<b>TIMELY ACCESS TO CARE</b>		
<b>Emergency care</b>		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	99%
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%	85%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	78%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	1
<b>Mental Health</b>		
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	81%	66%
<b>Specialist clinics</b>		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	95.6%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	100%
<b>EFFECTIVE FINANCIAL MANAGEMENT</b>		
Operating result (\$m)	\$0.00	0.11
Average number of days to paying trade creditors	60 days	42
Average number of days to receiving patient fee debtors	60 days	47
Adjusted current asset ratio (Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	0.7 or 3% improvement from health service base target	1.34
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000	6.67
Actual number of days available cash, measured on the last day of each month	14 days	98.5

N/A \* - Data not available



# STATEMENT OF PRIORITIES

## Part C: State Funding

FUNDING TYPE	Activity Achieved
<b>CONSOLIDATED ACTIVITY FUNDING</b>	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	8,539
<b>ACUTE ADMITTED</b>	
National Bowel Cancer Screening Program NWAU	27
Acute admitted DVA	39
<b>SUBACUTE/NON-ACUTE, ADMITTED &amp; NON-ADMITTED</b>	
Subacute WIES - DVA	4
Transition Care - Bed days	571
Transition Care - Home days	1,085
<b>AGED CARE</b>	
Residential Aged Care	53,616
HACC	5,099
<b>MENTAL HEALTH &amp; DRUG SERVICES</b>	
Mental Health Residential	1,096
<b>PRIMARY HEALTH</b>	
Community Health / Primary Care Programs	1,922
<b>SMALL RURAL</b>	
Small Rural Acute	142



## GENERAL INFORMATION DISCLOSURES AND ATTESTATIONS

● Registered Nurse and No Lift Coordinator, Linda Sanders

# DISCLOSURES REQUIRED UNDER LEGISLATION

## Freedom of Information 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 109 FOI requests were received, and all were granted in full.

## 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

- MRI (completed March 2023)
- Radiology (completed February 2023)
- Pathology Refurbishment (completed December 2022)
- Pre-admission Clinic Relocation (completed January 2023)

### Building Compliance

- MRI Project building permit (issued November 2022)
- Grange Dining Room Extension building permit (issued February 2023)

## 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 2022/23.

## National Competition Policy

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

## 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.

## Additional Information Available on Request

Consistent with FRD 22I (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.



## Local Jobs First Act (2003)

WDHS complies with the Local Jobs Act 2003. Administered by the Victorian Industry Participation Policy (VIPP), this supports Victorian businesses and workers by ensuring that small and medium size enterprises (SMEs) are given a full and fair opportunity to compete for both large and small government contracts, helping to create job opportunities, including for apprentices, trainees and cadets.

1/. The number and total value of contracts commenced and/or completed in the financial year to which the VIPP Plan was required:

WDHS completed a Local Jobs First (LJF) Industry Capability Network (ICN) Contestability Assessment for two projects in FY 2021-22 and one contract has commenced with a total value of \$2.13M.

2/. The number and percentage of 'local content' committed under contracts that commenced in the reporting period where a VIPP Plan was not required (due to nil or limited contestability):

Nil to report

3/. The number of small and medium sized businesses engaged as either the principal contractor or as part of the supply chain:

The total number of small and medium sized businesses engaged: 12

4/. The percentage of 'local content' committed under contracts that commenced and/or completed in the reporting period to which a VIPP Plan was required split by projects:

State-wide based: 55.8%

5/. For contracts commenced, a statement of total VIPP Plan commitments (local content, employment, engagement of apprentices/trainees and skills/technology transfer outcomes) achieved as a result of these contracts:

Total Employment Commitment for project: 2.71 Annualised Employee Equivalent (AEE), consisting of 1.47 Retained AEE and 1.24 Created.

6/. For contracts completed, a statement of total VIPP Plan outcomes (local content, employment, engagement of apprentices/trainees and skills/technology transfer outcomes) achieved as a result of these contracts.

Nil Contracts completed for final plan outcome to be reported.

## Gender Equality Act (2020)

In accordance with the Act, WDHS has developed its Gender Equality Action Plan (GEAP), commencing with the collation and analysis of workforce baseline data, analysis of the People Matter Survey results and consultation with various key stakeholders. The GEAP has been endorsed by the WDHS Executive and submitted to the Gender Equality Commission.

## 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)

WDHS has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

## 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.

## 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.

- (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.

# ENVIRONMENTAL PERFORMANCE

Sustainability was again a key focus for WDHS in 2022/23. The Environmental Sustainability 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.

Western District Health Service operates three main campuses, Hamilton Base Hospital, Coleraine District Health Service and Penshurst District Health Service. Other sites include community health centres in Merino and Hamilton and aged care facilities in Hamilton. All facilities are located within the Southern Grampians and Glenelg Local Government Areas.

ENVIRONMENTAL REPORT	2022/23	2021/22	2020/21
<b>ELECTRICITY USE</b>			
<b>EL1 Total electricity consumption segmented by source <sup>[MWh]</sup>:</b>			
Purchased	2,934.38	2,817.71	2,751.62
Self-generated	725.94	745.63	733.86
<b>EL1 Total electricity consumption <sup>[MWh]</sup></b>	<b>3,660.32</b>	<b>3,563.35</b>	<b>3,485.48</b>
<b>EL2 On site-electricity generated <sup>[MWh]</sup> segmented by:</b>			
<b>Consumption behind-the-meter</b>			
Solar Electricity	725.94	745.63	733.86
<b>Total Consumption behind-the-meter <sup>[MWh]</sup></b>	<b>725.94</b>	<b>745.63</b>	<b>733.86</b>
<b>EL2 Total On site-electricity generated <sup>[MWh]</sup></b>	<b>725.94</b>	<b>745.63</b>	<b>733.86</b>
<b>EL3 On-site installed generation capacity [kW converted to MW] segmented by:</b>			
Diesel Generator	1.53	1.53	1.53
Solar System	0.39	0.39	0.39
<b>EL3 Total On-site installed generation capacity [MW]</b>	<b>1.92</b>	<b>1.92</b>	<b>1.92</b>
<b>EL4 Total electricity offsets segmented by offset type <sup>[MWh]</sup></b>			
RPP (Renewable Power Percentage in the grid)	551.66	523.81	520.88
<b>EL4 Total electricity offsets <sup>[MWh]</sup></b>	<b>551.66</b>	<b>523.81</b>	<b>520.88</b>
<b>STATIONARY ENERGY</b>			
<b>F1 Total fuels used in buildings and machinery segmented by fuel type <sup>[MJ]</sup></b>			
Natural gas	26,630,939.80	28,108,829.20	26,192,044.10
LPG	3,109,879.90	2,990,349.20	3,133,971.10
<b>F1 Total fuels used in buildings [MJ]</b>	<b>29,740,819.70</b>	<b>31,099,178.40</b>	<b>29,326,015.20</b>
<b>F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type <sup>[Tonnes CO2-e]</sup></b>			
Natural gas	1,372.29	1,448.45	1,349.68
LPG	188.46	181.21	189.92
<b>F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]</b>	<b>1,560.75</b>	<b>1,629.66</b>	<b>1,539.59</b>
<b>TRANSPORTATION ENERGY</b>			
<b>T1 Total energy used in transportation within the Entity, segmented by fuel type <sup>[MJ]</sup></b>			
Non-executive fleet - Gasoline	197,029.90	241,657.20	52,469.80
Petrol	197,029.90	241,657.20	52,469.80
<b>Total energy used in transportation <sup>(vehicle fleet) [MJ]</sup></b>	<b>197,029.90</b>	<b>241,657.20</b>	<b>52,469.80</b>
<b>T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category</b>			

ENVIRONMENTAL REPORT			
	2022/23	2021/22	2020/21
<b>T3 Greenhouse gas emissions from vehicle fleet segmented by fuel type</b> [tonnes CO <sub>2</sub> -e]			
Non-executive fleet - Gasoline	13.32	16.34	3.55
<b>Petrol</b>	13.32	16.34	3.55
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO <sub>2</sub> -e]	<b>13.32</b>	<b>16.34</b>	<b>3.55</b>
<b>TOTAL ENERGY USE</b>			
<b>E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]</b>			
Total energy usage from stationary fuels (F1) [MJ]	29,740,819.70	31,099,178.40	29,326,015.20
Total energy usage from transport (T1) [MJ]	197,029.90	241,657.20	52,469.80
<b>Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]</b>	<b>29,937,849.60</b>	<b>31,340,835.60</b>	<b>29,378,485.00</b>
<b>E2 Total energy usage from electricity [MJ]</b>			
Total energy usage from electricity [MJ]	13,177,135.35	12,828,048.71	12,547,711.08
<b>E3 Total energy usage segmented by renewable and non-renewable sources [MJ]</b>			
Renewable	4,599,358.04	4,570,009.61	4,517,061.51
Non-renewable	38,515,626.91	39,598,874.70	37,409,134.57
<b>E4 Units of Stationary Energy used normalised</b>			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	814.54	834.48	811.60
Energy per unit of LOS [MJ/LOS]	2,400.47	2,214.52	2,255.40
Energy per unit of Separations [MJ/Separations]	5,492.44	5,530.31	5,335.59
Energy per unit of floor space [MJ/m <sup>2</sup> ]	1,746.19	1,787.26	1,703.71
<b>WATER USE</b>			
<b>W1 Total units of metered water consumed by water source (kl)</b>			
Potable water [kl]	34,823.37	34,741.11	30,634.22
Total units of water consumed [kl]	34,823.37	34,741.11	30,634.22
<b>W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity</b>			
Water per unit of Aged Care OBD [kl/Aged Care OBD]	0.66	0.66	0.59
Water per unit of LOS [kl/LOS]	1.95	1.75	1.65
Water per unit of Separations [kl/Separations]	4.46	4.37	3.90
Water per unit of floor space [kl/m <sup>2</sup> ]	1.42	1.41	1.25

## General notes

1. Information in this report is sourced from data provided by retailers and in some cases data manually uploaded by health services into Eden Suite. Data has not been externally validated. All annual values represent a year ending 30 June.

2. Emissions are calculated using the carbon factors for the year in which the emissions were generated. For health services provided with energy (electricity and steam) under the co-generation ESA (energy services agreement) carbon factors provided by the energy retailer are used.

3. Electricity consumption values exclude line losses; some energy retailers include losses in reported values.

4. Occupied bed days (OBD) include both inpatient and aged care data, unless stated otherwise.



ENVIRONMENTAL REPORT	2022/23	2021/22	2020/21
<b>WASTE AND RECYCLING</b>			
<b>WR1 Total units of waste disposed of by waste stream and disposal method [kg]</b>			
<b>Landfill (total)</b>			
General waste	155,852.00	141,651.00	109,043.00
<b>Offsite treatment</b>			
Clinical waste - incinerated	831.63	217.91	1,019.69
Clinical waste - sharps	316.52	102.13	207.75
Clinical waste - treated	25,515.47	29,310.69	22,300.78
<b>Recycling/recovery (disposal)</b>			
Cardboard	21,191.00	17,864.00	18,051.00
Commingled	3,347.36	3,739.00	1,966.00
E-waste			50.00
Organics (food)	4,982.00	9,458.00	4,261.00
Organics (garden)	144.00	178.00	
Paper (confidential)	1,708.00	1,962.00	2,234.00
PVC	358.00	116.00	60.00
<b>Total units of waste disposed [kg]</b>	<b>214,245.98</b>	<b>204,598.73</b>	<b>159,193.22</b>
<b>WR1 Total units of waste disposed of by waste stream and disposal method [%]</b>			
<b>Landfill (total)</b>			
General waste	72.74%	69.23%	68.50%
<b>Offsite treatment</b>			
Clinical waste - incinerated	0.39%	0.11%	0.64%
Clinical waste - sharps	0.15%	0.05%	0.13%
Clinical waste - treated	11.91%	14.33%	14.01%
<b>Recycling/recovery (disposal)</b>			
Cardboard	9.89%	8.73%	11.34%
Commingled	1.56%	1.83%	1.23%
E-waste			0.03%
Organics (food)	2.33%	4.62%	2.68%
Organics (garden)	0.07%	0.09%	
Paper (confidential)	0.80%	0.96%	1.40%
PVC	0.17%	0.06%	0.04%
<b>WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method</b>			
Total waste to landfill per patient treated (kg general waste)/PPT	1.76	1.58	1.22
Total waste to offsite treatment per patient treated (kg offsite treatment)/PPT	0.30	0.33	0.26
Total waste recycled and reused per patient treated (kg recycled and reused)/PPT	0.36	0.37	0.30
<b>WR4 Recycling rate [%]</b>			
Weight of recyclable and organic materials [kg]	31,730.36	33,317.00	26,622.00
Weight of total waste [kg]	214,245.98	204,598.73	159,193.22
<b>Recycling rate [%]</b>	<b>14.81%</b>	<b>16.28%</b>	<b>16.72%</b>
<b>WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]</b>			
<b>tonnes CO2-e</b>	<b>236.92</b>	<b>222.57</b>	<b>171.91</b>

ENVIRONMENTAL REPORT	2022/23	2021/22	2020/21
GREENHOUSE GAS EMISSIONS			
<b>G1 Total scope one (direct) greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>			
Carbon Dioxide	1,569.32	1,641.10	1,538.47
Methane	3.29	3.41	3.25
Nitrous Oxide	1.46	1.49	1.42
<b>Total</b>	<b>1,574.07</b>	<b>1,646.00</b>	<b>1,543.14</b>
GHG emissions from stationary fuel (F2) [tonnes CO <sub>2</sub> -e]	1,560.75	1,629.66	1,539.59
GHG emissions from vehicle fleet (T3) [tonnes CO <sub>2</sub> -e]	13.32	16.34	3.55
<b>Medical/Refrigerant gases</b>			
<b>Total scope one (direct) greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>	<b>1,574.07</b>	<b>1,646.00</b>	<b>1,543.14</b>
<b>G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>			
Electricity	2,015.78	2,057.63	2,145.97
<b>Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>	<b>2,015.78</b>	<b>2,057.63</b>	<b>2,145.97</b>
<b>G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO<sub>2</sub>e)</b>			
Waste emissions	236.92	222.57	171.91
Indirect emissions from Stationary Energy	429.06	348.00	363.66
Indirect emissions from Transport Energy	3.39	0.87	0.19
Any other Scope 3 emissions	58.99	65.26	50.52
Any Offsets purchased	728.36	636.70	586.28
<b>Total scope three greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>	<b>663.95</b>	<b>640.50</b>	<b>590.93</b>
<b>G(Opt) Net greenhouse gas emissions (tonnes CO<sub>2</sub>e)</b>			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO <sub>2</sub> e]	4,318.21	4,340.34	4,275.39
<b>Net greenhouse gas emissions [tonnes CO<sub>2</sub>e]</b>	<b>4,318.21</b>	<b>4,340.34</b>	<b>4,275.39</b>
NORMALISATION FACTORS			
Aged Care OBD	52,690.00	52,640.00	51,594.00
ED Departures	10,117.00	9,086.00	11,382.00
FTE		586.00	577.00
LOS	17,879.00	19,836.00	18,566.00
OBD	70,569.00	72,476.00	70,160.00
PPT	88,500.00	89,505.00	89,390.00
Separations	7,814.00	7,943.00	7,848.00
<b>TotalAreaM2</b>	<b>24,578.00</b>	<b>24,578.00</b>	<b>24,578.00</b>
NOTE: Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations			

# ATTESTATIONS

## Financial Management Compliance Attestation

I, Anna Sweeney, 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.



**Anna Sweeney**

BOARD PRESIDENT

8 September 2023

## Attestation on Managing Conflicts 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

8 September 2023

## 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

8 September 2023

## Attestation on Integrity, Fraud and Corruption

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



**Rohan Fitzgerald**

ACCOUNTABLE OFFICER

8 September 2023

## Healthshare Victoria Compliance

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



**Rohan Fitzgerald**

ACCOUNTABLE OFFICER

8 September 2023



# 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 Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying

notes, presents fairly the financial transactions during the year ended 30 June 2023 and the financial position of Western District Health Service at 30 June 2023.

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.



**Anna Sweeney**  
Chairperson

*Hamilton*  
8 September 2023



**Rohan Fitzgerald**  
Chief Executive

*Hamilton*  
8 September 2023



**Nicholas Starkie**  
Chief Finance and  
Accounting Officer

*Hamilton*  
8 September 2023

# Disclosure Index

The 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.

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## FINANCIAL STATEMENTS

● WDHS Environmental Services Officer, Heinz de Chelard coordinated an E-bike trial for staff



# Independent Auditor's Report

## To the Board of Western District Health Service

<b>Opinion</b>	<p>I have audited the financial report of Western District Health Service (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2023</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• board member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. 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 <i>Code of Ethics for Professional Accountants</i> (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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other information</b>	<p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Board's responsibilities for the financial report</b>	<p>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 <i>Financial Management Act 1994</i>, 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.</p> <p>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.</p>

**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.



# Financial Statements

Comprehensive Operating Statement For the Financial Year Ended 30 June 2023		Note	Total 2023 \$'000	Total 2022 \$'000
<b>Revenue and Income from Transactions</b>				
Operating Activities	2.1		111,126	100,079
Non-operating Activities	2.1		1,639	134
Share of revenue from joint operations	8.7		1,654	1,625
<b>Total Revenue and Income from Transactions</b>			<b>114,419</b>	<b>101,838</b>
<b>Expenses from Transactions</b>				
Employee Expenses	3.1		(79,546)	(72,388)
Supplies and consumables	3.1		(17,068)	(14,824)
Depreciation and Amortisation	4.5		(8,063)	(7,975)
Share of expenditure from joint operations	8.7		(1,878)	(1,542)
Other Operating Expenses	3.1		(9,529)	(8,815)
Other Non-operating expenses	3.1		(40)	(96)
<b>Total Expenses from Transactions</b>			<b>(116,120)</b>	<b>(105,640)</b>
<b>Net Result from Transactions - Net Operating Balance</b>			<b>(1,701)</b>	<b>(3,802)</b>
<b>Other Economic Flows included in Net Result</b>				
Net Gain/(Loss) on Sale of Non-Financial Assets	3.2		45	64
Net Gain/(Loss) on financial instruments at fair value	3.2		(21)	(25)
Other Gain/(Loss) from Other Economic Flows	3.2		51	(231)
Share of Other Economic Flows from Joint Operation	3.2		4	-
<b>Total Other Economic Flows included in Net Result</b>			<b>79</b>	<b>(192)</b>
<b>Net Result for the year</b>			<b>(1,622)</b>	<b>(3,994)</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified to Net Result</b>				
Changes to property, plant and equipment revaluation surplus	4.2 (b)		-	13,976
Changes to Value of Financial Assets Classified through Other Comprehensive income			53	1
<b>Total Other Comprehensive Income</b>			<b>53</b>	<b>13,977</b>
<b>Comprehensive result for the year</b>			<b>(1,569)</b>	<b>9,983</b>
This Statement should be read in conjunction with the accompanying notes.				
Balance Sheet As at 30 June 2023		Note	Total 2023 \$'000	Total 2022 \$'000
<b>Current assets</b>				
Cash and cash equivalents	6.2		50,558	51,038
Receivables	5.1		2,541	2,089
Investments and other financial assets	4.1		467	464
Inventories	4.6		240	165
Prepaid expenses			657	553
<b>Total current assets</b>			<b>54,463</b>	<b>54,309</b>
<b>Non-current assets</b>				
Receivables	5.1		4,417	4,694
Investments and other financial assets	4.1		7,117	6,309
Property, plant & equipment	4.2(a)		149,144	147,291
Right of use assets	4.3(a)		1,481	952
<b>Total non-current assets</b>			<b>162,159</b>	<b>159,246</b>
<b>TOTAL ASSETS</b>			<b>216,622</b>	<b>213,555</b>
<b>Current liabilities</b>				
Payables	5.2		16,350	12,560
Borrowings	6.1		363	317
Provisions	3.3		15,284	15,633
Other current liabilities	5.3		20,611	20,542
<b>Total current liabilities</b>			<b>52,608</b>	<b>49,052</b>
<b>Non-current liabilities</b>				
Borrowings	6.1		774	492
Provisions	3.3		2,162	1,209
<b>Total non-current liabilities</b>			<b>2,936</b>	<b>1,701</b>
<b>TOTAL LIABILITIES</b>			<b>55,544</b>	<b>50,753</b>
<b>NET ASSETS</b>			<b>161,078</b>	<b>162,802</b>
<b>EQUITY</b>				
Property, plant & equipment revaluation surplus	4.4		111,490	111,490
Financial asset at fair value through other comprehensive income revaluation reserve	SCE		190	137
Restricted specific purpose surplus	SCE		20,949	26,263
Contributed capital	SCE		49,535	49,535
Accumulated surpluses/(deficits)	SCE		(21,086)	(24,623)
<b>TOTAL EQUITY</b>			<b>161,078</b>	<b>162,802</b>
This Statement should be read in conjunction with the accompanying notes.				



## Statement of Changes in Equity for the Year Ended 30 June 2023

	Property, Plant & Equipment Revaluation Surplus	Financial Asset Through Other Comprehensive Income Revaluation Reserve	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Surplus/ (Deficit)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2021</b>	<b>97,514</b>	<b>136</b>	<b>14,050</b>	<b>49,535</b>	<b>(8,615)</b>	<b>152,620</b>
Net result for the year	-	-	-	-	(3,994)	(3,994)
Other comprehensive income for the year	13,976	1	-	-	-	13,977
Transfer to accumulated surplus	-	-	12,213	-	(12,014)	199
<b>Balance at 30 June 2022</b>	<b>111,490</b>	<b>137</b>	<b>26,263</b>	<b>49,535</b>	<b>(24,623)</b>	<b>162,802</b>
Net result for the year	-	-	-	-	(1,622)	(1,622)
Other comprehensive income for the year	-	53	-	-	-	53
Transfer to accumulated surplus	-	-	(5,314)	-	5,159	(155)
<b>Balance at 30 June 2023</b>	<b>111,490</b>	<b>190</b>	<b>20,949</b>	<b>49,535</b>	<b>(21,086)</b>	<b>161,078</b>

This Statement should be read in conjunction with the accompanying notes

## Cash Flow Statement For the Year Ended 30 June 2023

	Note	Total 2023 \$'000	Total 2022 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating grants from government		93,304	82,061
Capital grants from government		5,866	2,363
Patient and resident fees received		6,969	6,149
Donations and bequests received		1,455	840
GST received from/(paid to) ATO		(115)	(187)
Interest received		1,623	221
Dividend received		55	36
Other receipts		9,927	5,377
<b>Total receipts</b>		<b>119,084</b>	<b>96,860</b>
Employee expenses paid		(55,451)	(49,945)
Non salary labour costs		(23,956)	(19,855)
Payments for supplies & consumables		(19,507)	(11,780)
Finance costs		-	(5)
Other payments		(9,497)	(8,948)
<b>Total payments</b>		<b>(108,411)</b>	<b>(90,533)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	8.1	<b>10,673</b>	<b>6,327</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale/(Purchase) of investments		(811)	(404)
Payments for non-financial assets		(10,605)	(3,269)
Proceeds from sale of non-financial assets		104	169
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>(11,312)</b>	<b>(3,504)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Receipt/(Payment) of Bonds		284	3,165
Repayment of borrowings		(125)	(219)
<b>NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>159</b>	<b>2,946</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS HELD</b>		<b>(480)</b>	<b>5,769</b>
Cash and cash equivalents at beginning of financial year		<b>51,038</b>	<b>45,269</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	6.2	<b>50,558</b>	<b>51,038</b>

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

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# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 1: Basis of Preparation

### Structure

- 1.1 Basis of preparation of the financial statements
- 1.2 Impact of COVID-19 pandemic
- 1.3 Abbreviations and terminology used in the financial statements
- 1.4 Joint arrangements
- 1.5 Key accounting estimates and judgements
- 1.6 Accounting standards issued but not yet effective
- 1.7 Goods and Services Tax (GST)
- 1.8 Reporting entity

## Note 1: Basis of Preparation

These financial statements represent the audited general purpose financial statements for Western District Health Service for the year ended 30 June 2023. The report provides users with information about Western District Health Service's stewardship of the resources entrusted to it.

This section explains the basis of preparing the financial statements.

### Note 1.1: Basis of Preparation of the financial statements

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

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

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

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

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

- Donated funds held
- Capital reserves for capital projects

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

The financial statements have been prepared on a going concern basis (refer to Note 8.10 Economic Dependency).

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Western District Health Service and its controlled entities on 8 September 2023.

### Note 1.2 Impact of COVID-19 pandemic

The Pandemic (Public Safety) Order 2022 (No. 5) which commenced on 22 September 2022 ended on 12 October 2022 when it was allowed to lapse and was revoked. Long-term outcomes from COVID-19 infection are currently unknown and while the pandemic response continues, a transition plan towards recovery and reform in 2022/23 was implemented. Victoria's COVID-19 Catch-Up Plan is aimed at addressing Victoria's COVID-19 case load and restoring surgical activity.

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

- Note 2: Funding delivery of our services
- Note 3: The cost of delivering services.

### Note 1.3 Abbreviations and terminology used in the financial statements

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

Reference	
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act of 1994
FRD	Financial Reporting Direction
SD	Standing Direction
VAGO	Victorian Auditor General's Office

### Note 1.4 Joint arrangements

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

Western District Health Service has the following joint arrangements:

- South West Alliance of Rural Health

Details of the joint arrangements are set out in Note 8.7. Items of revenue and expense are incorporated into the notes however are shown separately as share of revenue from joint operations and share of expenditure from joint operations in the Comprehensive Operating Statement.

### Note 1.5 Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

The accounting policies and significant management judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.2: Property, plant and equipment
- Note 4.3: Right-of-use assets
- Note 4.5: Intangible assets
- Note 4.6: Depreciation and amortisation
- Note 4.7: Investment property
- Note 4.9: Impairment of assets
- Note 5.1: Receivables
- Note 5.2: Contract assets
- Note 5.3: Payables
- Note 5.4: Contract liabilities
- Note 5.7: Other provisions
- Note 6.1(a): Lease liabilities
- Note 7.4: Fair value determination

### Note 1.6 Accounting standards issued but not yet effective

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

Standard	Adoption Date	Impact
AASB 17: insurance Contracts	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-5: Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback	Reporting periods on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
AASB 2022-6: Amendments to Australian Accounting Standards - Non-Current Liabilities with Covenants	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-8: Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-9: Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector	Reporting periods on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
AASB 2022-10: Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities	Reporting periods on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.

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



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 1.7 Goods and Services Tax (GST)

Income, expenses assets and liabilities 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 flows.

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

## Note 1.8 Reporting Entity

The financial statements include all the controlled activities of 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.

## Note: 2 Funding delivery of our services

Western District Health Service's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians. Western District Health Service is predominantly funded by grant funding for the provision of outputs. Western District Health Service also receives income from the supply of services.

### Structure

2.1 Revenue and income from transactions

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

### Telling the COVID-19 story

Revenue and income recognised to fund the delivery of our services decreased during the financial year which was attributable to the COVID-19 Coronavirus pandemic and scaling down of the COVID-19 public health response during the year ended 30 June 2023.

This was offset by sustainability funding provided by the Department of Health to compensate for reductions in revenue provided in previous years to offset direct COVID-19 costs.

### Key judgements and estimates

This section contains the following key judgements and estimates:

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

## Note 2.1: Revenue and income from transactions

Operating Activities	Total 2023 \$'000	Total 2022 \$'000
<b>Revenue from contracts with customers</b>		
Government Grants (State) - Operating	53,661	50,081
Government Grants (Commonwealth) - Operating	15,862	10,981
Patient and Resident Fees	6,671	6,271
Private Practice Fees	13	32
Commercial Activities <sup>i</sup>	4,236	3,137
<b>Total revenue from contracts with customers</b>	<b>80,443</b>	<b>70,502</b>
<b>Other sources of income</b>		
Government Grants (State) - Operating	15,031	18,178
Government Grants (Commonwealth) - Operating	8,898	7,200
Government Grants (State) - Capital	3,514	896
Government Grants (Commonwealth) - Capital	915	948
Capital Donations	1,455	840
Assets received free of charge or for nominal consideration	527	1,114
Other Revenue from Operating Activities (including non-capital donations)	1,958	1,903
<b>Total Other sources of income</b>	<b>32,298</b>	<b>31,079</b>
<b>Total revenue and income from operating activities</b>	<b>112,741</b>	<b>101,581</b>
<b>Non-operating activities</b>		
<b>Income from other sources</b>		
Capital Interest	565	55
Other Interest	1,058	166
Dividends	55	36
<b>Total income from other sources</b>	<b>1,678</b>	<b>257</b>
<b>Total revenue and income from transactions</b>	<b>114,419</b>	<b>101,838</b>

i. Commercial activities represent business activities which the health service enters into to support their operations.

## Note 2.1(a): Timing of revenue from contracts with customers

	Total 2023 \$'000	Total 2022 \$'000
Western District Health Service disaggregates revenue by the timing of revenue recognition.		
<b>Goods and services transferred to customers</b>		
At a point in time	76,207	67,365
Over time	4,236	3,137
	<b>80,443</b>	<b>70,502</b>

### How we recognise revenue and income from operating activities

#### Government operating grants

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

When both these conditions are satisfied, the health service:

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

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

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations in accordance with AASB 1058 - income for not-for-profit entities, the health service:

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

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

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

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.  The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity.  Revenue is recognised at point in time, which is when a patient is discharged.
Residential Aged Care grants	The funding is provided for the provision of care for aged care residents within facilities at Western District Health Service. The performance obligations include provision of residential accommodations and care from nursing staff and personal care workers.  Revenue is recognised at the point in time when the service is provided within the residential aged care facility.
Department of Health grants linked to Statement of Priorities	Funding is received from Department of Health that have performance obligations linked to the Statement of Priorities agreed upon between the health service and DH. The performance obligation is a requirement to provide a stipulated number of service contacts or hours of service delivery. Revenue is recognised over time as the services are delivered.

## Capital Grants

Where Western District Health Service receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards. Income is recognised progressively as the asset is constructed which aligns with Western District Health Service's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

## Patient and resident fees

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

## Private practice fees

Private practice fees include recoupments from various private practice organisations for the use of hospital facilities. Private practice fees are recognised over time as the performance obligation, the provision of facilities, is provided to customers.

## Commercial activities

Revenue from commercial activities includes items such as rental property income, share of jointly controlled operations revenue, cafeteria and catering income. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

## How we recognise revenue and income from non-operating activities

### Rental income – investment properties

Rental income from investment properties is recognised on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the pattern of use of the underlying asset.

Where a lease incentive is provided to a lessee, this is considered an integral part of the net consideration agreed for the use of the lease asset and therefore the incentive is recognised as a reduction of rental income over the period to which it relates.

### 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 income 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.

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

	Total 2023 \$'000	Total 2022 \$'000
Personal Protective Equipment	477	733
Medical Equipment assets	50	381
<b>Total fair value of assets and services received free of charge or for nominal consideration</b>	<b>527</b>	<b>1,114</b>

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

### Donations and bequests

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

### Personal protective equipment

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

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

### Contributions of resources

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

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

### Voluntary Services

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

### Non-cash contributions from the Department of Health

The DH makes some payments on behalf of Western District Health Service as follows:

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

## Note 3: The Cost of Delivering Our Services

This section provides an account of the expenses incurred by the 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 Employee Benefits in the Balance Sheet
- 3.4 Superannuation

### Telling the COVID-19 story

Expenses incurred to deliver our services increased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic. Specifically, additional costs were incurred to deliver additional services under Victoria's COVID Catch-Up Plan aimed at addressing Victoria's COVID-19 case load and restoring surgical capacity and activity.

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

This includes costs associated with:

- establishing facilities within Western District Health Service for the treatment of suspected and admitted COVID patients resulting in an increase in employee costs, additional equipment purchases and measures to minimise exposure risks.
- implement COVID safe practices throughout Western District Health Service including increased cleaning, increased security, consumption of personal protective equipment provided as resources free of charge, screening of staff and visitors upon entry to any of Western District Health Service's sites.
- establish COVID-19 testing facilities for staff and the community, resulting in an increase in employee costs and consumables.
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased, signage and appropriate traffic management facilities.
- Laboratory testing pathology services increased due to COVID-19 testing requirements.

## Key Judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>Western District Health Service applies significant judgment when classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Western District Health Service does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if Western District Health Service has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
Measuring employee benefit liabilities	<p>Western District Health Service applies significant judgment when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"> <li>An inflation rate of 4.35%, reflecting the future wage and salary levels</li> <li>Duration of service and employee departure, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the resting period. The estimated rates are between 25.4% and 87.2%</li> <li>Discounting at the rate of 3.635%, as determined with reference to market yield on government bonds at the end of the reporting period.</li> </ul> <p>All other entitlements are measured at their normal value.</p>

## Note 3.1: Expenses from Transactions

	Total 2023 \$'000	Total 2022 \$'000
Salaries and Wages	56,465	52,562
On-Costs	13,466	14,104
Agency Expense	3,836	775
Fee for Service Medical Officer Expenses	5,786	4,976
Workcover Premium	868	679
<b>Total employee expenses</b>	<b>80,421</b>	<b>73,096</b>
Drug Supplies	2,745	2,497
Medical and Surgical Supplies (Including Prosthesis)	4,208	4,212
Diagnostic and Radiology Supplies	1,771	1,750
Other Supplies and Consumables	9,021	6,866
<b>Total supplies and consumables</b>	<b>17,745</b>	<b>15,325</b>
Finance Costs	-	5
<b>Total finance costs</b>	<b>-</b>	<b>5</b>
Other Administrative Expenses	5,177	4,615
<b>Total other administrative expenses</b>	<b>5,177</b>	<b>4,615</b>
Fuel, Light, Power and Water	1,456	1,407
Repairs and Maintenance	911	723
Maintenance Contracts	490	637
Medical Indemnity Insurance	1,266	1,098
Expenses related to leases of low value assets	188	298
Expenditure for capital purposes	191	187
<b>Total other operating expenses</b>	<b>4,502</b>	<b>4,350</b>
<b>Total operating expenses</b>	<b>107,845</b>	<b>97,391</b>
Depreciation (refer Note 4.5)	8,235	8,153
<b>Total depreciation</b>	<b>8,235</b>	<b>8,153</b>
Bad and doubtful debts expense	40	96
<b>Total other non-operating expenses</b>	<b>40</b>	<b>96</b>
<b>Total non-operating expenses</b>	<b>8,275</b>	<b>8,249</b>
<b>Total expenses from transactions</b>	<b>116,120</b>	<b>105,640</b>

## How we recognise expenses from transactions

### Expense Recognition

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

### Employee expenses

Employee expenses include:

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

### Supplies and consumables

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

### Finance Costs

Finance costs include:

- 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 DH 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 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.

	Total 2023 \$'000	Total 2022 \$'000
Net gain/(loss) on disposal of property plant and equipment	45	64
<b>Total net gain/(loss) on non-financial assets</b>	<b>45</b>	<b>64</b>
Allowance for impairment losses of contractual receivables	(21)	(25)
<b>Total net gain/(loss) on financial instruments</b>	<b>(21)</b>	<b>(25)</b>
Share of net profits/(losses) of associates, excluding dividends	4	-
<b>Total share of other economic flows from joint arrangements</b>	<b>4</b>	<b>-</b>
Change in ownership interest of joint venture	-	2
Net gain/(loss) arising from revaluation of long service liability	51	(233)
<b>Total other gains/(losses) from other economic flows</b>	<b>51</b>	<b>(231)</b>
<b>Total other gains/(losses) from economic flows</b>	<b>79</b>	<b>(192)</b>

## How we recognise other economic flows

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

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

### Net gain/ (loss) on non-financial assets

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

- 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.

# Financial Statements

Notes to the Financial Statements  
Western District Health Service for the financial year ended 30 June 2023

## Note 3.1: Expenses from Transactions (cont)

### Net gain/ (loss) on financial instruments

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

- Realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 7.1 Investments and other financial assets); and
- disposals of financial assets and derecognition of financial liabilities.

## Note 3.3: Employee benefits in the balance sheet

	Total 2023 \$'000	Total 2022 \$'000
<b>Current employee benefits and related on-costs</b>		
Annual leave		
- Unconditional and expected to be settled wholly within 12 months (i)	5,199	4,656
- Unconditional and expected to be settled wholly after 12 months (ii)	790	-
	<b>5,989</b>	<b>4,656</b>
Long service leave		
- Unconditional and expected to be settled wholly within 12 months (i)	1,064	1,185
- Unconditional and expected to be settled wholly after 12 months (ii)	6,349	7,233
	<b>7,413</b>	<b>8,418</b>
Accrued days off		
- Unconditional and expected to be settled within 12 months (i)	201	223
	<b>201</b>	<b>223</b>
Provisions related to employee benefit on-costs		
- Unconditional and expected to be settled wholly within 12 months (i)	731	1,454
- Unconditional and expected to be settled after 12 months (ii)	950	882
	<b>1,681</b>	<b>2,336</b>
<b>Total current employee benefits and related on-costs</b>	<b>15,284</b>	<b>15,633</b>
<b>Non-current employee benefits and related on-costs</b>		
Conditional long service leave	1,909	1,079
Provisions related to employee benefit on-costs (ii)	253	130
<b>Total non-current employee benefits and related on-costs</b>	<b>2,162</b>	<b>1,209</b>
<b>Total employee benefits and related on-costs</b>	<b>17,446</b>	<b>16,842</b>

Notes:

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

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

	Total 2023 \$'000	Total 2022 \$'000
<b>Current employee benefits and related on-costs</b>		
Unconditional long service leave entitlements	8,363	9,300
Unconditional annual leave entitlements	6,720	6,110
Unconditional accrued days off	201	223
<b>Total current employee benefits and related on-costs</b>	<b>15,284</b>	<b>15,633</b>
<b>Non-current employee benefits and related on-costs</b>		
Conditional long service leave entitlements	2,162	1,209
<b>Total non-current employee benefits and related on-costs</b>	<b>2,162</b>	<b>1,209</b>
<b>Total employee benefits and related on-costs</b>	<b>17,446</b>	<b>16,842</b>
Attributable to:		
Employee benefits	16,656	15,517
Provision for related on-costs	790	1,325
<b>Total employee benefits and related on-costs</b>	<b>17,446</b>	<b>16,842</b>

## Note 3.3 (b) Provision for employee benefits and related on-costs movement schedule

	Total 2023 \$'000	Total 2022 \$'000
<b>Carrying amount at start of year</b>	<b>16,842</b>	<b>13,829</b>
Provision made during the year		
- Revaluations	(1,935)	(316)
- Expense recognising employee service	7,373	8,797
Settlement made during the year	(4,834)	(5,468)
<b>Carrying amount at end of year</b>	<b>17,446</b>	<b>16,842</b>

### How we recognise employee benefits

#### Employee benefit recognition

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

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

#### Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities', because the 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 following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations e.g. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

#### Termination benefits

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

#### On-costs related to employee expense

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



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 3.4 Superannuation

	Paid Contribution for the year		Contribution Outstanding at Year End	
	Total 2023 \$'000	Total 2022 \$'000	Total 2023 \$'000	Total 2022 \$'000
<b>(i) Defined benefit plans: (i)</b>				
First State Super	98	105	-	-
<b>Defined contribution plans:</b>				
First State Super	3,051	2,914	15	-
HESTA	1,695	1,448	-	-
Other	1,368	1,011	40	-
<b>Total</b>	<b>6,212</b>	<b>5,478</b>	<b>55</b>	<b>-</b>

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

### How we recognise superannuation

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

### Defined benefit superannuation plans

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by Western District Health Service to the superannuation plans in respect of the services of current Western District 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 Service 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 Service.

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

### Defined contribution superannuation plans

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

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

## Note 4.1: Investments and other financial assets

## Note 4: Key Assets to Support Service Delivery

Western District 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 Western District Health Service to be utilised for delivery of those outputs.

### Structure

- 4.1 Investments & Other Financial Assets
- 4.2 Property, plant & equipment
- 4.3 Right-of-use assets
- 4.4 Revaluation surplus
- 4.5 Depreciation and amortisation
- 4.6 Inventories
- 4.7 Impairment of assets

### Telling the COVID-19 story

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

### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant and equipment	Western District Health Service assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.
Estimating restoration costs at the end of a lease	Western District Health Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Identifying indicators or impairment	Where a lease agreement requires Western District Health Service to restore a right-of-use asset to its original condition at the end of a lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
	At the end of each year, Western District Health Service assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication existed, the health service tests the asset for impairment.
	The health service considers a range of information when performing its assessment, including considering: <ul style="list-style-type: none"> <li>• If an asset's value has declined more than expected based on normal use</li> <li>• If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset</li> <li>• If an asset is obsolete or damaged</li> <li>• If the asset has welcome idle or if there are plans to discontinue or dispose of the asset before the end of its useful life</li> <li>• If the performance of the asset is or will be worse than initially expected.</li> </ul>
	Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.

	Operating Fund		Specific Purpose Fund		Capital Fund		Total	
	Total 2023 \$'000	Total 2022 \$'000	Total 2023 \$'000	Total 2022 \$'000	Total 2023 \$'000	Total 2022 \$'000	Total 2023 \$'000	Total 2022 \$'000
<b>CURRENT</b>								
<b>Amortised Cost</b>								
Aust. Dollar Term Deposits > 3 months (i)	-	-	-	-	467	464	467	464
<b>Total Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>467</b>	<b>464</b>	<b>467</b>	<b>464</b>
<b>NON CURRENT</b>								
<b>Amortised Cost</b>								
Term Deposit								
Aust. Dollar Term Deposits > 12 months	4,987	4,234	-	-	8	9	4,995	4,243
<b>Fair Value Through Other Comprehensive Income</b>								
Equities and Managed Investment Schemes								
Australian Listed Equity Securities (ii)	-	-	2,122	2,066	-	-	2,122	2,066
<b>Total Non Current</b>	<b>4,987</b>	<b>4,234</b>	<b>2,122</b>	<b>2,066</b>	<b>8</b>	<b>9</b>	<b>7,117</b>	<b>6,309</b>
<b>Total investments and other financial assets</b>	<b>4,987</b>	<b>4,234</b>	<b>2,122</b>	<b>2,066</b>	<b>475</b>	<b>473</b>	<b>7,584</b>	<b>6,773</b>
<b>Represented by:</b>								
Health Service Investments	4,987	4,234	2,122	2,066	475	473	7,584	6,773
<b>Total investments and other financial assets</b>	<b>4,987</b>	<b>4,234</b>	<b>2,122</b>	<b>2,066</b>	<b>475</b>	<b>473</b>	<b>7,584</b>	<b>6,773</b>

Notes:

(i) Term deposits under 'Aust. Dollar Term Deposits &gt; 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.

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 4.1: Investments and other financial assets

### How we recognise investments and other financial assets

Western District Health Service's investments and other financial assets are made in accordance with Standing Direction 3.7.2 - Treasury Management, including the Central Banking System.

Western District Health Service manages its investments and other financial assets in accordance with an investment policy approved by the Board.

Investments are recognised when Western District Health Service enters into a contract to either purchase or sell the investment (i.e. when it becomes a party to the contractual provisions to the investment). Investments are initially measured at fair value, net of transaction costs.

Western District Health Service classifies its other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset. Term deposits with original maturity dates of three to twelve months are classified as current, whilst term deposits with original maturity dates in excess of 12 months are classified as non-current.

Western District Health Service assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

## Note 4.2: Property, plant & equipment

### (a) Gross carrying amount and accumulated depreciation

	Total 2023 \$'000	Total 2022 \$'000
Land at fair value - Crown	5,046	5,046
Land at fair value - Freehold	1,546	1,546
<b>Total Land at fair value</b>	<b>6,592</b>	<b>6,592</b>
<b>Buildings</b>		
Buildings Under Construction at cost	6,686	2,746
Buildings at fair value	148,362	146,293
Less acc'd depreciation	(26,195)	(19,634)
Landscaping Improvements at fair value	2,427	2,014
Less acc'd depreciation	(267)	(199)
<b>Total Buildings at fair value</b>	<b>131,013</b>	<b>131,220</b>
<b>Plant and Equipment at fair value</b>		
Plant and Equipment at fair value	7,430	7,168
Less acc'd depreciation	(3,209)	(2,922)
<b>Total Plant and Equipment at fair value</b>	<b>4,221</b>	<b>4,246</b>
<b>Medical Equipment at fair value</b>		
Medical Equipment at fair value	13,046	10,879
Less acc'd depreciation	(7,655)	(7,439)
<b>Total Medical Equipment at fair value</b>	<b>5,391</b>	<b>3,440</b>
<b>Computers and Communication at fair value</b>		
Computers and Communication at fair value	3,370	2,872
Less acc'd depreciation	(1,700)	(1,420)
Right of use Computers and Communication at fair value	868	897
Less acc'd depreciation	(172)	(334)
<b>Total Computers and Communication at fair value</b>	<b>2,366</b>	<b>2,015</b>
<b>Furniture and Fittings at fair value</b>		
Furniture and Fittings at Fair Value	1,483	1,449
Less acc'd depreciation	(1,354)	(1,301)
<b>Total Furniture and Fittings at fair value</b>	<b>129</b>	<b>148</b>
<b>Motor Vehicles at fair value</b>		
Motor Vehicles at fair value	1,509	1,608
Less acc'd depreciation	(1,381)	(1,415)
Right of use Motor Vehicles at fair value	952	457
Less acc'd depreciation	(167)	(68)
<b>Total Motor Vehicles at fair value</b>	<b>913</b>	<b>582</b>
<b>Total Property, Plant and Equipment</b>	<b>150,625</b>	<b>148,243</b>

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 4.2: Property, plant & equipment

### (b) Reconciliations of the carrying amounts of each class of asset

	Notes	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Furniture & Fittings	Motor Vehicles	Assets Under Construction	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2021</b>		<b>4,776</b>	<b>122,906</b>	<b>4,379</b>	<b>3,139</b>	<b>1,369</b>	<b>209</b>	<b>540</b>	<b>1,344</b>	<b>138,662</b>
Additions		-	35	165	927	1,036	5	293	1,402	3,863
Revaluation		1,816	12,160	-	-	-	-	-	-	13,976
Disposals		-	-	(21)	(36)	-	-	(48)	-	(105)
Depreciation	4.5	-	(6,627)	(277)	(590)	(390)	(66)	(203)	-	(8,153)
<b>Balance at 30 June 2022</b>		<b>6,592</b>	<b>128,474</b>	<b>4,246</b>	<b>3,440</b>	<b>2,015</b>	<b>148</b>	<b>582</b>	<b>2,746</b>	<b>148,243</b>
Additions		-	2,478	262	2,585	798	34	542	3,940	10,639
Disposals		-	-	-	(24)	-	-	2	-	(22)
Depreciation	4.5	-	(6,625)	(287)	(610)	(447)	(53)	(213)	-	(8,235)
<b>Balance at 30 June 2023</b>		<b>6,592</b>	<b>124,327</b>	<b>4,221</b>	<b>5,391</b>	<b>2,366</b>	<b>129</b>	<b>913</b>	<b>6,686</b>	<b>150,625</b>

### Land and buildings and leased assets carried at valuation

The Valuer-General Victoria undertook to re-value all of Western District Health Service's owned and leased land and buildings to determine their fair value. 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.

### How we recognise property, plant and equipment

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

### Initial recognition

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

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

### Subsequent measurement

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

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

Further information regarding fair value measurement is disclosed below.

### Revaluation

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

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

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

An independent valuation of Western District Health Service's property, plant and equipment was performed by the VGV in March 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The managerial assessment performed at 30 June 2022 indicated an overall:

- increase in fair value of land of 38.01% (\$1,815,506)
- increase in fair value of buildings of 10.46% (\$12,160,342).

As the cumulative movement was greater than 10% but less than 40% for land/buildings/land and buildings since the last revaluation, a managerial revaluation adjustment was required as at 30 June 2022. No adjustment was required after the assessment was completed as at 30 June 2023.

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

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

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

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

## Note 4.3: Right-of-use assets

### 4.3 (a) Gross carrying amount and accumulated depreciation

	Total 2023 \$'000	Total 2022 \$'000
Right of use plant, equipment, furniture, fittings and vehicles as fair value	1,820	1,354
Less accumulated depreciation	(339)	(402)
<b>Total right of use assets</b>	<b>1,481</b>	<b>952</b>

### 4.3 (b) Reconciliation of carrying amount by class of asset

	Notes	Right-of-use Computers and Communication	Right-of-use Motor Vehicles	Total
		\$'000	\$'000	\$'000
<b>Balance at 1 July 2021</b>		<b>692</b>	<b>208</b>	<b>900</b>
Additions		49	250	299
Net Transfers between Classes		-	-	-
Disposals		-	-	-
Depreciation	4.6	(179)	(68)	(247)
<b>Balance at 30 June 2022</b>	<b>4.3(a)</b>	<b>562</b>	<b>390</b>	<b>952</b>
Additions		307	494	801
Net Transfers between Classes		-	-	-
Disposals		-	-	-
Depreciation	<b>4.3(a)</b>	(172)	(100)	(272)
<b>Balance at 30 June 2023</b>		<b>697</b>	<b>784</b>	<b>1,481</b>

### How we recognise right-of-use assets

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

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

Right-of-use assets and their respective lease terms include:

Class of right-of-use asset	Lease term
Leased computers and communication equipment	3 to 5 years
Leased motor vehicles	3 years

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 4.3: Right-of-use assets (cont)

### Initial recognition

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

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

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

Western District Health Service's ICT equipment lease agreements held through South West Alliance of Rural Health contain purchase options which the health service is not reasonably certain to exercise at the completion of the lease.

### Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable. Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective). Further information regarding fair value measurement is disclosed in Note 7.4.

## Note 4.4: Revaluation Surplus

	Notes	Total 2023 \$'000	Total 2022 \$'000
<b>Property, Plant and Equipment Revaluation Surplus</b>			
Balance at the beginning of the reporting period		111,490	97,514
Revaluation Increment			
- Land	4.2 (b)	-	1,816
- Buildings	4.2 (b)	-	12,160
<b>Balance as the end of reporting period*</b>		<b>111,490</b>	<b>111,490</b>
<b>* Represented by:</b>			
- Land		5,442	5,442
- Buildings		105,671	105,671
- Leased Building		376	376
<b>Total Plant and Equipment</b>		<b>111,489</b>	<b>111,489</b>

## Note 4.5: Depreciation

	Total 2023 \$'000	Total 2022 \$'000
<b>Depreciation</b>		
<b>Property, plant and equipment</b>		
Buildings	6,625	6,627
Plant & Equipment	287	277
Medical Equipment	610	590
Computers & Communication	275	212
Furniture & Fittings	53	66
Motor Vehicles	113	144
<b>Total Depreciation - property, plant and equipment</b>	<b>7,963</b>	<b>7,916</b>
	Total 2023 \$'000	Total 2022 \$'000
<b>Right-of-use assets</b>		
Right-of-use plant, equipment, furniture, fittings and motor vehicles	272	237
<b>Total depreciation - right-of-use assets</b>	<b>272</b>	<b>237</b>
<b>Total depreciation</b>	<b>8,235</b>	<b>8,153</b>

### How we recognise depreciation

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

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

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

	2023	2022
<b>Buildings</b>		
- Structure Shell Building Fabric	15 to 43 years	15 to 43 years
- Site Engineering Services and Central Plant	13 to 33 years	13 to 33 years
<b>Central Plant</b>		
- Fit Out	7 to 22 years	7 to 22 years
- Trunk Reticulated Building systems	7 to 23 years	7 to 23 years
<b>Plant and Equipment</b>	10 to 40 years	10 to 40 years
<b>Medical Equipment</b>	5 to 20 years	5 to 20 years
<b>Computers and Communication</b>	4 to 20 years	4 to 20 years
<b>Furniture and Fittings</b>	4 to 20 years	4 to 20 years
<b>Motor Vehicles</b>	5 to 20 years	5 to 20 years
<b>Land Improvements</b>	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 4.6: Inventories

	Total 2023 \$'000	Total 2022 \$'000
Pharmacy supplies at cost	222	145
General supplies at cost	18	20
<b>Total Inventories</b>	<b>240</b>	<b>165</b>

### How we recognise inventories

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

Inventories are measured at the lower of cost and net realisable value.

## Note 4.7: Impairment of assets

### How we recognise impairment

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

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

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

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

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

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

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

Western District Health Service did not record any impairment losses for the year ended 30 June 2023.



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## 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 and contract liabilities
- 5.3 Other liabilities

### Telling the COVID-19 story

Other assets and liabilities used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 coronavirus pandemic.

### Key judgements and estimates

This section contains the following key judgements and estimates:

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

## Note 5.1: Receivables and contract assets

	Total 2023 \$'000	Total 2022 \$'000
<b>Current receivables and contract assets</b>		
<b>Contractual</b>		
Trade Debtors	866	800
Patient and Resident Fees	680	957
Accrued Revenue	422	70
<i>Less Allowance for impairment losses of contractual receivables</i>		
Trade Debtors	(84)	(84)
Patient Fees	(127)	(106)
<b>Total contractual receivables</b>	<b>1,757</b>	<b>1,637</b>
<b>Statutory</b>		
GST Receivable	574	452
Debtor - Department of Health	210	-
<b>Total statutory receivables</b>	<b>784</b>	<b>452</b>
<b>Total current receivables and contract assets</b>	<b>2,541</b>	<b>2,089</b>
<b>Non-current receivables and contract assets</b>		
<b>Contractual</b>		
Long Service Leave - Department of Health	4,417	4,694
<b>Total non-current receivables and contract assets</b>	<b>4,417</b>	<b>4,694</b>
<b>Total receivables and contract assets</b>	<b>6,958</b>	<b>6,783</b>
<i>Financial assets classified as receivables and contract assets (Note 7.1(a))</i>		
Total receivables and contract assets	6,958	6,783
Provision for impairment	211	190
GST receivable	(574)	(452)
<b>Total financial assets</b>	<b>6,595</b>	<b>6,521</b>

As at 30 June 2023, Western District Health Service has contract assets of \$1,757,000 which is net of an allowance for expected credit losses of \$211,000. This is included in the contractual receivable balances presented above.

## (a) Movement in the Allowance for impairment losses of contractual receivables

	Total 2023 \$'000	Total 2022 \$'000
Balance at beginning of year	190	165
Increase in allowance	40	96
Amounts written off during the year as uncollectable	(19)	(71)
<b>Balance at end of year</b>	<b>211</b>	<b>190</b>

### How we recognise receivables

Receivables consist of:

- Contractual receivables**, which mostly includes debtors in relation to goods and services. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.
- Statutory receivables**, which mostly includes amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

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(a) for Western District Health Service's contractual impairment losses.

## Note 5.2: Payables and contract liabilities

	Total 2023 \$'000	Total 2022 \$'000
<b>Current payables and contract liabilities</b>		
<b>Contractual</b>		
Trade Creditors	2,346	4,060
Accrued Salary and Wages	1,951	1,592
Accrued Expenses	1,740	2,155
Deferred Capital Grant Revenue (Note 5.2(a))	3,003	1,566
Contract liabilities (Note 5.2(b))	6,805	2,654
Inter-hospital creditors	456	491
	<b>16,301</b>	<b>12,518</b>
<b>Statutory</b>		
GST Payable	49	42
	<b>49</b>	<b>42</b>
<b>Total current payables and contract liabilities</b>	<b>16,350</b>	<b>12,560</b>
<b>Total payables and contract liabilities</b>	<b>16,350</b>	<b>12,560</b>
<i>Financial liabilities classified as payables and contract liabilities (Note 7.1(a))</i>		
Total payables and contractual liabilities	16,350	12,560
Deferred grant income	(3,003)	(1,566)
Contract liabilities	(6,805)	(2,654)
GST Payable	(49)	(42)
<b>Total financial liabilities</b>	<b>6,493</b>	<b>8,298</b>

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 5.2: Payables and contract liabilities (cont.)

### How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Western District Health Service prior to the end of the financial year that are unpaid.
- **Statutory payables**, which mostly includes amount payable to the Victorian Government and Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

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

### (a) Deferred capital grant revenue

	Total 2023 \$'000	Total 2022 \$'000
Opening Balance of deferred grant income	1,566	1,047
Grant consideration for capital works received during the year	3,764	650
Deferred grant revenue recognised as revenue due to completion of capital works	(2,327)	(131)
Closing balance of deferred grant income	3,003	1,566

### How we recognise deferred capital grant revenue

Grant consideration was received from Department of Health. Grant revenue is recognised progressively as the asset is constructed, since this is the time when Western District Health Service satisfies its obligations. The progressive percentage costs incurred is used to recognise income because this most closely reflects the percentage of the building works. As a result Western District Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Western District Health Service expects to recognise all of the remaining deferred capital grant revenue for capital works by 30 June 2024.

### (b) Contract liabilities

	Total 2023 \$'000	Total 2022 \$'000
Opening balance of contract liabilities	2,654	2,083
Payments received for performance obligations not yet fulfilled	80,443	71,073
Revenue recognised for the completion of a performance obligation	(76,082)	(70,502)
Total contract liabilities	6,805	2,654
Represented by		
Current contract liabilities	6,805	2,654
Non-current contract liabilities	-	-
	6,805	2,654

### How we recognise 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. Department of Health consideration is also contained within the payments received for performance obligations not yet fulfilled and relates to funds received with contract obligations that have not been satisfied and is repayable. The balance of contract liabilities was higher than the previous reporting period due to new projects commencing.

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

### Financial guarantees

Payments that are contingent under financial guarantee contracts are recognised as a liability, at fair value, at the time the guarantee is issued. Subsequently, should there be a material increase in the likelihood that the guarantee may have to be exercised, the liability is recognised at the higher of the amount determined in accordance with the expected credit loss model under AASB 9 Financial Instruments and the amount initially recognised less, when appropriate, cumulative amortisation recognised.

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by DHHS by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the health service in the event of default.

### Maturity analysis of payables

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

## Note 5.3 Other liabilities

	Total 2023 \$'000	Total 2022 \$'000
Current monies held in trust		
Patient monies*	659	657
Refundable accommodation deposits*	20,335	19,115
Home Care Package Funds Held	(463)	475
Other	80	295
Total Current	20,611	20,542
Total Other Liabilities	20,611	20,542
* Total Monies Held in Trust		
Represented by the following assets:		
Cash Assets (refer Note 6.2)	20,991	19,772
TOTAL	20,991	19,772

### How we recognise other liabilities

#### Refundable Accommodation Deposit /Accommodation Bond liabilities

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

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.

#### Other

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.

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

### Telling the COVID-19 story

Our finance and borrowing arrangements were not materially impacted by the COVID-19 coronavirus pandemic because the health service's response was funded by Government.

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	<p>Western District Health Service applies significant judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> <li>has the right-to-use an identified asset</li> <li>has the right to obtain substantially all economic benefits from the use of the leased asset and</li> <li>can decide how and for what purpose the asset is used throughout the lease.</li> </ul>
Determining if a lease meets the short-term or low value asset lease exemption	<p>Western District Health Service applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	<p>Western District Health Service discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Western District Health Service uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.</p>
Assessing the lease term	<p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 2.49% and 4.50%.</p> <p>The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Western District Health Service is reasonably certain to exercise such options. Western District Health Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> <li>If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>The health service considers historical lease durations and the costs and business disruption to replace such leased assets.</li> </ul>

## Note 6.1: Borrowings

	Total 2023 \$'000	Total 2022 \$'000
<b>CURRENT</b>		
- Lease Liability (i)	363	190
- Advances from government (ii)	-	127
<b>Total Current</b>	<b>363</b>	<b>317</b>
<b>NON CURRENT</b>		
- Lease Liability (i)	774	492
- Advances from government (ii)	-	-
<b>Total Non-Current</b>	<b>774</b>	<b>492</b>
<b>Total Borrowings</b>	<b>1,137</b>	<b>809</b>

(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 secured loans which bear no interest.

There is no bank overdraft facility in place.

### How we recognise borrowings

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

#### Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether 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 measurement

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

#### Maturity analysis

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

#### Defaults and breaches

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

## (a) Lease liabilities

Western District Health Services' lease liabilities are summarised below:

	Total 2023 \$'000	Total 2022 \$'000
Total undiscounted lease liabilities	1,165	705
Less unexpired finance expenses	(28)	(24)
<b>Net lease liabilities</b>	<b>1,137</b>	<b>681</b>

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

	Total 2023 \$'000	Total 2022 \$'000
Not longer than one year	363	190
Longer than one year but not longer than five years	802	515
<b>Minimum future lease liability</b>	<b>1,165</b>	<b>705</b>
Less unexpired finance expenses	(28)	(24)
<b>Present value of lease liability</b>	<b>1,137</b>	<b>681</b>
<b>* Represented by:</b>		
- Current liabilities	363	190
- Non-current liabilities	774	491
	<b>1,137</b>	<b>681</b>

The weighted average interest rate implicit in the finance lease is 4.50% for VicFleet and 2.49% for SWARH (2022: 3.38 and 3.25%)

### How we recognise lease liabilities

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

To apply this definition, Western District Health Service ensures the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to 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.

Western District Health Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased computers and communication equipment	3 to 5 years
Leased motor vehicles	3 years

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. The following low value, short term and variable lease payments are recognised in profit or loss:

Key Judgement and estimates	Description	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Computers and communication equipment with low value
Short-term lease payments	Leases with a term less than 12 months	Not applicable
Variable lease payments not based on an index or rate	Payments which are not based on an index or rate	Not applicable

### Separation of lease and non-lease components

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

#### Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Western District Health Services incremental borrowing rate. Our lease liability has been discounted by rates of between 4.50% to 2.49%.

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

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Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 6.1: Borrowings (cont)

- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

The following types of lease arrangements, contain extension and termination options:

- VicFleet motor vehicle leases with term of three years or 60,000 km can be terminated early at the request of Western District Health Service. Additional costs may be incurred.

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

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

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

### Subsequent measurement

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

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

## Note 6.2: Cash and Cash Equivalents

	Total 2023 \$'000	Total 2022 \$'000
Cash on hand (excluding monies held in trust)	23	22
Cash at bank (excluding monies held in trust)	4,165	2,740
Cash at bank (monies held in trust)	1,190	1,036
Cash at bank - CBS (excluding monies held in trust)	25,379	28,504
Cash at bank - CBS (monies held in trust)	19,801	18,736
<b>Total Cash and Cash Equivalents</b>	<b>50,558</b>	<b>51,038</b>

### How we recognise cash and cash equivalents

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

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

## Note 6.3: Commitments for expenditure

### a) Commitments

	Total 2023 \$'000	Total 2022 \$'000
<b>Capital expenditure commitments</b>		
Payable less than 1 year:		
Plant and Equipment	2,288	3,111
Buildings	1,338	5,273
<b>Total capital expenditure commitments</b>	<b>3,626</b>	<b>8,384</b>
<b>Operating expenditure commitments</b>		
Payable less than 1 year	-	50
<b>Total capital expenditure commitments</b>	<b>-</b>	<b>50</b>
<b>Total Commitments (inclusive of GST)</b>	<b>3,626</b>	<b>8,434</b>

### How we disclose our commitments

Our commitments relate to expenditure for capital and operating projects still in progress.

### Expenditure Commitments

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

## Note 7: Risks, contingencies and valuation uncertainties

Western District 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 Financial risk management objectives and policies
- 7.3 Contingent assets and contingent liabilities
- 7.4 Fair value determination

### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	<p>Fair value is measured with reference to highest and best use, that is the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, Western District Health Service has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.</p> <p>Western District Health Service uses a range of valuation techniques to estimate fair value, which includes the following:</p> <ul style="list-style-type: none"> <li>Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Western District Health Service's specialised land, non-specialised land, non-specialised buildings and cultural assets are measured using this approach.</li> <li>Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Western District Health Service's furniture, fittings, plant, equipment and vehicles are measured using this approach.</li> <li>Income approach, which concerns future cash flows or income and expenses to a single undiscounted amount. Western District Health Service does not use this approach to measure fair value.</li> </ul> <p>The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> <li>Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Western District Health Service does not categorise any fair values within this level.</li> <li>Level 2, Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Western District Health Service categorise non specialised land and right-of-use concessionary land in this level.</li> <li>Level 3, where Inputs are unobservable Western District Health Service categorises specialised land, non specialised buildings, plant, equipment, furniture, fittings, vehicles, and right-of-use plant</li> </ul>



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## 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) Categorisation of financial instruments

	Note	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
2023		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contractual Financial Assets</b>						
Cash and cash equivalents	6.2	50,558	-	-	-	50,558
Receivables						
- Trade Debtors	5.1	866	-	-	-	866
- Other Receivables	5.1	1,102	-	-	-	1,102
- Long Service Leave - Department of Health	5.1	4,417	-	-	-	4,417
Investment and Other Financial Assets						
- Term Deposit	4.1	5,462	-	-	-	5,462
- Shares in Other Entities	4.1	-	2,122	-	-	2,122
<b>Total Financial Assets<sup>i</sup></b>		<b>62,405</b>	<b>2,122</b>	<b>-</b>	<b>-</b>	<b>64,527</b>
<b>Financial Liabilities</b>						
Payables	5.2	-	-	-	6,493	6,493
Borrowings	6.1	-	-	-	1,137	1,137
Other Financial Liabilities						
- Accommodation bonds	5.3	-	-	-	20,335	20,335
- Other	5.3	-	-	-	276	276
<b>Total Financial Liabilities<sup>i</sup></b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>28,241</b>	<b>28,241</b>

	Note	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
2022		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contractual Financial Assets</b>						
Cash and cash equivalents	6.2	51,038	-	-	-	51,038
Receivables						
- Trade Debtors	5.1	800	-	-	-	800
- Other Receivables	5.1	1,027	-	-	-	1,027
- Long Service Leave - Department of Health	5.1	4,694	-	-	-	4,694
Other Financial Assets						
- Term Deposit	4.1	4,707	-	-	-	4,707
- Shares in Other Entities	4.1	-	2,066	-	-	2,066
<b>Total Financial Assets<sup>i</sup></b>		<b>62,266</b>	<b>2,066</b>	<b>-</b>	<b>-</b>	<b>64,332</b>
<b>Financial Liabilities</b>						
Payables	5.2	-	-	-	8,298	8,298
Borrowings	6.1	-	-	127	681	808
Other Financial Liabilities						
- Accommodation bonds	5.3	-	-	-	19,115	19,115
- Other	5.3	-	-	-	1,427	1,427
<b>Total Financial Liabilities<sup>i</sup></b>		<b>-</b>	<b>-</b>	<b>127</b>	<b>29,521</b>	<b>29,648</b>

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

### How we categorise financial instruments

#### Categories of financial assets

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

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

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

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

#### Financial assets at amortised cost

Financial assets are measured at amortised 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

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- 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 that are 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.

Western District Health Service recognises the following assets in this category:

- investments in equity instruments.

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 7.1: Financial Instruments (cont.)

### Categories of financial liabilities

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

### Financial liabilities at fair value through net result

A financial liability is measured at fair value through net result if the financial liability is:

- held for trading or
- initially designated as at fair value through net result.

Changes in fair value are recognised in the net results as other economic flows, unless the changes in fair value relate to changes in 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 are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

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

Western District Health Service recognises the following liabilities in this category:

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

### Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired; or
- 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

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

A financial liability reclassification is not permitted.

## Note 7.2: Financial risk management objectives and policies

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

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

Western District Health Service's main financial risks include credit risk, interest rate risk, and equity price risk. Western District Health Service manages these financial risks in accordance with its financial risk management policy.

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

### Note 7.2 (a) Credit risk

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

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

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

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

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

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

There has been no material change to Western District Health Service's credit risk profile in 2022-23.

### 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.

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

### Contractual receivables at amortised cost

Western District Health Service applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. 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 Western District Health Service's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

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

30 June 2023		Current	Less than 1 month	1-3 Months	3 Months - 1 year	1 - 5 years	Total \$'000
<b>Expected loss rate</b>		1%	2%	11%	20%	50%	
Carrying amount of contractual receivables	\$'000	1,065	140	253	306	197	<b>1,961</b>
Loss Allowance	\$'000	13	3	29	61	99	<b>205</b>

30 June 2022		Current	Less than 1 month	1-3 Months	3 Months - 1 year	1 - 5 years	Total \$'000
<b>Expected loss rate</b>		1%	2%	13%	20%	50%	
Carrying amount of contractual receivables	\$'000	991	149	239	262	186	<b>1,827</b>
Loss Allowance	\$'000	2	4	30	52	93	<b>181</b>

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 7.2 (b): Liquidity Risk

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

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

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;

- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

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

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

				Maturity Dates			
		Carrying Amount \$'000	Nominal Amount \$'000	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years
2023	Note			\$'000	\$'000	\$'000	\$'000
Financial Liabilities							
At amortised cost							
Payables	5.2	6,493	6,493	6,493	-	-	-
Borrowings	6.1	1,137	-	-	-	363	774
Other Financial Liabilities (i)							
- Accommodation Bonds	5.3	20,335	20,335	1,017	4,270	15,048	-
- Other	5.3	276	276	83	166	28	-
At fair value through net result							
Borrowings	6.1	-	-	-	-	-	-
Total Financial Liabilities		28,241	27,104	7,593	4,436	15,439	774
2022							
Financial Liabilities							
At amortised cost							
Payables	5.2	8,298	8,298	8,298	-	-	-
Borrowings	6.1	682	-	-	-	190	492
Other Financial Liabilities (i)							
- Accommodation Bonds	5.3	19,115	19,115	956	4,014	14,145	-
- Other	5.3	1,427	1,427	428	856	143	-
At fair value through net result							
Borrowings	6.1	127	-	-	-	127	-
Total Financial Liabilities		29,649	28,840	9,682	4,870	14,605	492

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

## Note 7.2(c): Market Risk

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

### Sensitivity disclosure analysis and assumptions

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

- a change in interest rates of 1% up or down and
- a change in the top ASX 200 index of 15% up or down.

### Interest rate risk

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

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

### Equity risk

Western District Health Service is exposed to equity price risk through its investments in listed and unlisted shares and managed investment schemes. Such investments are allocated and traded to match the health service's investment objectives.

Western District Health Service's sensitivity to equity price risk is set out below.

2023			- 15%			+15%
	Carrying amount \$'000	Net result	Fair value through OCI revaluation reserve \$'000	Net result	Fair value through OCI revaluation reserve \$'000	
Equity Investments	2 122	-	(318)	-	318	
<b>Total impact</b>		<b>-</b>	<b>(318)</b>	<b>-</b>	<b>318</b>	
<b>2022</b>						
Equity Investments	2 066	-	(310)	-	310	
<b>Total impact</b>		<b>-</b>	<b>(310)</b>	<b>-</b>	<b>310</b>	

## Note 7.3: Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities at the date of this report.

## Note 7.4: Fair value determination

### How we measure fair value

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

The following assets and liabilities are carried at fair value:

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

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

### Valuation hierarchy

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

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

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. There have been no transfers between levels during the period.

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

### Identifying unobservable inputs (level 3) fair value measurements

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

# Financial Statements

Notes to the Financial Statements  
Western District Health Service for the financial year ended 30 June 2023

## Note 7.4: Fair value determination (cont)

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

### Note 7.4 (a) Fair value determination of investments and other financial assets

	Note	Carrying amount 30 June 2023 \$'000	Fair value measurement at end of reporting period using:		
			Level 1	Level 2	Level 3
			\$'000	\$'000	\$'000
Australian listed equity securities	4.1	2,122	2,122	-	-
<b>Total financial assets held as fair value through other comprehensive income</b>		<b>2,122</b>	<b>2,122</b>	<b>-</b>	<b>-</b>
<b>Total investments and other financial assets held at fair value</b>		<b>2,122</b>	<b>2,122</b>	<b>-</b>	<b>-</b>

	Note	Carrying amount 30 June 2023 \$'000	Fair value measurement at end of reporting period using:		
			Level 1	Level 2	Level 3
			\$'000	\$'000	\$'000
Australian listed equity securities	4.1	2,066	2,066	-	-
<b>Total financial assets held as fair value through other comprehensive income</b>		<b>2,066</b>	<b>2,066</b>	<b>-</b>	<b>-</b>
<b>Total investments and other financial assets held at fair value</b>		<b>2,066</b>	<b>2,066</b>	<b>-</b>	<b>-</b>

#### How we measure fair value of investments and other financial assets

##### Equities

Equities are valued at fair value with reference to a quoted (unadjusted) market price from an active market.

Western District Health Service classifies these instruments as Level 1.

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

	Note	Carrying amount 30 June 2023 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
			\$'000	\$'000	\$'000
<b>Balance at 30 June 2023</b>					
<b>Land at fair value</b>					
Non-specialised land		263	-	263	-
Specialised land		6,329	-	-	6,329
<b>Total Land at fair value</b>	4.2 (a)	<b>6,592</b>	<b>-</b>	<b>263</b>	<b>6,329</b>
<b>Buildings at fair value</b>					
Non-specialised buildings		454	-	454	-
Specialised buildings		123,429	-	-	123,429
Heritage assets		444	-	-	444
<b>Total Building at fair value</b>	4.2 (a)	<b>124,327</b>	<b>-</b>	<b>454</b>	<b>123,873</b>
<b>Plant and Equipment at fair value</b>					
Plant and Equipment at fair value		4,221	-	-	4,221
<b>Total Plant and Equipment at fair value</b>	4.2 (a)	<b>4,221</b>	<b>-</b>	<b>-</b>	<b>4,221</b>
<b>Motor Vehicles at fair value</b>					
Motor vehicles at fair value		128	-	-	128
<b>Total Motor Vehicles at fair value</b>	4.2 (a)	<b>128</b>	<b>-</b>	<b>-</b>	<b>128</b>
<b>Medical Equipment at fair value</b>					
Medical Equipment at fair value		5,391	-	-	5,391
<b>Total Medical Equipment at fair value</b>	4.2 (a)	<b>5,391</b>	<b>-</b>	<b>-</b>	<b>5,391</b>
<b>Computers and Communication at fair value</b>					
Computers and Communication at fair value		1,670	-	-	1,670
<b>Total Computers and Communication at fair value</b>	4.2 (a)	<b>1,670</b>	<b>-</b>	<b>-</b>	<b>1,670</b>
<b>Furniture &amp; Fittings at fair value</b>					
Furniture & Fittings at fair value		129	-	-	129
<b>Total Furniture &amp; Fittings at fair value</b>	4.2 (a)	<b>129</b>	<b>-</b>	<b>-</b>	<b>129</b>
<b>Right of Use Assets at fair value</b>					
Right of use Computers and Communication at fair value		696	-	-	696
Right of use Motor Vehicles at fair value		785	-	-	785
<b>Total Right of Use Assets at fair value</b>	4.2 (a)	<b>1,481</b>	<b>-</b>	<b>-</b>	<b>1,481</b>
<b>Total property, plant and equipment at fair value</b>		<b>143,939</b>	<b>-</b>	<b>717</b>	<b>143,222</b>

##### Note

(i) Classified in accordance with the fair value hierarchy



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

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

Balance at 30 June 2022	Notes	Carrying amount 30 June 2022 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 <sup>(a)</sup>	Level 2 <sup>(a)</sup>	Level 3 <sup>(a)</sup>
			\$'000	\$'000	\$'000
<b>Land at fair value</b>					
Non-specialised land		263	-	263	-
Specialised land		6,329	-	-	6,329
<b>Total Land at fair value</b>	4.2 (a)	<b>6,592</b>	-	<b>263</b>	<b>6,329</b>
<b>Buildings at fair value</b>					
Non-specialised buildings		507	-	507	-
Specialised buildings		127,454	-	-	127,454
Heritage assets		513	-	-	513
<b>Total Building at fair value</b>	4.2 (a)	<b>128,474</b>	-	<b>507</b>	<b>127,697</b>
<b>Plant and Equipment at fair value</b>					
Plant and Equipment at fair value		4,246	-	-	4,246
<b>Total Plant and Equipment at fair value</b>	4.2 (a)	<b>4,246</b>	-	-	<b>4,246</b>
<b>Motor Vehicles at fair value</b>					
Motor vehicles at fair value		193	-	-	193
<b>Total Motor Vehicles at fair value</b>	4.2 (a)	<b>193</b>	-	-	<b>193</b>
<b>Medical Equipment at fair value</b>					
Medical Equipment at fair value		3,440	-	-	3,440
<b>Total Medical Equipment at fair value</b>	4.2 (a)	<b>3,440</b>	-	-	<b>3,440</b>
<b>Computers and Communication at fair value</b>					
Computers and Communication at fair value		1,452	-	-	1,452
<b>Total Computers and Communication at fair value</b>	4.2 (a)	<b>1,452</b>	-	-	<b>1,452</b>
<b>Furniture &amp; Fittings at fair value</b>					
Furniture & Fittings at fair value		148	-	-	148
<b>Total Furniture &amp; Fittings at fair value</b>	4.2 (a)	<b>148</b>	-	-	<b>148</b>
<b>Right of Use Assets at fair value</b>					
Right of use Computers and Communication at fair value		563	-	-	563
Right of use Motor Vehicles at fair value		389	-	-	389
<b>Total Right of Use Assets at fair value</b>	4.2 (a)	<b>952</b>	-	-	<b>952</b>
<b>Total property, plant and equipment at fair value</b>		<b>145,497</b>	-	<b>770</b>	<b>144,727</b>

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

### How we measure fair value of non-financial physical assets

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

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

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

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

### Non-specialised land and non-specialised buildings

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 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 effective date of the valuation is 30 June 2019.

### Vehicles

The Western District 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).

### Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the 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 2023.

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Notes to the Financial Statements  
Western District Health Service for the financial year ended 30 June 2023

## 7.4: Fair value determination (cont.)

### Reconciliation of level 3 fair value measurement

	Note	Land	Buildings	Plant & Equipment	Medical Equipment	Computers & Communication	Furniture & Fittings	Motor Vehicles	Leased Assets
<b>30 June 2022</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2021</b>		<b>4,513</b>	<b>122,399</b>	<b>4,379</b>	<b>3,139</b>	<b>677</b>	<b>209</b>	<b>332</b>	<b>900</b>
Additions/(Disposals)		-	35	144	891	986	5	(4)	299
- Revaluation		1,816	12,160	-	-	-	-	-	-
Gains or losses recognised in net result		-	-	-	-	-	-	-	-
- Depreciation		-	(6,627)	(277)	(590)	(211)	(66)	(135)	(247)
<b>Closing Balance at 30 June 2022</b>	<b>7.4(b)</b>	<b>6,329</b>	<b>127,967</b>	<b>4,246</b>	<b>3,440</b>	<b>1,452</b>	<b>148</b>	<b>193</b>	<b>952</b>
<b>30 June 2023</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2022</b>		<b>6,329</b>	<b>127,967</b>	<b>4,246</b>	<b>3,440</b>	<b>1,452</b>	<b>148</b>	<b>193</b>	<b>952</b>
Additions/(Disposals)		-	2,531	262	2,561	491	34	50	801
- Revaluation		-	-	-	-	-	-	-	-
Gains or losses recognised in net result		-	-	-	-	-	-	-	-
- Depreciation		-	(6,625)	(287)	(610)	(275)	(53)	(113)	(272)
<b>Closing Balance at 30 June 2023</b>	<b>7.4(b)</b>	<b>6,329</b>	<b>123,873</b>	<b>4,221</b>	<b>5,391</b>	<b>1,668</b>	<b>129</b>	<b>130</b>	<b>1,481</b>

(i) Classified in accordance with the fair value hierarchy, refer Note 7.4.

### Fair value determination of level 3 fair value measurement

Asset class	Fair value level	Likely Valuation approach	Significant inputs (Level 3 only)
Specialised Land (Crown / Freehold)	Level 3	Market approach	Community Service Obligations Adjustments (i)
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) A community service obligation (CSO) adjustment of 20% was applied to the Western District Health Service's specialised land.

## 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 Equity
- 8.9 Economic dependency

## Note 8.1: Reconciliation of Net Result for the Year to Net Cash Inflow/ (Outflow) from Operating Activities

	Total 2023 \$'000	Total 2022 \$'000
<b>Net result for the period</b>	<b>(1,622)</b>	<b>(3,994)</b>
<b>Non-cash movements:</b>		
Depreciation	8,235	8,153
Impairment of financial and non financial assets	-	-
Provision for doubtful debts	40	96
Allowance from impairment losses of contractual receivables		
(Increase)/decrease in share of joint venture	(4)	36
Asset Received Free of Charge	(527)	(1,114)
Fair value movement in loan	-	-
Net (gain)/loss from disposal of non-financial physical assets	(45)	(64)
Net (gain)/loss on investments in equity instruments	53	1
Net (gain)/loss from disposal of financial assets	-	-
<b>Movements in assets and liabilities:</b>		
Change in operating assets and liabilities		
• (Increase)/decrease in receivables and other assets	147	(2,437)
• (Increase)/decrease in prepayments	(86)	(13)
• Increase/(decrease) in payables and other liabilities	3,903	2,684
• Increase/(decrease) in provisions	653	3,013
• Change in inventories	(74)	(34)
<b>Net cash inflow from operating activities</b>	<b>10,673</b>	<b>6,327</b>

## 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.

A caretaker period was enacted during the year ended 30 June 2023 which spanned the time the Legislative Assembly expired, until the Victorian election results were clear or a new government was commissioned. The caretaker period for the 2022 Victorian election commenced at 6pm on Tuesday the 1st of November and new ministers were sworn in on the 5th of December.

# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

	Period
Responsible Ministers:	
The Honourable Mary-Anne Thomas MP:	
Minister for Health	1 Jul 2022 - 30 Jun 2023
Minister for Health Infrastructure	5 Dec 2022 - 30 Jun 2023
Minister for Medical Research	5 Dec 2022 - 30 Jun 2023
Former Minister for Ambulance Services	1 Jul 2022 - 5 Dec 2022
The Honourable Gabrielle Williams MP:	
Minister for Mental Health	1 Jul 2022 - 30 Jun 2023
Minister for Ambulance Services	5 Dec 2022 - 30 Jun 2023
The Honourable Lizzy Blandthorn MP:	
Minister for Disability, Ageing and Carers	5 Dec 2022 - 30 Jun 2023
The Honourable Colin Brooks MP:	
Former Minister for Disability, Ageing and Carers	1 Jul 2022 - 5 Dec 2022
Governing Boards	
Ms A Sweeney (Chair of the Board)	1 Jul 2022 - 30 Jun 2023
Mr A Bradbury	1 Jul 2022 - 30 Jun 2023
Ms C Coggins	1 Jul 2022 - 30 Jun 2023
Ms R Clift	1 Jul 2022 - 30 Jun 2023
Ms G Jenkins	1 Jul 2022 - 30 Jun 2023
Ms A Hiscock	1 Jul 2022 - 30 Jun 2023
Ms A Kenneally	1 Jul 2022 - 30 Jun 2023
Mr G Walcott	1 Jul 2022 - 30 Jun 2023
Dr D Wilson	1 Jul 2022 - 30 Jun 2023
Accountable Officers	
Mr R. Fitzgerald (Chief Executive)	1 Jul 2022 - 30 Jun 2023
Remuneration of Responsible Persons	
The number of Responsible Persons are shown in their relevant income bands:	
	Total 2023 \$'000
	Total 2022 \$'000
Income Band	
\$0 - \$9,999	-
\$10,000 - \$19,999	8
\$20,000 - \$29,999	1
\$360,000 - \$369,999	-
\$400,000 - \$410,999	1
	10
	12
Total remuneration received or due and receivable by Responsible Persons from the Reporting Entity amounted to:	545
	520

Amounts relating to the Governing Board Members and Accountable Officer of Western District Health Service are disclosed in the above table. Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report

## Note 8.3: Remuneration of Executives

The number of executive officers, other than 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)	Total 2023 \$'000	Total 2022 \$'000
Short-term benefits	1,396	1,353
Post-employment benefits	136	117
Other long-term benefits	7	9
<b>Total remuneration<sup>i</sup></b>	<b>1,539</b>	<b>1,435</b>
<b>Total number of executives</b>	<b>8</b>	<b>8</b>
<b>Total annualised employee equivalent<sup>ii</sup></b>	<b>7</b>	<b>7</b>

### Notes:

iThe 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). The total remuneration includes contracted salary costs paid to a third party that employs a KMP of Western District Health Service.

iiAnnualised employee equivalent is based on a 38 hour working 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 (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

### Other long-term benefits

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

### 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;
- Jointly Controlled Operation - A member of the South West Alliance of Rural Health; and
- 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. This includes the following:

Key Management Personnel of Western District Health Service		
Western District Health Service	Ms A Sweeney (Chair of the Board)	Board Member
Western District Health Service	Mr A Bradbury	Board Member
Western District Health Service	Ms C Coggins	Board Member
Western District Health Service	Ms R Clift	Board Member
Western District Health Service	Ms G Jenkins	Board Member
Western District Health Service	Ms A Hiscock	Board Member
Western District Health Service	Ms A Kenneally	Board Member
Western District Health Service	Mr G Walcott	Board Member
Western District Health Service	Dr D Wilson	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	Dr 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 & Peshurst
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 Alison Kennedy	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 State's Annual Financial Report.

	Total 2023 \$'000	Total 2022 \$'000
<b>Compensation KMPs</b>		
Short-term benefits	1,891	1,789
Post-employment benefits	184	157
Other long-term benefits	9	9
<b>Total<sup>i</sup></b>	<b>2,084</b>	<b>1,955</b>

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

# Financial Statements

Notes to the Financial Statements  
Western District Health Service for the financial year ended 30 June 2023

## Note 8.4: Related Parties (cont.)

### Significant Transactions with Government Related Entities

Western District Health Service received funding from the Department of Health of \$72,092,878 (2022: \$69,154,975).

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 the 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 Western District Health Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

There were no related party transactions with Cabinet Ministers required to be disclosed in 2023 (2022: none).

There were no related party transactions required to be disclosed for Western District Health Service Board of Directors and Executive Directors in 2023 (2022: none).

## Note 8.5: Remuneration of auditors

	Total 2023 \$'000	Total 2022 \$'000
<b>Victorian Auditor-General's Office</b>		
Audit of financial statement	32	32
	32	32

## Note 8.6: Events Occurring after the Balance Sheet Date

There are no events occurring after the Balance Sheet date.

## Note 8.7: Jointly controlled operations

Name of Entity	Principal Activity	Ownership Interest	
		2023 %	2022 %
South West Alliance of Rural Health	Information Systems	7.08	7.73

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:

	Total 2023 \$'000	Total 2022 \$'000
<b>South West Alliance of Rural Health</b>		
<b>Current Assets</b>		
Cash at Bank	1,242	1,645
Receivables	422	432
Inventories	2	3
Other Current Assets	61	57
<b>Total Current Assets</b>	<b>1,727</b>	<b>2,137</b>
<b>Non Current Assets</b>		
DHHS LSL Non Current	73	64
Leased Assets	696	564
Intangibles	-	18
<b>Total Non Current Assets</b>	<b>769</b>	<b>646</b>
<b>Total Assets</b>	<b>2,496</b>	<b>2,783</b>
<b>Current Liabilities</b>		
Payables	608	742
Leased Liabilities	118	122
Employee Benefits	190	206
Deferred Income	949	1,009
<b>Total Current Liabilities</b>	<b>1,865</b>	<b>2,079</b>
<b>Non Current Liabilities</b>		
Employee Benefits	39	21
Leased Liabilities	233	169
<b>Total Non Current Liabilities</b>	<b>272</b>	<b>190</b>
<b>Total Liabilities</b>	<b>2,137</b>	<b>2,269</b>
<b>Net Assets</b>	<b>359</b>	<b>514</b>

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

	Total 2023 \$'000	Total 2022 \$'000
<b>South West Alliance of Rural Health</b>		
<b>Revenues</b>		
Revenue from Operating Activities	1,615	1,502
Revenue from Non Operating Activities	39	123
Capital Purpose Income	127	14
Other Economic Flows	2	(5)
<b>Total Revenue</b>	<b>1,783</b>	<b>1,634</b>
<b>Expenses</b>		
Employee Benefits	875	708
Maintenance Contract & IT Support	677	501
Other Expenses from Ordinary Activities	150	150
Finance Costs	4	5
Depreciation	172	178
<b>Total Expenses</b>	<b>1,878</b>	<b>1,542</b>
<b>Net Result</b>	<b>(95)</b>	<b>92</b>

\* Figures obtained from the unaudited South West Alliance of Rural Health Joint Venture annual report.

### Contingent Liabilities and Capital Commitments

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



# Financial Statements

Notes to the Financial Statements

Western District Health Service for the financial year ended 30 June 2023

## Note 8.8: Equity

### Contributed capital

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

The financial assets at fair value through other comprehensive income revaluation reserve arises on the revaluation of financial assets (such as equity instruments) measured at fair value through other comprehensive income. Where such a financial asset is sold, that portion of the reserve which relates to that financial asset may be transferred to accumulated surplus/deficit.

### Specific restricted purpose reserves

The specific restricted purpose reserve 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 8.9: Economic Dependency

Western District Health Service is dependent on the Department of Health 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.

# Glossary of Terms

## AHSSQA

Australian Health Service Safety and Quality Accreditation

## ACFI

Aged Care Funding Instrument

## ALO

Aboriginal Liaison Officer

## 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

## DoH

Department of Health

## 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

## FACEM

Fellowship of Australasian College Emergency Medicine

## FHCC

Frances Hewett Community Centre

## FMIS

Financial Management Information System

## FOI

Freedom of Information

## FRD

Financial Reporting Directions

## GCAHM

Graduate Certificate of Agricultural Health and Medicine

## GEM

Geriatric Evaluation Management

## GP

General Practitioner

## HACC

Home and Community Care

## HBH

Hamilton Base Hospital

## HCP

Home Care Package

## HITH

Hospital in the Home

## HMG

Hamilton Medical Group

## HMMC

Hamilton Midwifery Model of Care

## HMO

Hospital Medical Officer

## ICT

Information, Communication and Technology

## ICU

Intensive Care Unit

## IHI

Institute for Healthcare Improvement

## ILU

Independent Living Unit

## IMG

International Medical Graduates

## KPI

Key Performance Indicator

## Live4Life

Youth Mental Health Program

## LGBTI

Lesbian, Gay, Bisexual, Transgender and / or Intersex

## NCFH

National Centre for Farmer Health

## NSQHS Standards

National Safety and Quality Health Service Standards

## NWAI

National Weighted Activity Unit

## OH&S

Occupational Health and Safety

## OT

Occupational Therapy

## PDHS

Penshurst & District Health Service

## PHU

Public Health Unit

## PPH

Primary & Preventative Health

## QI

Quality Improvement

## RN

Registered Nurse

## SGSC

Southern Grampians Shire Council

## SURC

Symptom Urgent Review Clinic

## SWARH

South West Alliance of Rural Health

## VET

Vocational Education and Training

## 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









[www.wdhs.net](http://www.wdhs.net)

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