



2021-22

East Wimmera
Health Service

ANNUAL REPORT

*Sustainable Healthcare
For Our Community*

CONTENTS

01	Annual Report Statement	18	Performance Summary
02	Disclosure Index	19	Equivalent Staff FTE
04	Our Culture, Our Values	20	Director of Finance & Administration Report / Finance Overview
05	Chair and Chief Executive Officer Report	21	Director of Clinical Services Report
09	Board of Directors	24	Director of People & Culture Report
10	Key Management Personnel	27	Director of Primary Care Report
11	Organisational Structure	29	Risk/Occupational Health and Safety Manager Report
12	Strategic Plan	31	Legislative Requirements
14	Statement of Priorities	35	Attestations and Declarations
16	Campus Profiles and Specialised Services and Programs	36	Financial Statements
17	Performance Priorities		

ANNUAL REPORT STATEMENT

The East Wimmera Health Service Annual Report 2022 will be presented for adoption at the Annual General Meeting to be held at a date, time and format yet to be confirmed.

The following report is a legal document prepared in accordance with the Financial Management Act 1994 and the Department of Health Annual Reporting Guidelines – Health Services 2022.

MANNER OF ESTABLISHMENT

East Wimmera Health Service was established under Section 64A of the Health Services Act 1988 with the amalgamation, on 1 July 1999, of the former East Wimmera Health Service (Donald and St Arnaud) with Birchip Bush Nursing Hospital, Charlton Bush Nursing Hospital and the Wycheproof and District Health Service. East Wimmera Health Service is so named because of its location on the extreme east of the Wimmera Plains.

East Wimmera Health Service provides care to people who reside in the townships and districts of Birchip, Charlton, Donald, St Arnaud and Wycheproof.

RESPONSIBLE MINISTERS

The responsible Ministers during the reporting period were:

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

- The Hon Mary-Anne Thomas MP
Minister for Health
Minister for Ambulance Services
From 27 June 2022 to 30 June 2022
- The Hon James Merlino MP
Minister for Mental Health
From 1 July 2021 to 27 June 2022
- The Hon Gabrielle William MP
Minister for Mental Health
From 27 June 2022 to 30 June 2022

ACKNOWLEDGEMENTS

East Wimmera Health Service recognises the Indigenous Communities that first inhabited this catchment area: Dja Dja Wurrung, Barengi Gadjin, and Jaara Jaara Communities.

Auditors: Auditor General Victoria

Agent: RSD Audit

Banker: ANZ Bank

Honorary Solicitors: MCL Legal

Life Governors: Mr Ray Walker, Mrs Margery Townrow, Mr John Richmond, Mr Peter Cummins, Mr Peter Ferrier, Mr Leigh Hardingham, Mr Stu Sampson (Dec.), Mrs Nola Wright, Mr Leo Tellefson, Mr Ken Round, Mrs Joan Postlethwaite and Ms Angela Liston.

CORRESPONDENCE

The Chief Executive Officer
East Wimmera Health Service
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52 North Western Road St. Arnaud, Victoria 3478
Tel: 03 5477 2100 Fax: 03 5477 2131
E-mail: ceo@ewhs.org.au

DISCLOSURE INDEX

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

Legislation Requirement

Ministerial Directions

Report of Operations

Charter and purpose

FRD 22	Manner of establishment and the relevant Ministers	1
FRD 22	Purpose, functions, powers and duties	4
FRD 22	Nature and range of services provided	16
FRD 22	Activities, programs and achievements for the reporting period	5
FRD 22	Significant changes in key initiatives and expectations for the future	5

Management and structure

FRD 22	Organisational structure	11
FRD 22	Workforce data/ employment and conduct principles	19
FRD 22	Occupational Health and Safety	29

Financial information

FRD 22	Summary of the financial results for the year	18
FRD 22	Significant changes in financial position during the year	18
FRD 22	Operational and budgetary objectives and performance against objectives	17
FRD 22	Subsequent events	111
FRD 22	Details of consultancies under \$10,000	31
FRD 22	Details of consultancies over \$10,000	31
FRD 22	Disclosure of ICT expenditure	18

Legislation

FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	31
FRD 22	Compliance with building and maintenance provisions of Building Act 1993	32
FRD22	Application and operation of <i>Public Interest Disclosure Act 2012</i>	32
FRD 22	Statement on National Competition Policy	32
FRD 22	Application and operation of <i>Carers Recognition Act 2012</i>	32
FRD 22	Summary of the entity's environmental performance	33
FRD 22	Additional information available on request	34

Other relevant reporting directives

FRD 25	Local Jobs First Act 2003 disclosures	32
SD 5.1.4	Financial Management Compliance attestation	35
SD 5.2.3	Declaration in report of operations	8

Attestations

Attestation on Data Integrity	35
Attestation on managing Conflicts of Interest	35
Attestation on Integrity, Fraud and Corruption	35

Other reporting requirements

• Reporting of outcomes from Statement of Priorities 2021-22	14
• Occupational Violence reporting	29
• Gender Equality Act 2020	33
• Reporting obligations under the <i>Safe Patient Care Act 2015</i>	32

Our Culture, Our Values.



WHY are we here?
To cultivate healthy communities.

HOW are we going to cultivate healthy communities?
Through consumer centred care.

WHAT will we deliver to our consumers?
A positive health experience.



Sustainable Healthcare For Our Community

MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER



Chief Executive Officer
Trevor Adem



Chair
Julianne Clift

CHAIR AND CHIEF EXECUTIVE'S REPORT AS AT 30 JUNE 2022

It is a pleasure to once again present a joint report from the Board Chair and Chief Executive, to our communities, staff, volunteers and partners.

OUR RESPONSE TO COVID -19

The global pandemic has continued to create significant challenges for the East Wimmera Health Service team and this has continued over the last twelve months. East Wimmera Health Services has played a vital role in ensuring that our community remains safe, for example by participating in vaccination programs. While difficult; restrictions placed on our aged care facilities have ensured that our residents, trusted into our care remain safe. We appreciate the support from the community to achieve this. We have worked with Grampians Health Service through their 'Better at Home' program which focuses on patients receiving care in the comfort and familiarity of their own home. This initiative will continue to be built upon in the coming year.

I would like to acknowledge the ongoing work of the entire East Wimmera Health Service team for their ability, and willingness, to respond in a period where resilience and

commitment are regularly tested in the delivery of high quality care and services in difficult conditions. Our team continues to go above and beyond to ensure local communities receive access to care and services despite the impact of workforce challenges. All staff have been required as a minimum to wear face masks and to adhere to strict conditions to prevent a COVID-19 outbreak.

The leadership group, within continuing resource limitations, have continued to pursue ongoing improvement and expansion of services.

EAST WIMMERA HEALTH SERVICE STRATEGIC PLAN

The East Wimmera Health Service Board and Executive has worked hard during the year to establish a new Strategic Plan 2021-2025, of which we are proud. The new plan that was developed through extensive stakeholder consultation, identifies closer ties with our communities and our people to ensure a collaborative approach to responding to challenges and improving health outcomes.

Our Strategic Vision is to see sustainable improvements in the health and wellbeing of our community. Our Purpose, is to work together with our community to achieve better health and wellbeing outcomes. There are

four strategic priorities: Our Communities, Our Workforce, Our Partners and Our Business.

The plan is available from the East Wimmera Health Service website at www.ewhs.org.au for your information. The Plan will guide the Board of Directors and Executive in striving for an innovative model for a small rural health service into the future, with the aim of improving the health outcomes of the community.

CARING FOR OUR COMMUNITY

As with all providers in our sector, we operate in a time of increasing compliance and scrutiny over our activities. We respond by strengthening our consumer engagement, oversight of safety and ongoing quality improvement. East Wimmera Health Service is proactive in reviewing and implementing contemporary approaches to developing governance through the collection, analysis and reporting of critical data to ensure patient safety. In November 2021, The Australian Council of Healthcare Standards awarded accreditation to all East Wimmera Health Service hospital and community health services for the coming three years.

East Wimmera Health Service continues to invest in services to expand support in the delivery of care in the home or in community settings. This includes supporting people to manage chronic health conditions. Our catchment areas experience some of the state's highest levels of Cancer, Diabetes and Heart Disease along with associated risk factors for chronic diseases such as poor diet and low levels of exercise. We continue to work with our communities to ensure that behaviours in relation to these contributing factors are understood, remain front of mind when making decisions and are modified in the long run to bring about improved health outcomes.

OUR PARTNERS

At East Wimmera Health Service, we continue to seek improved service provision through collaboration with regional partners. This year, we have strengthened our commitment to Indigenous Health, Gender Equality and Mental Health. We have commenced work on a project to support sustainable rural medical services, invested in further telehealth equipment and allocated significant resources to the COVID-19 vaccination program. Our relationship with our regional health sector colleagues remain extremely important. Victorian Healthcare is rapidly becoming a more cohesive system through formalised regional partnerships that undertake collaborative planning and shared delivery of services. Sharing experiences, gaining knowledge, contributing to a broader network than just our local catchment area really help us in providing first class health services to Victorians.

East Wimmera Health Service will continue to participate as an active regional partner in delivering more systematised care to rural Victorians.

We particularly wish to thank members of the Grampians Health Service Partnership, Loddon Mallee Health Partnership, Buloke Loddon Gannawarra Health Leadership Network, Buloke and Northern Grampians Shires, our local Aboriginal communities, Grampians Rural Health Alliance (Information Technology), Murray Primary Health Network, West Vic Primary Health Network, Ambulance Victoria, our Department of Health colleagues in both the Grampians and Loddon-Mallee regions along with head office, local schools and community groups such as Men's Sheds, Community Gardens and Service clubs.

INFRASTRUCTURE FOR THE FUTURE

This year has also seen ongoing activity in relation to our major building projects including:

- Completion of the extensive facility upgrade at the Birchip Campus in late 2021
- Completion of the elevator replacement project and more secure urgent care project at the St Arnaud site
- Development of specifications for an Aged Care and urgent care refurbishment at Wycheproof
- Solar panel installation at St Arnaud, Charlton and Wycheproof
- Completion of LED light replacement program at all sites

East Wimmera Health Service strives to be a good steward of public funds. We aim to be efficient and productive with our funding to deliver best value for money. This year with the support of the Victorian Government through the Victorian Department of Health and with the Commonwealth Government, we continue to seek financial improvement and sustainability to ensure we remain a relevant and valued presence in our communities delivering a clear and sensible health message.

STAFF, VOLUNTEERS AND WELLBEING

The key to high quality care is our staff, volunteers and workplace. Our 2021 People Matter Survey results demonstrated an overall staff satisfaction rating and level of engagement with the organisation that were above our direct peers and well above the Public Sector average. The survey also recorded lower levels of worry and stress than either comparator group.

We are aware that staff have gone above and beyond, not only in responding to the various COVID-19 demands, but to continue to provide

safe, quality care in difficult circumstances. As we continue to be challenged by a workforce impacted by COVID -19, we are actively continuing to recruit in a resource limited environment and provide support to our dedicated, resilient and positive workforce. Despite ongoing limitations imposed by the pandemic, East Wimmera Health Service depends upon the contribution of our volunteers to assist our communities. We are starting to re-connect more fully with our valued volunteer army and we recognise and thank those who volunteer their time as community representatives on our various committees. Your input provides immeasurable input into shaping our decision-making and policy development, always with care recipients' healthcare experience in mind.

PATIENT CONSUMER EXPERIENCE

Feedback is very important in identifying opportunities to improve our service so we encourage feedback via several means. We provide hardcopy documents at our five sites, via our web page or call us directly. East Wimmera Health Service maintains a Consumer Engagement Plan that pursues opportunities for improvement at the direct care level, the health service level and works with our partners to drive improvement at the system level. East Wimmera Health Service is always seeking consumer participation, particularly at the health service level to contribute to decision making. If you're interested in being an active participant, please contact us through our Director of Primary Care, Leanne Jeffrey at leanne.jeffrey@ewhs.org.au

ENVIRONMENTAL SUSTAINABILITY

We take our environmental impact very seriously and maintain an environmental sustainability management plan from which we target particular systems and activities to reduce our impact. All waste generated from the Health Service is monitored via key performance indicators.

Our extensive LED replacement program and solar installation projects have been noted above.

GENEROUS SUPPORT

We would like to recognise the significant support of the fundraising groups that provide vital support to East Wimmera Health Service. These groups are prolific and hardworking and provide direct support for the five Health Service campuses. We strive to maintain strong relationships with our support groups to ensure the care environments at East Wimmera Health Service meet the needs of our recipients.

East Wimmera Health Service has tax deductibility status from the Australian Taxation Office for donations over \$2.00. Each donation really does make a difference.

BOARD OF DIRECTORS

The Board welcomed Kylie Thitchener and Terence Robertson as new Directors from 1 July 2021. Kylie works as a Director of Quality and Patient Safety at the Peter MacCallum Cancer Centre and Terence is a retired business executive with business and financial experience in large advertising and information technology companies. Both provided important perspectives for the Board.

We take this opportunity to thank all Board Directors for their collaborative approach and commitment to the strategic leadership of our Health Service. As Chair, I am very grateful for their support and their shared vision of better, healthier communities. We thank John Harley, Maree Hughes, Cuc Lam, Suzanne Hynes and Terence Robertson who completed their tenures during 2021/22.

The most important people in our community are those who have placed their trust in us, either by receiving care, by working with us as part of our paid and volunteer workforce or

as members of our auxiliaries and fundraising groups. Each individual is important, contributing in a unique way to the fabric of our Health Service. Our commitment to you all is to continue to seek ways to improve your health and wellbeing, provide a safe environment and to deliver quality care.



Julianne Clift
Chair



Trevor Adem
Chief Executive

RESPONSIBLE BODIES DECLARATION

Responsible Bodies Declaration as at 30 June 2022. In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for East Wimmera Health Service for the year ending 30 June 2022.



Julianne Clift
Chair, Board of Directors

East Wimmera Health Service

6 September 2022

BOARD OF DIRECTORS

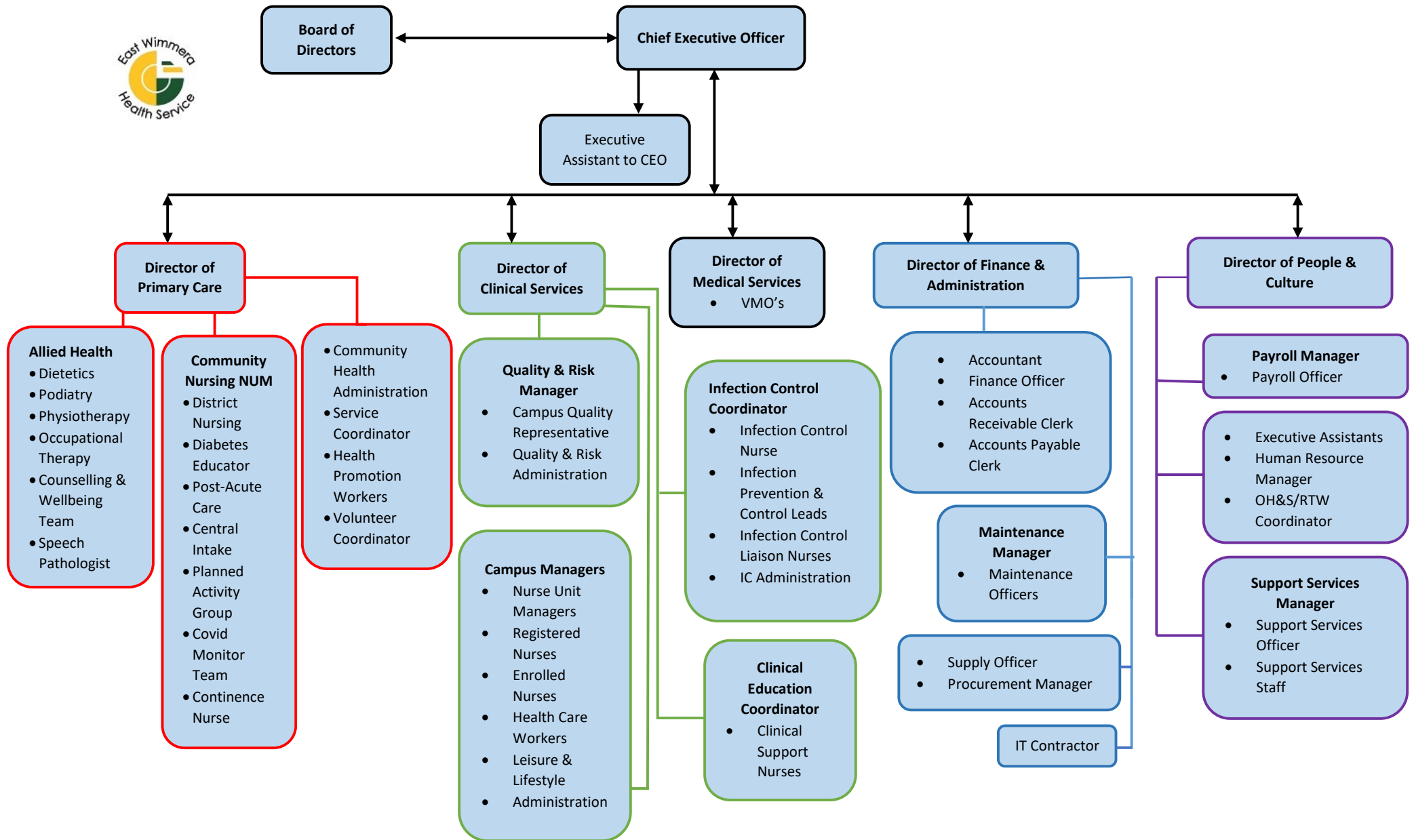
The 9 member Board of Directors oversees the management and is responsible for the governance of East Wimmera Health Service. The Board ensures that the health services provided comply with the Health Services Act 1988, and the mission and vision of EWHS. Directors of the Board serve an initial two or three-year term and are eligible to renominate at the conclusion of each term. The Board has established a committee structure to aid in the management and governance of services to ensure they are community and patient focussed.

Name	Date Appointed	Term Expires	Profession/ Occupation	Representative on Health Service Committees	Board Meetings Attended
Cuc Lam	1.7.2020	30.6.2023 Resigned May 2022	Multicultural Service Officer	Community Engagement Medical Advisory Quality & Clinical Risk Committee	100%
Naomi Goode	1.7.2020	30.6.2023	Self-employed Farmer	Community Engagement Quality & Clinical Risk Committee	75%
Ruth Jabornik	1.7.2016	30.6.2024	Radiographer (retired)	Community Engagement Medical Advisory St Arnaud & District Hospital Foundation Quality & Clinical Risk Committee	92%
Simone Christie	1.7.2017	30.6.2023	Manager Birchip Business and Learning Centre	Community Engagement Audit & Risk Committee	100%
John Harley	1.7.2017	30.6.2023 Resigned October 2021	Manager CHARTSEC	Community Engagement Audit & Risk Committee Quality & Clinical Risk Committee	100%
Julianne Clift	1.7.2018	30.6.2024	Director of Nursing (retired)	Board Executive Community Engagement Quality & Clinical Risk Committee Audit & Risk Committee	92%
Suzanne Hynes	1.7.2019	30.6.2022	Editor/Journalist	Community Engagement Audit & Risk Committee	92%
Terence Robertson	1.7.2021	30.6.2024 Resigned July 2022	Retired Corporate Manager	Community Engagement Audit & Risk Committee Remuneration Committee St Arnaud & District Hospital Foundation	100%
Kylie Thitchener	1.7.2021	30.6.2024	Director of Quality & Patient Safety at Peter MacCallum Cancer Centre The Australian Quadriplegic Association - Board Director	Community Engagement Quality & Clinical Risk Committee	100%
Audit & Risk Committee*					
Peter Knights	1.7.2018	30.6.2022	Accountant/Self- employed Farmer	Audit & Risk* Independent Member	80%

KEY MANAGEMENT PERSONNEL

Name	Position	Area of Responsibility
Trevor Adem	Chief Executive Officer	The Chief Executive Officer is the highest-ranking executive in the organisation, and their primary responsibilities include making major corporate decisions, managing the overall operations and resources of the East Wimmera Health Service, and acting as the main point of communication between the Board of Directors and Health Services operations.
Leon Gowlett	Director of Finance and Administration	The Director of Finance and Administration manages the daily operations of the East Wimmera Health Service Finance Department; local Administration and has a functional responsibility for the Campus Administration activity, Maintenance teams, supply function and IT Support.
Patricia Croft	Director of Clinical Services	The Director of Clinical Services provides leadership and strategic direction for all clinical services throughout East Wimmera Health Service.
Geoffrey Lord	Director of People and Culture	The primary purpose of the Director of People and Culture is to develop strategies that support East Wimmera Health Service workforce and to ensure our staff are appropriately equipped to deliver a positive health experience at the point of care for every person every time.
Leanne Jeffrey	Director of Primary Care	The Director of Primary Care develops Community Health Service strategies that supports the organisations quality goal to ensure the Community Health staff are appropriately equipped to deliver a positive health experience at the point of care for every person every time.
Dr Ian Graham	Director of Medical Services	The Director of Medical Services is responsible for credentialing of medical staff, clinical safety and quality for medical services and continuing education for medical officers. The Director of Medical Services supports and contributes to clinical governance at East Wimmera Health Service and the coordination of the visiting medical officer team.

ORGANISATIONAL STRUCTURE



STRATEGIC PLAN

STRATEGIC PRIORITY ONE: OUR COMMUNITIES

We partner with our community to achieve personal, effective, safe and connected care that improves health outcomes and wellbeing and address causes of poor health that matter to our community

Undertake a service review of the community care service model within EWHS taking applicable outcomes from the Royal Commission into Victoria's Mental Health outcomes into consideration	Process commenced to procure consultancy service that will analyse and review the EWHS community care service model taking into account applicable outcomes of Victoria's Royal Commission into Mental Health services and the changing service environment
Undertake a service review of residential and acute service model particularly considering the recommendations of the Aged Care Royal Commissions	Process commenced to procure consultancy service that will analyse and review the EWHS acute and residential aged care service models particularly considering the recommendations of the Aged Care Royal Commission and the changing service environment
Ensure digital health priorities align with care priorities	Second or Third year activity that is planned to align with outcomes from the service reviews noted above

STRATEGIC OBJECTIVE TWO: OUR WORKFORCE

We develop our staff across all levels of the workforce and provide a great, supportive and safe workplace

Embed our values based culture that embodies THE CORE values of EWHS	First and Second Quarter activity for the 2022-23 year that continues to refine the Respect@EWHS program in line with feedback and results from the 2022 People Matter Survey
Develop and implement a staff health and wellbeing plan	Wellbeing program commenced implementation in January 2022 with a range of staff supports including reward and recognition, environment and mental health supports for the EWHS workforce
Develop and implement a staff professional development program	First and Second Quarter activity for the 2022-23 year comprising the development of a staff Professional Development plan based upon a needs analysis that includes training, succession and supervision
Develop and implement an innovative approach to workforce recruitment	First and Second Quarter activity for the 2022-23 year that provides a focus on innovative approaches to recruitment and a business continuity plan for EWHS medical services
Foster an organisation that is adaptive to change	A second year activity of the strategic plan that comprises a change management framework to support management to successfully engage staff in change processes
Develop and implement a workforce management plan	A second year activity of the strategic plan comprises the priorities noted above plus a dedicated approach to leave management

STRATEGIC OBJECTIVE THREE: OUR PARTNERS

We partner to improve our services and sustainability

Participate in regional health service planning with external organisations	EWHS participates in regional planning and service delivery activity with the Grampians Health Service Partnership, the Loddon Mallee Health Service Partnership and with the Buloke, Loddon and Gannawarra Health Executive Network. Collaboration this year has included the Grampians Telehealth project, the Grampians Better@Home project, Positive COVID pathways and ongoing regional clinical governance activity
Develop local partnerships to provide a coordinated approach to the health experience for our consumers	EWHS maintains significant ongoing local partnerships to enhance the health experience such as the St Arnaud Medical Imaging service in partnership with Maryborough District Health Service, Telehealth access to the specialist services of Endocrinology and Gerontology in partnership with the Royal Flying Doctor Service and Speech Pathology access for children in partnership with Northern District Community Health, Boort District Health, Inglewood and Districts Health Service and the Royal Flying Doctor Service

STRATEGIC OBJECTIVE FOUR: OUR BUSINESS

We will provide into the future the right services that are sustainable

Develop a Master Plan across EWHS	A third year priority under the plan to develop infrastructure master planning for all five EWHS sites
Market and promote our business	A second year priority under the plan that comprises the development of an EWHS marketing plan to address the promotion of EWHS services, to support recruitment and to enhance EWHS communication platforms. Website redevelopment commenced and ongoing.

STATEMENT OF PRIORITIES

In 2021-2022 East Wimmera Health Service (EWHS) 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.

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

OUTCOMES:

- EWHS maintains outbreak management plans for all sites
- All EWHS staff have received three doses of COVID-19 vaccine
- EWHS maintains testing services at all sites
- EWHS participates at a local level in the COVID positive pathways program, providing home monitoring and support
- EWHS participates in the vaccine ambassador program promoting positive public health information in our communities regarding COVID prevention and safety

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

OUTCOMES:

- EWHS participates in Grampians Health Service Partnership as a core member and Loddon Mallee Health Service Partnership as an associate member
- EWHS participates in both partnerships at Board, CEO and operational levels
- EWHS is an active partner in a number of partnership projects including Grampians Telehealth project, Grampians Learning Hub implementation, Grampians Better at Home, Grampians Regional Clinical Governance activities and Grampians Timely Transfer of Older People

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

OUTCOMES:

- EWHS partners with local sub hub agencies (East Grampians Health Service and Maryborough District Health Service to deliver Better at Home. EWHS supports home monitoring through call centre activity and through the roll out of “Home Guardian” virtual monitoring. These initiatives are supported by the local workforce visiting vulnerable clients face to face.

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

OUTCOMES:

- Working collaboratively with the Grampians Health Service Partnership to engage with local Mental Health Boards to develop a regional response to outcomes from the Royal Commission into Victoria’s Mental Health System

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

OUTCOMES:

- EWHS utilises a Reconciliation Action Plan in partnership with Reconciliation Australia to address and embed the Aboriginal and Torres Strait Islander Cultural Safety Framework
- The action plan that forms part of the Reconciliation Action Plan drives continuous quality improvement at EWHS in relation to Aboriginal and Torres Strait Islander cultural safety

CAMPUS PROFILES

GENERAL SERVICES AND PROGRAMS PROVIDED AT ALL CAMPUSES

• Urgent Care	• General Medical	• Residential Aged Care Services
• Domiciliary Nursing	• Post-Acute Care	• District Nursing
• Volunteer Visiting Program	• Diabetic Supply Scheme	• Visiting Drug and Alcohol Services
• Visiting Aged Care Assessment	• Visiting Palliative Care	• Planned Activity Group
• Hospital At Risk Program (HARP)	• Videoconferencing of Medical Consultations (Acute)	• Physical Activity Support
• Diabetes Educator	• Aged Speech Therapy	• Health Promotion
• Wellbeing and Counselling	• Podiatry	• Victorian Dental Voucher Scheme
• Physiotherapy	• Dietetics	• Occupational Therapy
• Graduate Nurse Program	• Royal Flying Doctors Service – Dental Screening Program and Ophthalmologist Service	• Videoconferencing of Medical Consultations, joint project with RFDS (Aged Care)
• Needle and Syringe Program	• Royal Flying Doctors Service • Endocrinology and Psychiatry	• Private Podiatrist
• Community Nursing		

SPECIALISED SERVICES AND PROGRAMS

Birchip	Private Medical Practice co-located, Massage Therapist, Visiting Breast Screen Bus and Royal Flying Doctors - Optometrist Service, visiting Acoustic Audiology.
Charlton	Private Medical Practice co-located, Visiting Ophthalmologist, Visiting Eye Clinic, Visiting Hearing Clinic, Private Massage Therapist, Visiting Dental Prosthetist and Visiting Cardiologist.
Donald	Private Medical Practice co-located, Dialysis and Visiting Hearing Clinic and Private Podiatrist.
St Arnaud	Private Medical Practice off-site, Pathology, Community Car Program, Visiting Hearing Clinic, Private Chiropractor, Private Massage, Private Physiotherapist and Visiting Breast Screen Bus.
Wycheproof	Private Medical Practice co-located.

PERFORMANCE PRIORITIES

HIGH QUALITY AND SAFE CARE

Key performance measure	Target	Result
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	93%
Percentage of healthcare workers immunised for influenza	92%	97%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 1	95%	*NA
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 2	95%	*NA
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 3	95%	*NA

* Less than 42 responses were received for the period due to the relative size of the Health Service

STRONG GOVERNANCE, LEADERSHIP AND CULTURE

Key performance measure	Target	Result
Organisational culture		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	78%

EFFECTIVE FINANCIAL MANAGEMENT

Key performance measure	Target	Result
Operating result (\$m)	\$0.00	\$1.1
Average number of days to paying trade creditors	60 days	30 days
Average number of days to receiving fee debtors	60 days	42 days
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	.98
Actual number of days available cash, measured on the last day of each month.	14 days	29.2 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000	\$859,000

ACTIVITY AND FUNDING

Funding type	2021-22 Activity achievement	Units
Small Rural		
Small Rural Acute	42	NWAU (TAC and DVA)
Small Rural Primary Health and HACC	4,543	Service Hours
Small Rural Residential Care	26,389	Beddays

PERFORMANCE SUMMARY

	2022	2021	2020	2019	2018
	\$000	\$000	\$000	\$000	\$000
Operating result	1,109	353	(59)	(211)	99
Capital purpose income	1,431	8,032	796	2,636	257
Specific income	N/A	N/A	N/A	N/A	N/A
COVID 19 State Supply Arrangements					
• Assets received free of charge or for nil consideration under the State Supply	452	167	18		
State supply items consumed up to 30 June 2022	(452)	(167)	(18)		
Assets provided free of charge	N/A	N/A	N/A	N/A	N/A
Assets received free of charge	N/A	N/A	N/A	N/A	N/A
Expenditure for capital purpose	(862)	(38)	(175)	(625)	(412)
Depreciation and amortisation	(4,096)	(3,972)	(4,011)	(3,000)	(2,965)
Impairment of non financial assets	N/A	N/A	N/A	N/A	N/A
Finance costs (other)	N/A	N/A	N/A	N/A	N/A
Net result from transactions	(2,418)	4,375	(3,449)	(934)	(3,057)

	2022	2021	2020	2019	2018
	\$000	\$000	\$000	\$000	\$000
OPERATING RESULT*	1,109	353	(59)	(211)	99
Total revenue	32,896	37,855	29,096	29,812	27,527
Total expenses	35,164	33,744	32,545	30,746	30,584
Net result from transactions	(2,268)	4,141	(3,449)	(934)	(3,057)
Total other economic flows	(150)	234	(23)	122	(20)
Net result	(2,418)	4,375	(3,472)	(812)	(3,077)
Total assets	78,010	73,966	75,725	71,730	50,683
Total liabilities	18,195	17,115	23,453	13,566	11,446
Net assets/Total equity	59,815	56,851	52,272	58,164	39,238

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

DISCLOSURE OF ICT EXPENDITURE

The total ICT expenditure incurred during 2021-22 is \$1.02 million (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure		
	Total=Operational expenditure and Capital Expenditure (excluding GST) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
Total (excluding GST)			
\$ 0.95 million	\$ 0.065 million	\$ 0 million	\$ 0.065 million

EQUIVALENT STAFF FTE

EQUIVALENT STAFF FTE (FULL-TIME EQUIVALENT)

Hospitals Labour Category	June Current Month FTE		June YTD FTE	
	2022	2021	2022	2021
Nursing	119	121	115	124
Administration and Clerical	33	32	32	33
Medical Support	2	3	2	3
Hotel and Allied Services	52	52	51	53
Ancillary Staff (Allied Health)	9	10	9	10
Total	215	218	209	223

DIRECTOR OF FINANCE & ADMINISTRATION REPORT / FINANCE OVERVIEW

FINANCIAL RESULT JUNE 30 2022

For the 2021-22 financial year, East Wimmera Health Service (EWHS) has reported a net deficit including depreciation and capital revenue and expenses of \$2.27M (\$4.14M Surplus 2020-21). The total comprehensive result showing a surplus of \$2.96M includes other income and an asset revaluation surplus.

Last year's large surplus was an anomaly attributable to Birchip's redevelopment capital revenue being recognised.

EWHS reported an operating surplus of \$1.1M (\$0.35M Surplus 2020-21). This is the measure used by the Department of Health and excludes depreciation and capital items. Total operating revenue (excluding capital purpose income) was \$31.46M (2020-21 \$29.9M).

Total operating expenditure (excluding capital purpose items) for the year amounts to \$30.36M, (2020-21 \$29.5M).

The 2021-22 financial year was another challenging year for health service staff. Global workforce shortage combined with Influenza and COVID-19 related illnesses has led to increased roster shortages across all areas. This has resulted in increased overtime shifts, agency nurse usage and workloads.

This impacts on the financial result, but more importantly staff wellbeing. All health service staff have continued to do a tremendous job under trying circumstances and should be duly acknowledged. We have committed funding throughout 21-22 and into next financial year for staff wellbeing programs ranging from free meals and gift cards through to dedicated tutorials and programs such as "The Resilience Project".

State and Commonwealth Departments have provided continued support in the form of increased operating grants, workforce retention payments and the provision of PPE (Personal Protective Equipment) and Rapid Antigen Tests. This support helped overcome funding and

procurement hurdles and was also designed to reward and acknowledge the efforts of affected health care workers.

CAPITAL PROJECTS

The Birchip Redevelopment project was completed in early 2022. This has resulted in an impressive 15 bed mixed ward facility. The new building has capacity for 12 aged care residents each occupying a modern, spacious single room with ensuite. Accompanied with a large living/dining area and landscaped surrounds, the new building is providing a wonderful home like experience for residents and their families.

The newly built acute and urgent care rooms are equally impressive and have been designed with consumer care and comfort in mind.

The original building was refurbished and is being utilised for Community Health and Administration. Wirrim Lodge is currently being used by Planned Activity Group.

The St Arnaud elevator project was completed. This project experienced significant delays with shipping and additional building works required for both safety and Ambulance Victoria compliance. The completed lift tower with mural and associated ambulance entry has provided the hospital with a fresh entrance area. The urgent care reconfiguration and new entrance has increased the security and functionality of the urgent care ward.

DONATIONS

The level of donations received has continued to decline. Notably the ability to fund raise has been severely impacted by the pandemic. Donations received were greatly appreciated and put to good use. The works at Riverview in Donald and Osborne House Palliative care room are testament to this. A special thanks to all those who contributed as the completed rooms and facilities are greatly benefiting consumers and their families.

Leon Gowlett
Director Finance & Administration

DIRECTOR OF CLINICAL SERVICES REPORT

2021 – 2022 has proven to be another eventful year for East Wimmera Health Service

RESIDENTIAL AGED CARE SERVICES

Residential aged care is an extremely important element of care in the communities we serve. Many of our residents may be frail or suffering from dementia or other age-related complications and it is our central commitment to provide not only the highest levels of compassionate care but also safe, comfortable facilities and an engaging and enjoyable lifestyle.

The COVID-19 restrictions and response has highlighted the importance of remaining connected with the broader community, of having access to fresh air and outdoor areas, and of lifestyle programs in providing meaningful activities to keep residents active, engaged and stimulated. Delivery of high-quality lifestyle programs was particularly challenging in this context, so the Public Sector Residential Aged Care (PSRACS) and Community Kitchen Garden Initiative was developed to enhance activity options available.

East Wimmera Health Service (EWHS) received grants for each of our five aged care facilities that provided an opportunity to engage meaningfully with our residents, their families, and our staff to start, refresh or further enhance an established kitchen garden.

All of our campuses, in consultation with our residents, decided what they would like to achieve with the funding. This has been one of our most exciting quality improvements.

PSRACS Community Kitchen Garden funding has progressed at Charlton, Donald and St Arnaud Campuses. It is very exciting to see these gardens develop with input from residents and staff and to see individuality at each service. The funding has assisted with:

- Potted fruit trees placed in courtyards and outside resident rooms. This provides

visuals and a topic of conversation, defines seasons, and assists with daily activities via watering and pruning and yields produce that is utilised at meal times.

- Wicking garden beds added to outdoor areas. These garden beds are easy to maintain and at an accessible height to enable ease of access
- Residents pick items such as tomatoes and vegetables, which are used in cooking activities and included in meal production
- Indigenous plants and herbs have been added to gardens and these items will be used in cooking and activity programs to provide history, origin and resident understanding.
- 'Paddock to Plate' - The Donald Campus have built a hothouse and garden beds that bring together the outdoor and indoor cooking spaces and dining area. This garden area provides activities for residents' socialisation – conversation; watering; planting; watching the progress of growth; harvesting produce for meal preparation and production to facilitate a complete dining experience.
- Wycheproof and Birchip Campuses are currently progressing with garden works.
- Throughout the year, we have continued to prepare for our PSRACS reaccreditation under the new Aged Care Quality Standards. All of our facilities will be assessed prior to October 2022.

HOSPITAL SERVICES

In the Acute space, we are continuing to focus on delivering a high standard of care to consumers. This is achieved through regular assessment and evaluation of our processes. Staff who contribute to service improvements through the review of audit results, thorough incident management and identification of risk. Our Hospital Acquired Infection rates

continue to be very low and we continue to work hard to reduce the risk of infection for patients.

The Australian Council on Healthcare Standards (ACHS) under the National Safety and Quality Health Service Standards (NSQHS) accredits EWHS. Re-accreditation of the health service was undertaken during 2021 and we are now accredited until 31 October 2024.

The primary aims of the NSQHS are to protect the public from harm and to improve the quality of health service provision. The eight NSQHS Standards provide a nationally consistent statement about the level of care consumers can expect from health services, enabling EWHS to self-monitor against the NSQHS standards and identify areas for improvement.

We congratulate our teams for their extraordinary efforts in gaining National Safety & Quality Health Service accreditation for our five Acute and Community Health Services amidst significant organisational demands and under extraordinary external pressures brought on by impacts from COVID-19.

Our Urgent Care Centre presentations have remained consistent compared to the previous 12 months. Over the last 12 months, across our five campuses, we have continued to provide COVID-19 screening and testing to our communities. This service is a pre-booked system, with staff attending the testing while consumers remain in their vehicles.

Infection Control: The Victorian Department of Health supplies public health services free influenza vaccine for Healthcare workers (HCWs) through the HCW influenza immunisation program. Maintaining a high level of immunity in the HCW population ensures the risk of transmitting influenza to co-workers, vulnerable patients and their family is minimised. Therefore, EWHS requires that all staff, including residential aged care staff and community health staff, have the influenza vaccine.

Our Infection Control Team, in conjunction with our Campus Managers and Nurse Unit

Managers, have coordinated the roll out of the 2021 Influenza Vaccination Program.

Our results were outstanding. All of our campuses received Certificates of Excellence from the Victorian Government Healthcare Associated infections Surveillance team.

The following acknowledgements were received:

- Charlton Campus - highest compliance rate in the state for a hospital/health service with less than 100 staff.
- Donald and Wycheproof Campus - 2nd highest compliance rate in the state for a hospital/health service with less than 100 staff.
- St Arnaud Campus - 2nd highest compliance rate in the state for a hospital/health service with 100-199 staff.

EWHS delivered the COVID-19 Vaccination Program from 23 March 2021 until 17 December 2021. In that time, our small team of Nurse Immunisers administered more than 3,200 doses to our residents, staff and community members. Our clinics officially ceased 24 December 2022 with our last clinic being 17 December; this was due to the Victorian Department of Health 2022 plan to reduce the number of state-run COVID-19 vaccination clinics by 60%. This resulted in the Grampians region reducing to three fixed sites. The remaining sites are located in Ballarat, Ararat, and Horsham. EWHS and surrounding communities are very fortunate that all of our local General Practitioners and some Pharmacies are continuing to provide ongoing COVID-19 vaccinations.

Thank you to our team of staff who have diligently worked with the COVID-19 Vaccination Program and for continuing to provide COVID-19 testing for our community.

The COVID-19 pandemic has resulted in a significant increase in the use of Personal Protective Equipment (PPE) and more specifically the use of Respiratory Protective Equipment (RPE). Whilst COVID-19 has reinforced how essential RPE is, it is important to note that respiratory hazards extend beyond

infectious disease and include exposure to certain chemicals, such as disinfectants, surgical smoke and other chemical/biological and or radiological hazards.

Given the significant uptake in usage of RPE and the subsequent need for health care workers to be trained and supported to wear and use RPE effectively, a Respiratory Protection Program (RPP) has been developed to assist Health care organisations in implementing respiratory protection processes to minimise the risk of respiratory hazards.

The Grampians Respiratory Protection Program Committee oversees the RPP for EWHS. All EWHS staff have been fit tested and this testing will continue on an annual basis.

Our haemodialysis ward, located at Donald Campus comprises three chairs. The unit is operated by a small team of highly skilled and dedicated staff who strive to ensure their patient's feel "at home" during treatment. The team are very patient focused; understanding dialysis treatment consumes a large part of a patient's time. Donald's dialysis ward is a satellite unit of Melbourne Health - Kidney Care Service that means staff and patients have full access to specialist advice at any time.

I would like to acknowledge the resilience that our workforce has shown during this pandemic. Together, we have adapted to changes in how we live, how we connect, how we work, and how we provide care to our patients and residents.

Pat Croft

Director of Clinical Services

DIRECTOR OF PEOPLE & CULTURE REPORT

East Wimmera Health Service (EWHS) recognises that employees are our greatest asset. We are committed to providing a safe and healthy environment for all employees, consumers, visitors, volunteers and contractors.

Director of People and Culture, Geoffrey Lord commenced at EWHS on 7th February 2022 assuming responsibility for the directorate, meeting the Executive Team and engaging with staff at all Campuses.

The last year has seen unprecedented demand on resources during the global pandemic and our staff have performed admirably under duress. Our teams have responded to the rapidly changing environment to provide ongoing safe and high quality care whilst delivering support for our communities throughout the ongoing pandemic. Communities throughout our catchment have had access to testing and vaccination at rates surpassing many other jurisdictions.

EWHS has continued to strive for improved working environments and to continue to improve our skills and responsiveness to healthcare and related issues.

COVID-19

In line with other teams at EWHS, COVID-19 has presented many challenges to the People and Culture team. The items the team have focused on and managed include the:

- Increasing staff understanding of safe work practices in the current environment to ensure workplace safety
- Managing subsidy payments (state and federally funded) for Clinical Staff and other Staff
- Ongoing response to the increased need for COVID-19 specific education for all EWHS staff to minimise the risk of the virus entering our facilities
- Planning for outbreak management in catering and cleaning services to ensure continuity and safe work areas
- Implementation of appropriate screening of consumers and staff entering our facilities

- Redevelopment of face-to-face education programs to ensure 'core' education modules are delivered to various professions in accordance with physical distancing and infection control requirements.
- Commissioning of Grampians Learning Hub – online e-learning solution for Grampians Health Alliance members.
- Ongoing management of EWHS working from home policies and return to workplace processes to ensure all staff working from home and returning to the workplace are doing so in a safe, supportive environment.

COVID-19 will continue to present the wider EWHS team with many challenges, and the People and Culture team is fully prepared to meet this challenge in order to ensure EWHS continues to provide high quality, safe services to our consumers and the communities we support.

WORKFORCE PERFORMANCE QUALITY COMMITTEE

The Workforce Performance Committee (WPC) has had an ongoing focus on workplace safety in response to the challenges posed by COVID-19 and on monitoring relevant workforce performance data. The committee performed well in preparation for expected Residential Aged Care Accreditation Audits in mid-late 2022, ensuring areas of responsibility are addressed in a timely manner.

EDUCATION AND DEVELOPMENT

This year, agility has been required to adapt to a training environment without the ability to undertake many face-to-face events. The team has responded well to the changing landscape to ensure staff are supported.

February 2022 saw the transfer of responsibility for Education and Training into the Directorate of Clinical Services followed by the earlier 2022 appointment of a full time dedicated, Nursing qualified educator. The Corporate Clinical Education Coordinator works very closely with Director People and Culture to promote and ensure all staff mandatory training is on track.

In March 2022, the region transitioned to a new online training platform and the Education and Development Team ensured the smoothest possible transition. The new Grampians Learning Hub services EWHS very well with high levels of engagement in compulsory and optional course/training offerings.

2021-22 has seen the implementation of a new Education and Training Schedule for all staff. This planning instrument, along with access to a comprehensive online training system provides up to date information on all education being completed by staff at any point in time.

The Education and Development Team is focussed on maintaining the momentum gained into the coming year to continue to provide the best possible education and development opportunities to the EWHS team.

MEAL SERVICES IMPROVEMENTS

A key focus for EWHS in 2021-22 has been the continued expansion of the buffet meal service in residential aged care. The buffet service provides for increased consumer choice, enhanced meal presentation and supports improved appetite through visual appeal.

The EWHS Reconciliation Action Plan (RAP) identifies the use of traditional indigenous ingredients in menus across EWHS. Storyboards supporting the use of traditional ingredients assist the consumer with understanding the journey from bush to plate.

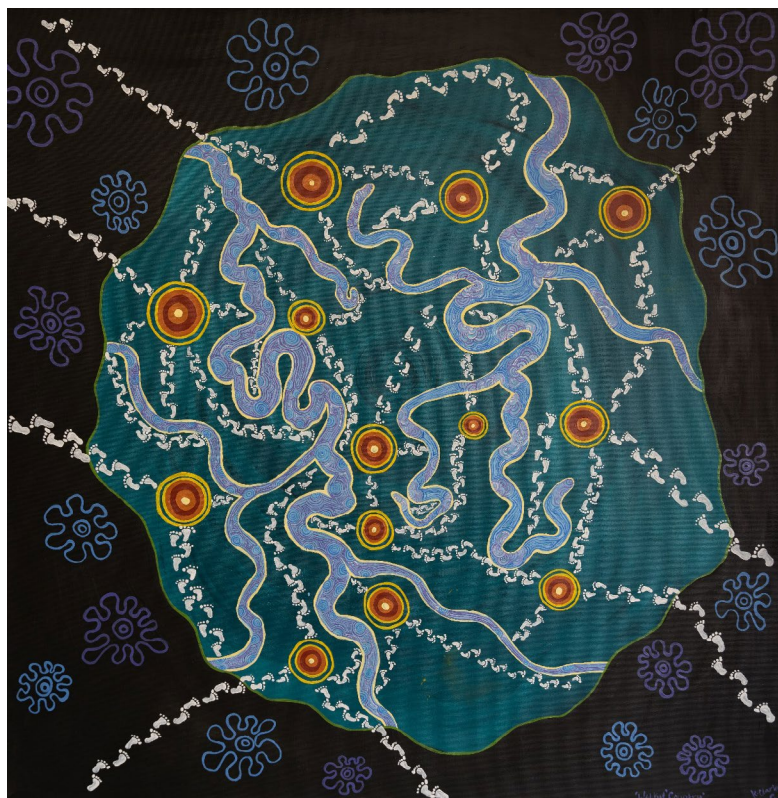
EWHS was successful in obtaining grant funds to develop community gardens for each residential facility that assist in the growth and harvest of traditional ingredients.

RECONCILIATION ACTION PLAN (RAP)

April 8 2022 saw EWHS submit our first draft 'Reflect' - Reconciliation Action Plan (RAP) to Reconciliation Australia (RA) for comment and approval. Director People and Culture worked closely with Director Primary Care and directorate staff to draft, fine tune and submit this fundamental document to RA.

The acquisition of Indigenous Artwork has created a positive method of engagement that forms part of a broader approach that includes a welcoming environment and positive engagement with Aboriginal and Torres Strait Islander communities. In June 2022 EWHS took delivery of "walking country"

commissioned artwork of Kathrine Clarke a proud Wotjobaluk Nations woman.



"This artwork represents my home country along the Wimmera River and the communities that make up our five clan groups known as Wotjobaluk, Jadwaa, Jadwadjali, Wergaia and Jupagalk peoples. It is also a representation of our neighbours across the Loddon River on Djab Wurrung Country, and that respect we have for each other's country when crossing paths. Surrounding all of this is the Dreaming and our Ancestral Spirits who guide us on our journey. With a deeper listening we walk between the physical and spiritual acknowledging the footprints that have travelled before us. Leading to a much more rounded connection and belonging to country in a way that only we as Traditional Owners instinctively know and continue to strengthen into our future." - Kathrine Clarke 2022

STAFF WELLBEING AND A SAFE WORKPLACE People Matter Survey (PMS)

In response to 2021 PMS EWHS, through Directorate of Primary Care and Directorate of People and Culture with financial support from Be Well Be Safe government funding, engaged The Resilience Project to conduct a 12 month resilient Workplace Program. With planning undertaken May to June 2022 the program

will commence roll out across July 2022 and is planned to commence in earnest in August 2022.

In concert, Directorate of Primary Care with support from Directorate People and Culture conduct Victorian Government’s Achievement Program for Workplaces. The Achievement Program is a self-paced program that looks at 5 priority areas for staff health and wellbeing (healthy eating, physical activity, mental wellbeing, smoking, alcohol) across 4 dimensions (healthy culture, healthy physical environment, healthy community connections, health and wellbeing opportunities).

People Matter Survey (PMS) 2022 Campaign

The PMS 2022 was undertaken 6 June to 1 July inclusive with multi-channel promotion and options for responses via SMS, QR code, posters, email, Informer, online link and hard copy sealed return Tubs at all campuses.

Victorian Public Service Commission conduct the survey and will analyse the de-identified and anonymous responses and provide EWHS with a comprehensive report on survey by late July 2022.

At the time of writing PMS 2022 had recorded 213 EWHS respondents equating to 57% engagement of staff against the total 375 staff member number.

EWHS has continued to place a focus on providing a safe workplace for all of our employees. EWHS has experienced a reduction in the number of occupational violence incidents reported – which is a great outcome for our employees and consumers alike.

EWHS continued to use improved “Unacceptable Behaviour Warning” notices and “Behavioural Contracts” when there is ongoing occupational violence towards our staff to great effect.

EWHS is prioritising a consistent and reliable approach to responding and investigating unacceptable behaviour and bullying in the workplace. We encourage reporting in order to facilitate a formal response and we identify contact people at each campus to support the process.

EWHS embraces continuous improvement. We have made solid progress throughout 2021-22, we understand a culture of continuous improvement means ongoing and always monitoring, review, implementation and improvement, a constant state of flux, we embrace this fact as we hold both ourselves and each other to account against our values: Honesty, Excellence, Together, Community, Empathy, Respect and Openness.

Geoffrey Lord
Director of People and Culture

People Matter Survey Year	EWHS Actual Responses	EWHS Total Workforce	Percentage Responses
2020	151	285	53%
2021	175	337	52%
2022	213	375	57%

DIRECTOR OF PRIMARY CARE REPORT

East Wimmera Health Service (EWHS), has continued to provide community health services over the last twelve months to those most vulnerable in the community. District Nursing, Hospital Admission Risk Program (HARP) and Post-Acute Care (PAC) services continued uninterrupted, where Allied Health have been mainly restricted to telehealth with a return to face to face more recently. We have also seen a reduction in our staff numbers due to maternity leave and sick leave. This has impacted on our ability to provide service to our consumers at full capacity. There has been a staged and very welcome return of our valued volunteers to EWHS. The COVID-19 pandemic has been particularly hard on our volunteers as they were generally a vulnerable group due to their age and therefore considered unable to safely provide their volunteer services. We are cautiously progressing their return.

EWHS continued to implement the objectives of the Consumer Engagement Plan, focusing on consumer goal driven care (Direct Care level), consumer health literacy (Health Service level) and consumer directed discharge planning (Health Service level). Throughout the consumer journey they have the opportunity at all levels of the health experience to provide feedback through our compliments and concerns process. Most of our feedback has been via feedback forms as the pandemic has not been conducive to group gatherings. With the acquisition of a number of iPads for consumer use on our hospitals wards for consumer driven discharge planning, we are progressing to a more consumer centred, multidisciplinary, collaborative approach to service provision.

With the introduction of the Gender Equality Act 2020, all health services were charged with auditing their systems and processes to identify gender inequality in our organisations. The results of this audit were shared with all

staff as a part of a consultation process, and a Gender Equality Plan was submitted as a result of the consultation responses. EWHS will now work on implementation of the objectives of the plan over the next four years, with the next twelve months focusing on policies and procedures and recruitment practices through a gender balanced lens.

Diversity in all its forms is promoted by our health service. Our Service Coordinator disseminates and promotes education for Aboriginal and Torres Strait Islander peoples (ATSI) along with Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) people. Our staff have completed education on a number of modules to ensure that there is a heightened awareness of discrimination that can occur in our day to day practice. This education has provided insight and resources to improve our practice of unbiased service provision to all sectors of our community.

EWHS has submitted our first Reconciliation Action Plan (RAP) to Reconciliation Australia. As an action from the plan, EWHS has identified an indigenous artist to provide art work for the health service that reflects local indigenous culture. This art work will be displayed at the five campuses of EWHS as well as in our publications. Acknowledgement of Country in all meeting agendas and minutes was introduced in past years and we have built on this beginning by placing signage acknowledging country on the entry of all five campuses, as well as placing flags representing Aboriginal and Torres Strait Islander peoples, acknowledging country. Indigenous food has been incorporated into our aged care menus including the local planting and growing of key ingredients. Aboriginal and Torres Strait Islander peoples cultural education has been provided for all staff and EWHS has purchased more education modules to improve cultural education and understanding as an ongoing commitment to reconciliation.

A community COVID-19 Monitoring Program has been running for some time to provide a level of safety for community members who contract COVID-19 and are required to isolate and care for themselves. This program has evolved into a state monitoring program that has provided support to local health services like EWHS. This has enabled small health services to work together being led and supported by a larger regional health service. The sharing of resources and provision of medical oversight has given the service structure increased safety which will strengthen as we move into the next twelve months of monitoring. We now have dedicated staff to provide this monitoring service seven days a week and the collaboration is a great example of how EWHS can partner with other agencies to enhance our service levels locally.

Although it has been another challenging year, we continue to learn and adapt to the changing landscape of health service provision within our local environment. The Community Health team at EWHS are a dedicated group of professionals who have been open to changing the way they work to provide an ongoing service to our community. I am proud to be a part of this team moving into the next year of this ever changing environment and I thank the team for their commitment and dedication to the people we serve.

Leanne Jeffrey
Director of Primary Care

RISK / OCCUPATIONAL HEALTH AND SAFETY MANAGER REPORT

East Wimmera Health Service (EWHS) is committed to providing a safe working environment and promoting staff health. Each workgroup at EWHS has a nominated Health and Safety Representative (HSR).

- Chemical Management – 100% of chemicals in use have current safety data sheets. Following a review, there has been a 12% decrease in the number of chemicals used and stored on site.
- Workplace inspection Action Plans – 86 items to be addressed.
 - » Of these, 15% have been completed
 - » 15% are underway
 - » Remaining items still to be actioned or on hold awaiting funding. These items do not pose any high risk to worker safety.

OCCUPATIONAL HEALTH AND SAFETY (OHS) INCIDENTS

For the period 1/7/21 until 30/6/22, there were 199 OHS and hazard incidents reported (14.23% decrease in reports since 20/21 reporting period).

- Of these:
 - » 36 were incidents related to potential for staff injury (13.9% increase from previous reporting period)
 - » 42 were incidents related to aggression toward staff (41.55% decrease from previous reporting period). 21 (50%) of these reports were for resident to staff aggression (37.5% decrease from previous reporting period). Of these incidents, 33 (59%) were from one resident to our staff. Education provided to staff on Challenging Behaviours in the Aged Care Setting. Plans implemented.

Reporting categories	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Explanation of variances
Number of reported hazards/ OHS incidents for the year per 100 FTE.	55.93	57.55	96.52	98.23	104	92.55	Continued encouragement for staff to report any incidents. Education on importance of reporting incidents at orientation and in staff newsletter.
Number of 'lost time' standard WorkCover claims for the year per 100 FTE	5.51	1.88	1.75	0.88	1.8	2.32	Staff encouraged to report incidents and continued with more communications if staff injured. There has also been chronic shortfalls in staffing levels due to COVID and staff working extra hours that may have led to increases in injuries.

Reporting categories	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Explanation of variances
Average cost per WorkCover claim for the year ('000)	\$6,197	\$29,047	\$4,478	\$23,826	\$11,462	\$6,899	Two long-term claims and one short-term claim. One claim one lost day plus expenses, and one claim had no lost time, just expenses. One new claim.

Occupational violence statistics	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
1. Workcover accepted claims with an occupational violence cause per 100 FTE	0.43	0	0.43	0	0.45	0
2. Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1.95	0	2.2	0	0.5	0
3. Number of occupational violence incidents reported	57	59	101	54	77	42
4. Number of occupational violence incidents reported per 100 FTE	24.7	27.83	43.91	23.78	34.53	19.54
5. Percentage of occupational violence incidents resulting in a staff injury, illness or condition	1.75%	0	0.99%	0	1.3%	1

DEFINITIONS OF OCCUPATIONAL VIOLENCE

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

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

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

Lost time – is defined as greater than one day.

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

Cheryl Watson
OHS/RTW Coordinator

LEGISLATIVE REQUIREMENTS

East Wimmera Health Service is a Victorian public sector organisation incorporated under the Health Services Act 1988 and operates under the provision of this Act. The Service is governed by a Board of Directors, appointed by the Minister.

The functions of the Board are:

- To conduct the Service in a manner that is consistent with the Mission, Vision and Values Statement and the Health Services Act 1988;
- To establish reporting mechanisms to monitor the performance, reports and audit processes of the Service and to ensure that they comply with the Financial Management Act 1994;
- To oversee the general governance of the Service; and
- To maintain proper accountability to Government by close observation of all legislative requirements, ensuring that the Service meets or exceeds targets as agreed in the Health Service Agreement and complies with all standards governing the Service.

PECUNIARY INTEREST AND PAYMENTS

Board of Directors members are required under legislation to complete a declaration of pecuniary interest annually. All East Wimmera Health Service Board Members have complied with this legislation.

FREEDOM OF INFORMATION

During 2021-22 there were 20 requests received under the Freedom of Information Act 1982.

FEES

East Wimmera Health Service charges fees in accordance with the Department of Health directives.

INDUSTRIAL RELATIONS

There has been no staff time lost due to industrial disputes.

MERIT AND EQUITY

The Chief Executive Officer ensures East Wimmera Health Service exercises the State Government's merit and equity principles in the recruitment of employees in accordance with the Public Authorities Equal Opportunity Act 1990.

CONSULTANTS

Consultancies over \$10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excluding GST)	Expenditure 2021-22 (excluding GST)	Future expenditure (excluding GST)
Active Quality Management Systems P/L	Accreditation and quality system support	01/07/2021	31/10/2021	\$22,400	\$22,400	Nil
Catherine Jones	Accreditation preparation	01/01/2022	30/06/2022	\$16,000	\$16,000	Nil
Harcourts Aged Care Advisors	Aged care accreditation preparation and support	01/01/2022	30/06/2022	\$79,284	\$79,284	Nil

Details of consultancies (under \$10,000)

In 2021-22, there were no consultancies where the total fees payable to the consultants were less than \$10,000.

Details of consultancies (valued at \$10,000 or greater)

In 2021-22, there were three consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021-22 in relation to these consultancies is \$117,684 (excl. GST).

LOCAL JOBS FIRST ACT 2003

In 2021-22 there were no contracts requiring disclosure under the Local Jobs First Policy.

COMPETITIVE NEUTRALITY

There are no significant business units within East Wimmera Health Service that would require the implementation of a competitive neutrality pricing policy.

COMPLIANCE BUILDING ACT 1993

All works and maintenance undertaken were in conformity with the requirements of the Act.

COMPLAINTS POLICY

The Health Services (Conciliation and Review) Act 1987 requires Victorian Public Hospitals to nominate a Complaints Liaison Officer with the responsibility of complaints management at each Health Service.

Complaints received during the 2021-22 year: 35

East Wimmera Health Service has developed a Compliments, Concerns or Complaints Management Policy to facilitate the process of complaints management.

The Principal Complaints Officer of the Health Service is the Chief Executive Officer, with Campus Complaints Liaison Officers situated at each campus.

This process has been created to ensure that any response by the Health Service will address the genuine feedback received from patients, residents, clients, representatives and visitors in an effective and timely manner.

Further, the information received can be managed using a thorough and systematic approach, within a framework of continuous improvement and risk management.

PUBLICATIONS

2021 Annual Report incorporating Financial Report.

PUBLIC INTEREST DISCLOSURE ACT 2012

The Public Interest Disclosure Act 2012 is designed to enable people to make disclosures about improper conduct within the public sector without fear of reprisal.

Disclosures of improper conduct by East Wimmera Health Service or its employees can be made to The Public Interest Disclosure Officer or The Ombudsman Victoria.

CARERS RECOGNITION ACT 2012

The Carers Recognition Act 2012 (the Act) formally recognises and values the role of carers and the importance of care relationships in the Victorian community. East Wimmera Health Service has policies in place to ensure all employees are aware of their obligations as carers under the Act.

DISABILITY SERVICES ACT 2006

East Wimmera Health Service has policies and procedures which align with the applicable principles of the Victorian Disability Act 2006.

ACCREDITATION

Acute Services and Community Health Services

All East Wimmera Health Service Acute and Community Health Services are accredited with the Australian Council on Healthcare Standards from 1 November 2021 to 30 October 2024

Aged Care

All East Wimmera Health Service Residential Aged Care facilities were accredited by the Aged Care Quality and Safety Commission in 2018 for the following periods:

Birchip Nursing Home:

2 October 2018 – 2 October 2021*

Charlton Aged Care:

22 September 2018 – 22 September 2021*

Riverview Aged Care (Donald):

2 October 2018 – 2 October 2021*

Kara Court Nursing Home (St Arnaud):

29 September 2018 – 29 September 2021*

Grandview Lodge (Wycheproof):

21 September 2018 – 21 September 2021*

*Residential Aged Care facilities around Australia were monitored regularly by the Aged Care Quality and Safety Commission during the COVID-19 pandemic, however site audits were postponed in the interest of safety. EWHS facilities were granted accreditation extensions with site audits recommencing in the second half of 2022.

SAFE PATIENT CARE ACT 2015

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

ENVIRONMENTAL PERFORMANCE

Environmental performance is monitored via East Wimmera Health Services Environmental Management Plan, which is overseen by the Support Service Manager and the Environmental Sustainability Committee.

General, Recycling and Clinical Waste Key Performance Indicators are reported six monthly to the following –

- Safety and Quality Systems Committee
- Environmental Sustainability Committee
- and Health & Safety Committee.

Audits for internal and external general and recycling waste are performed annually. Clinical and related waste audits are reviewed by Health Share Victoria’s preferred provider, Cleanaway Daniels Health to ensure East Wimmera Health Service is compliant with Clinical & Related Waste Management (Hospital guidelines & EPA). This clinical waste review ensures waste containers are fit for purpose, safe and cost effective.

Energy/Waste Type	Measurement	2021-22	2020-21	2019-20
Gas	KL	131.41	170.01	193.44
Carbon Emissions -Gas	Tonnes	0.2	0.3	0.3
Electricity	MWh	1307	1668.00	1,718.13
Carbon Emissions-Electricity	Tonnes	1.19	1.63	1.75
Clinical Waste	KG	2409	1,215	1,492
Comingled Recycling	KG	31,693	34,804	33,536
General Waste	KG	118,982	113,621	87,172
CO2 -waste	Tonnes	152.34	107.89	106.38
Water	KL	12.36	15.81	11.13

GENDER EQUALITY ACT

The Gender Equality Act 2020 came into effect on the 30 March 2021. The vision is “All Australians live in a safe and equal society, have access to equal power, resources and opportunities, and are treated with dignity, respect and fairness”. EWHS in accordance with the Gender Equality Act will take positive action towards achieving gender equality in our workplace and to consider and promote gender equality in policies, programs and services.

As a result, EWHS undertook a Workplace Gender Audit which includes data from Payroll, Human Resources and the People

Matter Survey. The audit was submitted to the Gender Equality Commission on 1 December 2021. From analysis of this data a Gender Equality Action Plan (GEAP) was developed and outlines strategies and measures to promote gender equality in the workplace. The Action Plan was submitted to the Commission on the 15 June 2022.

The next process will be Gender Impact Assessments (GIA) which will look at how policies, programs and services will meet the different needs of women, men and gender diverse people.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

Details in respect of the items listed below have been retained by the Health Service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

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

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION

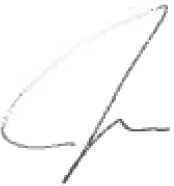
I, Julianne Clift, on behalf of the Responsible Body, certify that the East Wimmera Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and Instructions.



Julianne Clift
Board Chair
St Arnaud, Victoria,
6 September, 2022

DATA INTEGRITY

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



Trevor Adem
Chief Executive Officer and Accountable Officer
St Arnaud, Victoria,
6 September, 2022

CONFLICT OF INTEREST

I, Trevor Adem, certify that East Wimmera Health Service has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within East Wimmera Health Service and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



Trevor Adem
Chief Executive Officer and Accountable Officer
St Arnaud, Victoria,
6 September, 2022

INTEGRITY, FRAUD AND CORRUPTION

I, Trevor Adem, certify that East Wimmera Health Service has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at East Wimmera Health Service during the year.



Trevor Adem
Chief Executive Officer and Accountable Officer
St Arnaud, Victoria,
6 September, 2022

BOARD MEMBER'S, ACCOUNTABLE OFFICER'S, AND CHIEF FINANCE & ACCOUNTING OFFICER'S DECLARATION

Financial Statements

Financial Year ended 30 June 2022

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

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

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

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

We authorise the attached financial statements for issue on 26 September 2022

Board member

Accountable Officer

Chief Finance & Accounting Officer



Chair

Chief Executive Officer

Chief Finance and Accounting Officer

St Arnaud

St Arnaud

St Arnaud

26 September 2022

26 September 2022

26 September 2022

Independent Auditor's Report

To the Board of East Wimmera Health Service

Opinion	<p>I have audited the financial report of East Wimmera Health Service (the health service) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board member's, accountable officer's and chief finance & accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<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 Financial Management Act 1994, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</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.



Dominika Ryan

as delegate for the Auditor-General of Victoria

MELBOURNE
24 October 2022

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

		Total 2022 \$'000	Total 2021 \$'000
Revenue and income from transactions			
Operating activities	2.1	32,805	37,812
Non-operating activities	2.1	91	73
Total revenue and income from transactions		32,896	37,885
Expenses from transactions			
Employee expenses	3.1	(25,030)	(24,427)
Supplies and consumables	3.1	(2,136)	(1,743)
Finance costs	3.1	(47)	(56)
Depreciation and amortisation	3.1	(4,096)	(3,972)
Other administrative expenses	3.1	(2,342)	(2,004)
Other operating expenses	3.1	(1,513)	(1,541)
Other non-operating expenses	3.1	-	(1)
Total Expenses from transactions		(35,164)	(33,744)
Net result from transactions - net operating balance		(2,268)	4,141
Other economic flows included in net result			
Net gain/(loss) on sale of non-financial assets	3.2	35	28
Other gain/(loss) from other economic flows	3.2	(185)	206
Total other economic flows included in net result		(150)	234
Net result for the year		(2,418)	4,375
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.3	5,382	204
Total other comprehensive income		5,382	204
Comprehensive result for the year		2,964	4,579

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

East Wimmera Health Service
Balance Sheet
As at 30 June 2022

		Total 2022 \$'000	Total 2021 \$'000
Current assets			
Cash and cash equivalents	6.2	15,901	15,628
Receivables and contract assets	5.1	587	675
Inventories		85	80
Prepaid expenses		122	342
Total current assets		16,695	16,725
Non-current assets			
Receivables and contract assets	5.1	611	571
Property, plant and equipment	4.1 (a)	60,518	56,499
Right of use assets	4.2 (a)	186	171
Total non-current assets		61,315	57,241
Total assets		78,010	73,966
Current liabilities			
Payables and contract liabilities	5.2	4,776	3,812
Borrowings	6.1	124	176
Employee benefits	3.3	5,085	4,726
Other liabilities	5.3	7,283	7,511
Total current liabilities		17,268	16,225
Non-current liabilities			
Borrowings	6.1	252	245
Employee benefits	3.3	675	645
Total non-current liabilities		927	890
Total liabilities		18,195	17,115
Net assets		59,815	56,851
Equity			
Property, plant and equipment revaluation surplus	4.3	50,649	45,267
Restricted specific purpose reserve	SCE	780	780
Contributed capital	SCE	12,573	12,573
Accumulated deficit	SCE	(4,187)	(1,769)
Total equity		59,815	56,851

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

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

Total	Note	Property, Plant and Equipment Revaluation Surplus \$'000	Restricted Specific Purpose Reserve \$'000	Contributed Capital \$'000	Accumulated Deficit \$'000	Total \$'000
Balance at 30 June 2020		45,063	780	12,573	(6,144)	52,272
Net result for the year		-	-	-	4,375	4,375
Other comprehensive income for the year		204	-	-	-	204
Balance at 30 June 2021		45,267	780	12,573	(1,769)	56,851
Net result for the year		-	-	-	(2,418)	(2,418)
Other comprehensive income for the year		5,382	-	-	-	5,382
Balance at 30 June 2022		50,649	780	12,573	(4,187)	59,815

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

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

	Total 2022 \$'000	Total 2021 \$'000
Cash Flows from operating activities		
Operating grants from government	28,636	19,783
Capital grants from government - State	919	6,832
Capital grants from government - Commonwealth	-	353
Patient fees received	2,082	2,249
GST received from ATO	47	-
Interest and investment income received	91	73
Commercial Income Received	294	376
Other receipts	1,334	1,188
Total receipts	33,403	30,854
Employee expenses paid	(24,711)	(24,346)
Payments for supplies and consumables	(1,760)	(698)
Payments for medical indemnity insurance	(191)	(171)
Payments for repairs and maintenance	(556)	(599)
Finance Costs	(47)	(56)
GST paid to ATO	-	(112)
Cash outflow for leases	(14)	(15)
Other payments	(2,879)	(2,941)
Total payments	(30,158)	(28,938)
Net cash flows from/(used in) operating activities	3,245	1,916
	8.1	
Cash Flows from investing activities		
Purchase of property, plant and equipment	(2,689)	(7,910)
Capital donations and bequests received	15	670
Proceeds from disposal of plant, equipment and ROU Vehicles	35	32
Net cash flows from/(used in) investing activities	(2,639)	(7,208)
Cash flows from financing activities		
Repayment of principal portion of lease liabilities	(104)	(82)
Receipt of accommodation deposits	2,307	2,025
Repayment of accommodation deposits	(2,536)	(2,787)
Net cash flows from /(used in) financing activities	(333)	(844)
Net increase/(decrease) in cash and cash equivalents held	273	(6,136)
Cash and cash equivalents at beginning of year	15,628	21,764
Cash and cash equivalents at end of year	15,901	15,628
	6.2	

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

East Wimmera Health Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

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**

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

This section explains the basis of preparing the financial statements.

Note 1.1: Basis of preparation of the financial statements

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

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

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

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

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

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

The financial statements are in Australian dollars.

East Wimmera Health Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.1: Basis of preparation of the financial statements (continued)

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 East Wimmera Health Service on [insert date].

Note 1.2 Impact of COVID-19 pandemic

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

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

In response to the ongoing COVID-19 pandemic, East Wimmera Health Service has:

- introduced restrictions on non-essential visitors
- utilised telehealth services
- performed COVID-19 testing
- established and operated vaccine clinics
- changed infection control practices
- implemented work from home arrangements where appropriate.

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

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

East Wimmera Health Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.3 Abbreviations and terminology used in the financial statements

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

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

Note 1.4 Joint arrangements

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

East Wimmera Health Service has the following joint arrangements:

- Grampians Rural Health Alliance - Joint Operation

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

Note 1.5 Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

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

East Wimmera Health Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

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 East Wimmera Health Service and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
AASB 17: <i>Insurance Contracts</i>	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-6: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2021-7: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.	Reporting periods on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.

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

East Wimmera Health Service

Notes to the Financial Statements

For the Financial Year Ended 30 June 2022

Note 1.7 Goods and Services Tax (GST)

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

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

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

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

Note 1.8 Reporting Entity

The financial statements include all the controlled activities of East Wimmera Health Service.

Its principal address is:

52 North Western Road
St Arnaud, Victoria 3478

A description of the nature of East Wimmera 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

East Wimmera Health Service's overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. East Wimmera Health Service is predominantly funded by grant funding for the provision of outputs. East Wimmera 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 recognised to fund the delivery of our services decreased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic.

This was offset by funding provided by the Department of Health to compensate for reductions in revenue and to cover

- increased staffing costs to service vaccination hubs
- pathology testing costs due to COVID-19 tests
- increased personal protective equipment costs.

Funding provided included:

- COVID-19 operational funding
- Specified funding for Covid-19 Vaccination.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	<p>East Wimmera 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 East Wimmera 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>East Wimmera 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. A performance obligation is either satisfied at a point in time or over time.</p>
Determining time of capital grant income recognition	<p>East Wimmera 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>

Note 2.1 Revenue and income from transactions

	Total 2022 \$'000	Total 2021 \$'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	176	218
Government grants (Commonwealth) - Operating	4,887	4,773
Patient and resident fees	2,170	2,200
Commercial activities ¹	294	376
Total revenue from contracts with customers	7,527	7,567
Other sources of income		
Government grants (State) - Operating	21,700	19,081
Government grants (Commonwealth) - Operating	988	1,801
Government grants (State) - Capital	919	6,832
Government grants (Commonwealth) - Capital	-	353
Capital donations	15	670
Assets received free of charge or for nominal consideration	452	167
Other revenue from operating activities (including non-capital donations)	1,204	1,341
Total other sources of income	25,278	30,245
Total revenue and income from operating activities	32,805	37,812
Non-operating activities		
Income from other sources		
Capital interest	5	5
Other interest	86	68
Total other sources of income	91	73
Total income from non-operating activities	91	73
Total revenue and income from transactions	32,896	37,885

1. Commercial activities represent business activities which East Wimmera Health Service enter into to support their operations.

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

	Total 2022 \$'000	Total 2021 \$'000
East Wimmera Health Service disaggregates revenue by the timing of revenue recognition.		
Goods and services transferred to customers:		
At a point in time	7,233	7,191
Over time	294	376
Total revenue from contracts with customers	7,527	7,567

Note 2.1 Revenue and income from transactions (continued)

How we recognise revenue and income from transactions

Government operating grants

To recognise revenue, East Wimmera Health Service assesses each grant to determine 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 the time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, 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 in accordance with AASB 1058 *Income for not-for-profit entities*.

In contracts with customers, the 'customer' is typically a funding body, who is the party that promises funding in exchange for East Wimmera Health Service's goods or services. East Wimmera 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.

Note 2.1 Revenue and income from transactions (continued)

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

Government grant	Performance obligation
Commonwealth Residential Aged Care Grants	<p>Funding is provided for the provision of care for aged care residents within facilities at East Wimmera Health Service.</p> <p>The performance obligations include provision of residential accommodations and care from nursing staff and personal care workers.</p> <p>Revenue is recognised at the point in time when the service is provided within the residential aged care facility.</p>

Capital grants

Where East Wimmera 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 East Wimmera 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.

Commercial activities

Revenue from commercial activities includes items such as meal sales and provision of accommodation. 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

Interest Income

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

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

	Total 2022 \$'000	Total 2021 \$'000
Personal protective equipment	452	167
Total fair value of assets and services received free of charge or for nominal consideration	452	167

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

Personal protective equipment

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

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

Voluntary Services

East Wimmera Health Service receives volunteer services from members of the community in the following areas:

- Lawn and garden maintenance

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

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

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of East Wimmera Health Service as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for East Wimmera 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.

Additional costs were incurred to deliver the following additional services:

- establish facilities within East Wimmera Health Service for the treatment of suspected and admitted COVID-19 patients resulting in an increase in employee costs and additional equipment purchases.
- implement COVID safe practices throughout East Wimmera Health Service including increased cleaning, increased security and consumption of personal protective equipment provided as resources free of charge
- assist with COVID-19 case management, contact tracing and outbreak management contributing to an increase in employee costs
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs and consumables, and
- establish COVID-19 testing facilities for staff and the community, resulting in an increase in employee costs and consumables
- implement work from home arrangements resulting in increased ICT infrastructure costs and additional equipment purchases

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>East Wimmera Health Service applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if East Wimmera 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 East Wimmera 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>East Wimmera 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 anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields on government bonds at the end of the reporting period.</p> <p>All other entitlements are measured at their nominal value.</p>

Note 3.1 Expenses from transactions

Note	Total 2022 \$'000	Total 2021 \$'000
Salaries and wages	21,746	21,413
On-costs	2,075	1,950
Agency expenses	496	275
Fee for service medical officer expenses	483	516
Workcover premium	230	273
Total employee expenses	25,030	24,427
Drug supplies	102	84
Medical and surgical supplies	955	610
Diagnostic and radiology supplies	12	58
Other supplies and consumables	1,067	991
Total supplies and consumables	2,136	1,743
Finance costs	47	56
Total finance costs	47	56
Other administrative expenses	2,342	2,004
Total other administrative expenses	2,342	2,004
Fuel, light, power and water	493	512
Repairs and maintenance	343	390
Maintenance contracts	213	209
Medical indemnity insurance	191	171
Expenses related to leases of low value assets	14	15
Expenditure for capital purposes	259	244
Total other operating expenses	1,513	1,541
Total operating expense	31,068	29,771
Depreciation and amortisation	4,096	3,972
Total depreciation and amortisation	4,096	3,972
Bad and doubtful debt expense	-	1
Total other non-operating expenses	-	1
Total non-operating expense	4,096	3,973
Total expenses from transactions	35,164	33,744

Note 3.1 Expenses from transactions

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

- finance charges in respect of leases which are recognised in accordance with AASB 16 *Leases*.

Other operating expenses

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

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$1,000).

The Department of Health also makes certain payments on behalf of East Wimmera 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.

Note 3.2 Other economic flows included in net result

	Total 2022 \$'000	Total 2021 \$'000
Net gain/(loss) on disposal of property plant and equipment	35	28
Total net gain/(loss) on non-financial assets	35	28
Net gain/(loss) arising from revaluation of long service liability	(185)	206
Total other gains/(losses) from other economic flows	(185)	206
Total gains/(losses) from other economic flows	(150)	234

How we recognise other economic flows

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

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

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, recognised at the date of disposal.

Note 3.3 Employee benefits in the balance sheet

	Total 2022 \$'000	Total 2021 \$'000
Current employee benefits and related on-costs		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	71	65
	71	65
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	1,858	1,768
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	245	250
	2,103	2,018
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	651	417
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	1,587	1,596
	2,238	2,013
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months ⁱ	329	301
Unconditional and expected to be settled after 12 months ⁱⁱ	344	329
	673	630
	5,085	4,726
Total current employee benefits and related on-costs		
Non-current provisions and related on-costs		
Conditional long service leave ⁱⁱ	598	568
Provisions related to employee benefit on-costs ⁱⁱ	77	77
Total non-current employee benefits and related on-costs	675	645
	5,760	5,371
Total employee benefits and related on-costs	5,760	5,371

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

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

	Total 2022 \$'000	Total 2021 \$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	71	65
Unconditional annual leave entitlements	2,415	2,299
Unconditional long service leave entitlements	2,599	2,362
Total current employee benefits and related on-costs	5,085	4,726
Conditional long service leave entitlements	675	645
Total non-current employee benefits and related on-costs	675	645
Total employee benefits and related on-costs	5,760	5,371
Attributable to:		
Employee benefits	5,010	4,664
Provision for related on-costs	750	707
Total employee benefits and related on-costs	5,760	5,371

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

	Total 2022 \$'000	Total 2021 \$'000
Carrying amount at start of year	707	746
Additional provisions recognised	405	297
Net gain/(loss) arising from revaluation of long service liability	(22)	25
Amounts incurred during the year	(342)	(361)
Carrying amount at end of year	748	707

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 East Wimmera 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 annual leave and accrued days off are measured at:

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

Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where East Wimmera 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 East Wimmera Health Service expects to wholly settle within 12 months or
- Present value – if East Wimmera Health Service does not expect to wholly settle within 12 months.

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

Provision for on-costs related to employee benefits

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

Note 3.4 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Total	Total	Total	Total
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Defined benefit plans:ⁱ				
Aware Super	110	105	-	-
Defined contribution plans:				
Aware Super	1,163	1,162	-	-
Hesta	523	481	-	-
Other	279	202	-	-
Total	2,075	1,950	-	-

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 East Wimmera Health Service are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

Defined benefit superannuation plans

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by East Wimmera Health Service to the superannuation plans in respect of the services of current East Wimmera Health Service's staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

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

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

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

Defined contribution superannuation plans

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

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

Note 4: Key assets to support service delivery

East Wimmera 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 East Wimmera Health Service to be utilised for delivery of those outputs.

Structure

4.1 Property, plant & equipment

4.2 Right-of-use assets

4.3 Revaluation surplus

4.4 Depreciation and amortisation

4.5 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
Measuring fair value of property, plant and equipment and investment properties	<p>East Wimmera Health Service obtains independent valuations for its non-current assets at least once every five years.</p> <p>If an independent valuation has not been undertaken at balance date, the health service estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices.</p> <p>Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken.</p>
Estimating useful life and residual value of property, plant and equipment	<p>East Wimmera Health Service assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset.</p> <p>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.</p>
Estimating useful life of right-of-use assets	<p>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.</p> <p>East Wimmera Health Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>

Key judgements and estimates (continued)

Key judgements and estimates	Description
Identifying indicators of impairment	<p>At the end of each year, East Wimmera 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 exists, the health service tests the asset for impairment.</p> <p>The health service considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.</p>

Note 4.1 Property, plant and equipment

Note 4.1 (a) Gross carrying amount and accumulated depreciation

	Total 2022 \$'000	Total 2021 \$'000
Land at fair value - Crown	433	433
Land at fair value - Freehold	1,486	651
Total land at fair value	1,919	1,084
Buildings at fair value	54,734	52,448
Less accumulated depreciation	-	(6,993)
Total buildings at fair value	54,734	45,455
Works in progress at fair value	1,230	7,933
Total land and buildings	57,883	54,472
Plant and equipment at fair value	6,458	5,940
Less accumulated depreciation	(5,229)	(4,874)
Total plant and equipment at fair value	1,229	1,066
Motor vehicles at fair value	873	873
Less accumulated depreciation	(852)	(852)
Total motor vehicles at fair value	21	21
Furniture and fittings at fair value	3,527	2,867
Less accumulated depreciation	(2,214)	(2,008)
Total furniture and fittings at fair value	1,313	859
Total plant, equipment, furniture, fittings and vehicles at fair value	2,563	1,946
Other assets under construction at Cost	72	81
Total property, plant and equipment	60,518	56,499

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

	Land \$'000	Buildings \$'000	Plant & equipment \$'000	Motor vehicles \$'000	Furniture & Fittings \$'000	Assets under construction \$'000	Total \$'000
Balance at 1 July 2020	880	49,542	1,191	57	598	100	52,368
Additions	-	7,334	107	-	443	-	7,884
Disposals	-	-	-	(10)	-	-	(10)
Revaluation increments/(decrements)	204	-	-	-	-	-	204
Net transfers between classes	-	-	-	-	-	(19)	(19)
Depreciation	-	(3,488)	(232)	(26)	(182)	-	(3,928)
Balance at 30 June 2021	1,084	53,388	1,066	21	859	81	56,499
Additions	-	1,588	369	-	660	72	2,689
Disposals	-	-	-	-	-	-	-
Revaluation increments/(decrements)	835	4,547	-	-	-	-	5,382
Net Transfers between classes	-	81	-	-	-	(81)	-
Depreciation	-	(3,640)	(206)	-	(206)	-	(4,052)
Balance at 30 June 2022	1,919	55,964	1,229	21	1,313	72	60,518

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

Land and Buildings Carried at Valuation

The Valuer-General Victoria undertook to re-value all of East Wimmera Health Services 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 valuation was based on independent assessments. The effective date of the valuation was 30 June 2019 for buildings and 30 June 2022 for land.

How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by East Wimmera 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 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 in Note 7.4.

Note 4.1 (b) Reconciliations of the carrying amounts of each class of asset

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, East Wimmera Health Service perform 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%, East Wimmera Health Service would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of East Wimmera Health Service's property, plant and equipment was performed by the VGV on 30 June 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 118% (\$1.039M)
- increase in fair value of buildings of 10.92% (\$4.547M)

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

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

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 4.2 Right-of-use assets

Note 4.2(a) Gross carrying amount and accumulated depreciation

	Total 2022 \$'000	Total 2021 \$'000
Right of use vehicles	261	262
Less accumulated depreciation	(75)	(91)
Total right of use vehicles	186	171
Total right of use vehicles	186	171

Note 4.2(b) Reconciliations of the carrying amounts of each class of asset

	Note	Right-of-use Vehicles \$'000	Total \$'000
Balance at 1 July 2020		164	164
Additions		51	51
Depreciation	4.4	(44)	(44)
Balance at 30 June 2021	4.2 (a)	171	171
Additions		113	113
Disposals		(54)	(54)
Depreciation	4.4	(44)	(44)
Balance at 30 June 2022	4.2 (a)	186	186

How we recognise right-of-use assets

Where East Wimmera 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. East Wimmera 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 vehicles	2 to 5 years

Initial recognition

When a contract is entered into, East Wimmera 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.

Subsequent measurement

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

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

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

Note 4.3 Revaluation Surplus

Note	Total 2022 \$'000	Total 2021 \$'000
Balance at the beginning of the reporting period	45,267	45,063
Revaluation increment		
- Land	835	204
- Buildings	4,547	-
Balance at the end of the Reporting Period*	50,649	45,267
* Represented by:		
- Land	1,918	1,083
- Buildings	48,731	44,184
	50,649	45,267

Note 4.4 Depreciation

	Total 2022 \$'000	Total 2021 \$'000
Depreciation		
Buildings	3,640	3,488
Plant and equipment	206	232
Motor vehicles	-	26
Furniture and fittings	206	182
Total depreciation - property, plant and equipment	4,052	3,928
Right-of-use assets		
Right of use - vehicles	44	44
Total depreciation - right-of-use assets	44	44
Total depreciation	4,096	3,972

How we recognise depreciation

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

Right-of-use assets are depreciated over the 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.

	2022	2021
Buildings		
- Structure shell building fabric	7 to 50 years	5 to 36 years
- Site engineering services and central plant	8 years	8 years
Central Plant		
- Fit Out	8 years	8 years
- Trunk reticulated building system	8 years	8 years
Plant and equipment	2 to 20 years	3 to 7 years
Medical equipment	7 to 10 years	7 to 10 years
Computers and communication	3 to 5 years	2 to 4 years
Furniture and fitting	4 to 20 years	10 to 13 years
Motor Vehicles	5 years	10 years
Land Improvements	6 to 7 years	6 to 7 years

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

Note 4.5: Impairment of assets

How we recognise impairment

At the end of each reporting period, East Wimmera 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 East Wimmera 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, East Wimmera 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, East Wimmera Health Service estimates the recoverable amount of the cash-generating unit to which the asset belongs.

East Wimmera Health Service did not record any impairment losses for the year ended 30 June 2022.

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from East Wimmera 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	East Wimmera 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 East Wimmera 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. East Wimmera Health Service applies significant judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	East Wimmera 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

Notes	Total 2022 \$'000	Total 2021 \$'000
Current receivables and contract assets		
Contractual		
Trade receivables	146	179
Patient fees	279	191
Allowance for impairment losses - Patient fees	(8)	(8)
Amounts receivable from governments and agencies	88	184
Total contractual receivables	505	546
Statutory		
GST receivable	82	129
Total statutory receivables	82	129
Total current receivables and contract assets	587	675
Non-current receivables and contract assets		
Contractual		
Long service leave - Department of Health	611	571
Total contractual receivables	611	571
Total non-current receivables and contract assets	611	571
Total receivables and contract assets	1,198	1,246
<i>(i) Financial assets classified as receivables and contract assets (Note 7.1(a))</i>		
Total receivables and contract assets	1,198	1,246
Allowance for impairment losses	8	8
GST receivable	(82)	(129)
Total financial assets	7.1(a) 1,124	1,125

Note 5.1 Receivables and contract assets (continued)

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

	Total 2022 \$'000	Total 2021 \$'000
Balance at the beginning of the year	8	64
Increase in allowance	-	-
Amounts written off during the year	-	-
Reversal of allowance written off during the year as uncollectable	-	(56)
Balance at the end of the year	8	8

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**, includes 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 *Financial Instruments* 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*.

East Wimmera 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 7.2 (a) for East Wimmera Health Service's contractual impairment losses.

Note 5.2 Payables and contract liabilities

Note	Total 2022 \$'000	Total 2021 \$'000
Current payables and contract liabilities		
Contractual		
Trade creditors	227	441
Accrued salaries and wages	651	536
Accrued expenses	521	265
Deferred capital grant income	5.2(a) 1,128	1,048
Contract liabilities	5.2(b) 1,785	940
Amounts payable to governments and agencies	464	582
Total contractual payables	4,776	3,812
Total payables and contract liabilities	4,776	3,812
<i>(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))</i>		
Total payables and contract liabilities	4,776	3,812
Deferred capital grant income	(1,128)	(1,048)
Contract liabilities	(1,785)	(940)
Total financial liabilities	7.1(a) 1,863	1,824

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 East Wimmera Health Service prior to the end of the financial year that are unpaid.
- **Statutory payables** comprises Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 30 days.

Note 5.2 (a) Deferred capital grant income

	Total 2022 \$'000	Total 2021 \$'000
Opening balance of deferred grant income	1,048	7,421
Grant consideration for capital works received during the year	348	-
Deferred grant revenue recognised as revenue due to completion of capital works	(268)	(6,373)
Closing balance of deferred grant income	1,128	1,048

How we recognise deferred capital grant revenue

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

East Wimmera Health Service expects to recognise all of the remaining deferred capital grant revenue for capital works by 30 June 2023.

Note 5.2 (b) Contract liabilities

	Total 2022 \$'000	Total 2021 \$'000
Opening balance of contract liabilities	940	801
Grant consideration for sufficiently specific performance obligations received during the year	1,433	1,889
Revenue recognised for the completion of a performance obligation	(588)	(1,750)
Total contract liabilities	1,785	940
* Represented by:		
- Current contract liabilities	1,785	940
	1,785	940

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of activity based services. The balance of contract liabilities was significantly lower than the previous reporting period due to reduced funding recalls implemented by the Department of Health

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

Maturity analysis of payables

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

Note 5.3 Other liabilities

	Total 2022 \$'000	Total 2021 \$'000
Notes		
Current monies held in trust		
Patient monies	91	90
Refundable accommodation deposits	7,181	7,410
Other monies	11	11
Total current monies held in trust	7,283	7,511
Total other liabilities	7,283	7,511
* Represented by:		
- Cash assets	6.2 7,283	7,511
	7,283	7,511

How we recognise other liabilities

Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to East Wimmera 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.

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

Note 6: How we finance our operations

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

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>East Wimmera 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"> • has the right-to-use an identified asset • has the right to obtain substantially all economic benefits from the use of the leased asset and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>East Wimmera 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>East Wimmera 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, East Wimmera 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>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 East Wimmera Health Service is reasonably certain to exercise such options.</p> <p>East Wimmera 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"> • If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease. • 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. • The health service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1 Borrowings

Note	Total 2022 \$'000	Total 2021 \$'000
Current borrowings		
Lease liability ⁽ⁱ⁾	65	116
Advances from government ⁽ⁱⁱ⁾	59	60
Total current borrowings	124	176
Non-current borrowings		
Lease liability ⁽ⁱ⁾	122	56
Advances from government ⁽ⁱⁱ⁾	130	189
Total non-current borrowings	252	245
Total borrowings	376	421

ⁱ Secured by the assets leased.

ⁱⁱ These are unsecured loans which bear no interest.

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 East Wimmera Health Service has categorised its liability as 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.

Note 6.1 (a) Lease liabilities

East Wimmera Health Service's lease liabilities are summarised below:

	Total 2022 \$'000	Total 2021 \$'000
Total undiscounted lease liabilities	191	175
Less unexpired finance expenses	(4)	(3)
Net lease liabilities	187	172

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

	Total 2022 \$'000	Total 2021 \$'000
Not longer than one year	66	118
Longer than one year but not longer than five years	125	57
Longer than five years	-	-
Minimum future lease liability	191	175
Less unexpired finance expenses	(4)	(3)
Present value of lease liability	187	172
* Represented by:		
- Current liabilities	65	116
- Non-current liabilities	122	56
	187	172

How we recognise lease liabilities

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

To apply this definition, East Wimmera 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 East Wimmera Health Service and for which the supplier does not have substantive substitution rights
- East Wimmera 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 East Wimmera Health Service has the right to direct the use of the identified asset throughout the period of use and
- East Wimmera 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.

East Wimmera Health Service's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased vehicles	2 to 3 years

Note 6.1 (a) Lease liabilities

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 East Wimmera Health Services incremental borrowing rate. Our lease liability has been discounted by rates of between 3% to 5%.

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

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

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

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

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

Note	Total 2022 \$'000	Total 2021 \$'000
Cash on hand (excluding monies held in trust)	84	73
Cash at bank (excluding monies held in trust)	1,895	823
Cash at bank - CBS (excluding monies held in trust)	6,639	5,214
Total cash held for operations	8,618	6,110
Cash at bank (monies held in trust)	369	924
Cash at bank - CBS (monies held in trust)	6,914	8,594
Total cash held as monies in trust	7,283	9,518
Total cash and cash equivalents	15,901	15,628

7.1 (a)

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

There are no capital or operating requirements at 30 June 2022 (2021 \$917)

	Total 2022 \$'000	Total 2021 \$'000
Capital expenditure commitments		
Less than one year	-	917
Longer than one year but not longer than five years	-	-
Five years or more	-	-
Total capital expenditure commitments	-	917
Total commitments for expenditure (exclusive of GST)	-	917
Less GST recoverable from Australian Tax Office	-	(83)
Total commitments for expenditure (exclusive of GST)	-	834

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

How we disclose our commitments

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

Expenditure commitments

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

Refer to Note 6.1 for further information.

Note 7: Risks, contingencies and valuation uncertainties

East Wimmera 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 use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, East Wimmera 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>

Key judgements and estimates (continued)

Key judgements and estimates	Description
Measuring fair value of non-financial assets	<p>East Wimmera Health Service uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of East Wimmera Health Service’s specialised land, non-specialised land, non-specialised buildings are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of East Wimmera Health Service’s specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach. <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"> ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. East Wimmera Health Service does not categorise any fair values within this level. ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. East Wimmera Health Service categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. East Wimmera Health Service categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1: Financial instruments

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

Note 7.1 (a) Categorisation of financial instruments

Total 30 June 2022	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Total \$'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	15,901	-	15,901
Receivables and contract assets	5.1	1,124	-	1,124
Total Financial Assetsⁱ		17,025	-	17,025
Financial Liabilities				
Payables	5.2	-	1,863	1,863
Borrowings	6.1	-	376	376
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	7,181	7,181
Other Financial Liabilities - Patient monies held in trust	5.3	-	91	91
Other Financial Liabilities - Other monies held in trust	5.3	-	11	11
Total Financial Liabilitiesⁱ		-	9,522	9,522

Note 7.1 (a) Categorisation of financial instruments

Total		Financial Assets at	Financial Liabilities	Total
30 June 2021	Note	Amortised Cost	at Amortised Cost	\$'000
		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	15,628	-	15,628
Receivables and contract assets	5.1	1,125	-	1,125
Total Financial Assetsⁱ		16,753	-	16,753
Financial Liabilities				
Payables	5.2	-	1,824	1,824
Borrowings	6.1	-	421	421
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	7,410	7,410
Other Financial Liabilities - Patient monies held in trust	5.3	-	90	90
Other Financial Liabilities - Other monies held in trust	5.3	-	11	11
Total Financial Liabilitiesⁱ		-	9,756	9,756

ⁱ 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 East Wimmera Health Service becomes party to the contractual provisions to the instrument. For financial assets, this is at the date East Wimmera 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.

Note 7.1 (a) Categorisation of financial instruments

Financial assets at amortised cost

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

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

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

East Wimmera Health Service recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

Note 7.1 (a) Categorisation of financial instruments

Categories of financial liabilities

Financial liabilities are recognised when East Wimmera 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 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.

East Wimmera Health Service recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, East Wimmera Health Service has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where East Wimmera Health Service does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Note 7.1 (a) Categorisation of financial instruments

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

East Wimmera Health Service's main financial risks include credit risk, liquidity risk and interest rate risk. East Wimmera Health Service manages these financial risks in accordance with its financial risk management policy.

East Wimmera 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. East Wimmera 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 East Wimmera Health Service. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with East Wimmera 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, East Wimmera 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, East Wimmera 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 East Wimmera 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 East Wimmera 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 East Wimmera Health Service's credit risk profile in 2021-22.

Note 7.2 (a) Credit risk

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

East Wimmera 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. East Wimmera Health Service has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on East Wimmera Health Service's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

Note 7.2 (a) Credit risk

Statutory receivables and debt investments at amortised cost

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

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

Note 7.2 (b) Liquidity risk

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

East Wimmera 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:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

East Wimmera 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 other financial assets.

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

Note 7.2 (b) Payables and borrowings maturity analysis

		Maturity Dates						
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total								
30 June 2022	Note							
Payables	5.2	1,863	1,863	1,863	-	-	-	-
Borrowings	6.1	376	376	10	30	90	246	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	7,181	7,181	-	-	7,181	-	-
Other Financial Liabilities - Patient monies held in trust	5.3	91	91	-	91	-	-	-
Other Financial Liabilities - Other monies held in trust	5.3	11	11	11	-	-	-	-
Total Financial Liabilities		9,522	9,522	1,884	121	7,271	246	-

		Maturity Dates						
		Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total								
30 June 2021	Note							
Financial Liabilities at amortised cost								
Payables	5.2	1,824	1,824	1,824	-	-	-	-
Borrowings	6.1	421	421	10	30	90	291	-
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	7,410	7,410	-	-	7,410	-	-
Other Financial Liabilities - Patient monies held in trust	5.3	90	90	-	90	-	-	-
Other Financial Liabilities - Other monies held in trust	5.3	11	11	11	-	-	-	-
Total Financial Liabilities		9,756	9,756	1,845	120	7,500	291	-

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

Note 7.2 (c) Market risk

East Wimmera Health Service's exposures to market risk are primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

East Wimmera Health Service's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. East Wimmera 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 1.5% 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. East Wimmera 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. East Wimmera 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.

Note 7.3: Contingent assets and contingent liabilities

At balance date, the Board are not aware of any contingent assets or liabilities.

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 7.4: Fair Value Determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Property, plant and equipment
- Right-of-use assets
- Lease liabilities

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.

East Wimmera 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.

East Wimmera 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 East Wimmera 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.

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 non-financial physical assets

	Note	Total carrying amount	Fair value measurement at end of reporting period using:		
		30 June 2022	Level 1 ⁱ	Level 2 ⁱ	Level 3 ⁱ
		\$'000	\$'000	\$'000	\$'000
Non-specialised land		802	-	802	-
Specialised land		1,117	-	-	1,117
Total land at fair value	4.1 (a)	1,919	-	802	1,117
Non-specialised buildings		2,323	-	2,323	-
Specialised buildings		53,641	-	-	53,641
Total buildings at fair value	4.1 (a)	55,964	-	2,323	53,641
Plant and equipment at fair value	4.1 (a)	1,229	-	-	1,229
Motor vehicles at fair value	4.1 (a)	21	-	-	21
Furniture and fittings at fair value	4.1 (a)	1,313	-	-	1,313
Total plant, equipment, furniture, fittings and vehicles at fair value		2,563	-	-	2,563
Right of use vehicles	4.2 (a)	186	-	-	186
Total right-of-use assets at fair value		186	-	-	186
Total property, plant and equipment at fair value		60,632	-	3,125	57,507
		Total carrying amount	Fair value measurement at end of reporting period using:		
		30 June 2021	Level 1 ⁱ	Level 2 ⁱ	Level 3 ⁱ
		\$'000	\$'000	\$'000	\$'000
Non-specialised land		355	-	355	-
Specialised land		729	-	-	729
Total land at fair value	4.1 (a)	1,084	-	355	729
Non-specialised buildings		2,300	-	2,300	-
Specialised buildings		51,088	-	-	51,088
Total buildings at fair value	4.1 (a)	53,388	-	2,300	51,088
Plant and equipment at fair value	4.1 (a)	1,066	-	-	1,066
Motor vehicles at fair value	4.1 (a)	21	-	-	21
Furniture and fittings at fair value	4.1 (a)	859	-	-	859
Total plant, equipment, furniture, fittings and vehicles at fair value		1,946	-	-	1,946
Right of use vehicles	4.2 (a)	171	-	-	171
Total right-of-use assets at fair value		171	-	-	171
Total Property, Plant and Equipment		56,589	-	2,655	53,934

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, East Wimmera 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 & non-specialised buildings

Non-specialised land, non-specialised buildings, investment properties and cultural assets 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 and investment properties, 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 for buildings and 30 June 2022 for land.

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, East Wimmera 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 East Wimmera 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 East Wimmera 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 for buildings and 30 June 2022 for land.

Vehicles

The East Wimmera 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 2022.

7.4(b) Reconciliation of level 3 fair value measurement

Total	Note	Land \$'000	Buildings \$'000	Plant, equipment, vehicles, furniture & fittings \$'000	Right of Use Assets \$'000
Balance at 1 July 2020		593	47,242	1,846	164
Additions/(Disposals)		-	7,334	540	51
Gains/(Losses) recognised in net result					
- Depreciation and amortisation		-	(3,488)	(440)	(44)
Items recognised in other comprehensive income					
- Revaluation		136	-	-	-
Balance at 30 June 2021	7.4 (a)	729	51,088	1,946	171
Additions/(Disposals)		-	1,588	1,029	59
Gains/(Losses) recognised in net result					
- Depreciation and Amortisation		-	(3,640)	(412)	(44)
Items recognised in other comprehensive income					
- Revaluation		388	4,524	-	-
Balance at 30 June 2022	7.4 (a)	1,117	53,641	2,563	186

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

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

(i) A community service obligation (CSO) of 20% was applied to East Wimmera 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 flow from operating activities

8.2 Responsible persons disclosure

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

Telling the COVID-19 story

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

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

	Total 2022 \$'000	Total 2021 \$'000
Net result for the year	(2,418)	4,375
Non-cash movements:		
(Gain)/Loss on sale or disposal of non-financial assets	3.2 (35)	(28)
Depreciation and amortisation of non-current assets	4.4 4,096	3,972
Bad and doubtful debt expense	3.1 -	(56)
Other non-cash movements	(15)	(670)
Movements in Assets and Liabilities:		
(Increase)/Decrease in receivables and contract assets	48	(59)
(Increase)/Decrease in inventories	(5)	(6)
(Increase)/Decrease in prepaid expenses	220	(118)
Increase/(Decrease) in payables and contract liabilities	964	(5,303)
Increase/(Decrease) in employee benefits	389	(178)
Increase/(Decrease) in other liabilities	1	(13)
Net cash inflow from operating activities	3,245	1,916

Note 8.2 Responsible persons

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

	Period
Minister for Health	
The Honourable Martin Foley	1 Jul 2021 - 27 Jun 2022
The Honourable Mary-Anne Thomas	27 Jun 2022 - 30 Jun 2022
Minister for Ambulance Services	
The Honourable Martin Foley	1 Jul 2021 - 27 Jun 2022
The Honourable Mary-Anne Thomas	27 Jun 2022 - 30 Jun 2022
Minister for Mental Health	
The Honourable James Merlino	1 Jul 2021 - 27 Jun 2022
The Honourable Gabrielle Williams	27 Jun 2022 - 30 Jun 2022
Minister for Disability, Ageing and Carers	
The Honourable Luke Donnellan	1 Jul 2021 - 11 Oct 2021
The Honourable James Merlino	11 Oct 2021 - 06 Dec 2021
The Honourable Anthony Carbines	06 Dec 2021 - 27 Jun 2022
The Honourable Colin Brooks	27 Jun 2022 - 30 Jun 2022
Governing Boards	
Ms Julianne Clift	1 Jul 2021 - 30 Jun 2022
Mrs Simone Christie	1 Jul 2021 - 30 Jun 2022
Mr Terrence Robertson	1 Jul 2021 - 30 Jun 2022
Mrs Sue Hynes	1 Jul 2021 - 30 Jun 2022
Ms Kylie Thitchener	1 Jul 2021 - 30 Jun 2022
Mrs Naomi Goode	1 Jul 2021 - 30 Jun 2022
Ms Ruth Jabornik	1 Jul 2021 - 30 Jun 2022
Mr John Harley	1 Jul 2021 - 04 Oct 2021
Ms Cuc Lamb	1 Jul 2021 - 30 Apr 2022
Accountable Officers	
Mr Trevor Adem (Chief Executive Officer)	1 Jul 2021 - 30 Jun 2022

Note 8.2 Responsible persons (continued)

Remuneration of Responsible Persons

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

Income Band

\$0 - \$9,999

\$260,000 - \$269,999

\$270,000 - \$279,999

Total Numbers

Total 2022 No	Total 2021 No
9	7
1	-
-	1
10	8

Total 2022 \$'000	Total 2021 \$'000
\$299	\$299

Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:

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

Note 8.3 Remuneration of executives

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

Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.4)

Short-term benefits
Post-employment benefits
Other long-term benefits
Termination benefits

Total remunerationⁱ

Total number of executives

Total annualised employee equivalentⁱⁱ

	Total Remuneration	
	2022 \$'000	2021 \$'000
Short-term benefits	510	352
Post-employment benefits	48	31
Other long-term benefits	16	10
Termination benefits	-	-
Total remunerationⁱ	574	393
Total number of executives	4	3
Total annualised employee equivalent ⁱⁱ	4.0	3.0

ⁱ The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of East Wimmera Health Services under AASB 124 Related Party Disclosures and are also reported within Note 8.4 Related Parties.

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

Total remuneration payable to executives during the year increased due to the inclusion of an additional executive position in 2022.

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.

Note 8.4: Related Parties

East Wimmera 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 and personal business interests
- cabinet ministers (where applicable) and their close family members
- jointly controlled operations – A member of the Grampians Rural Health Alliance and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of East Wimmera Health Service, directly or indirectly.

Key management personnel

The Board of Directors, Chief Executive Officer and the Executive Directors of East Wimmera Health Services are deemed to be KMPs.

Entity	KMPs	Position Title
East Wimmera Health Service	Ms Julianne Clift	Board Chair
East Wimmera Health Service	Mrs Simone Christie	Board Member
East Wimmera Health Service	Mr Terrence Robertson	Board Member
East Wimmera Health Service	Mrs Sue Hynes	Board Member
East Wimmera Health Service	Ms Kylie Thitchener	Board Member
East Wimmera Health Service	Mrs Naomi Goode	Board Member
East Wimmera Health Service	Ms Ruth Jabornik	Board Member
East Wimmera Health Service	Mr John Harley	Board Member
East Wimmera Health Service	Ms Cuc Lamb	Board Member
East Wimmera Health Service	Mr Trevor Adem	Chief Executive Officer
East Wimmera Health Service	Mr Leon Gowlett	Director Finance & Administration
East Wimmera Health Service	Ms Patricia Croft	Director Clinical Services
East Wimmera Health Service	Ms Leanne Jeffrey	Director of Primary Care
East Wimmera Health Service	Mr Geoffrey Lord	Director of People & Culture

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968*, and is reported within the State's Annual Financial Report.

	Total 2022 \$'000	Total 2021 \$'000
Compensation - KMPs		
Short-term Employee Benefits ⁱ	777	621
Post-employment Benefits	72	54
Other Long-term Benefits	24	17
Totalⁱⁱ	873	692

ⁱ Total remuneration paid to KMPs employed as a contractor during the reporting period through accounts payable has been reported under short-term employee benefits.

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

Note 8.4: Related Parties

Significant transactions with government related entities

East Wimmera Health Service received funding from the Department of Health of \$21.65 m (2021: \$25.97 m). Balances outstanding as recallable as at 30 June 2022 are \$1.61 m (2021 \$0.66 m).

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

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

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

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with East Wimmera 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 2022 (2021: none).

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

Note 8.5: Remuneration of Auditors

Victorian Auditor-General's Office

Audit of the financial statements

Total remuneration of auditors

Total 2022 \$'000	Total 2021 \$'000
25	17
25	17

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the balance sheet date.

Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest	
		2022 %	2021 %
Grampians Rural Health Alliance (GRHA)	Information Technology Services	7.09	7.12

East Wimmera Health Services interest in the above joint arrangements are detailed below. The amounts are included in the consolidated financial statements under their respective categories:

	2022 \$'000	2021 \$'000
Current assets		
Cash and cash equivalents	182	382
Receivables	85	72
Prepaid expenses	58	81
Total current assets	325	535
Non-current assets		
Property, plant and equipment	154	281
Total non-current assets	154	281
Total assets	479	816
Current liabilities		
Payables	150	372
Total current liabilities	150	372
Total liabilities	150	372
Net assets	329	444
Equity		
Accumulated surplus	329	444
Total equity	329	444

Note 8.7 Joint arrangements

East Wimmera Health Services interest in revenues and expenses resulting from joint arrangements are detailed below:

	2022 \$'000	2021 \$'000
Revenue		
Operating Activities	609	530
Non Operating Activities	-	1
Capital Purpose Income	11	84
Total revenue	620	615
Expenses		
Employee Benefits	116	106
Other Expenses from Continuing Operations	467	419
Depreciation	150	123
Capital Purpose Expenditure	1	11
Total expenses	734	659
Net result	(114)	(44)

The above figures have been obtained from the unaudited Grampians Rural Health Alliance joint venture annual financial statements.

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the joint arrangements at balance date.

Note 8.8 Equity

Contributed capital

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

Specific restricted purpose reserves

The specific restricted purpose reserve is established where East Wimmera 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

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



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