




# Annual Report

## 2021 | 2022







A landscape photograph showing a vast, rolling mountain range covered in dense, dark brown forest. The mountains recede into the distance under a clear blue sky. A thin, white, curved line, possibly a cable or a branch, arcs across the upper right portion of the sky.

We, Grampians Health, acknowledge the Djab Wurrung, Wotjobaluk, Jaadwa, Jadwadjali, Wergaia, Jupagalk and Wadawurrung people, the Traditional Custodians of the lands on which our health service operates across the Central Highlands and throughout the Gariwerd/Grampians region, and their connections to land, waterways and community.

Grampians Health pays respect to their Elders past and present and extends that respect to all Aboriginal and Torres Strait Islander peoples today.

Grampians Health recognises and values the contributions that Aboriginal and Torres Strait Islander peoples make in our society. Sovereignty has never been ceded.

**It always was and always will be, Aboriginal land.**



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## Overview

Grampians Health was formed through the amalgamation of the Edenhope and District Memorial Hospital, Stawell Regional Health, Wimmera Health Care Group and Ballarat Health Services on 1 November 2021, following approval from the Minister for Health under the Victorian Health Services Act 1988.



This Annual Report covers the period from 01 November 2021 to 30 June 2022 and is prepared for the Minister for Health, the Parliament of Victoria, and the Grampians Health community, in accordance with government and legislative requirements and financial reporting directives.

Annual and financial reports are generally prepared for a twelve-month financial year from 1 July to 30 June; however, this report is for the eight-month period from 01 November 2021 to 30 June 2022, and as such there is no comparative data with previous financial years.

For the period 1 November 2021 to 30 June 2022 Grampians Health was accountable, through its Board of Directors, to: the Hon Mary-Anne Thomas MP, Minister for Health, Minister for Ambulance Services (27 June 2022 to 30 June 2022); the Hon Gabrielle William, Minister for Mental Health (27 June 2022 to 30 June 2022); the Hon Colin Brooks, Minister for Disability, Ageing and Carers (27 June 2022 to 30 June 2022); the Hon Martin Foley MP, Minister for Health, Minister for Ambulance Services (1 November 2021 to 27 June 2022); the Hon James Merlino, Minister for Mental Health (1 November 2021 to 27 June 2022), Minister for Disability, Ageing and Carers (1 November 2022 to 6 December 2022); and the Hon Anthony Carbines, Minister for Disability, Ageing and Carers (6 December 2021 to 27 June 2022).

## Report of Operations

Grampians Health was established on 1 November 2021 following the amalgamation of Ballarat Health Services, Edenhope District Memorial Hospital, Stawell Regional Health, and Wimmera Healthcare Group.

The opportunity to bring four exceptional health services together, and to thereby improve health outcomes in the region is something we are proud to be a part of.

We know that Grampians Health communities face substantial health and wellbeing challenges both in the range of services and the accessibility of care close to home. These challenges are not new, and by coming together as Grampians Health we have acknowledged that a more effective approach to tackling the challenges is necessary. Together, we have the collective strength to achieve more.

Globally the health sector is under intense strain, and this annual report details the challenging times we find ourselves in. Despite this, over the past eight months we have made many inroads to delivering on amalgamation commitments, with continued investment in jobs, technology and infrastructure to support long-term service viability. Progress of note includes:

- increased level of clinical safety at Edenhope, Horsham and Stawell through enhanced clinical governance;
- increased outpatient appointments in Horsham to 1476 patients above our target;
- increased paediatric services in Horsham, Stawell, Ararat and Maryborough, including a direct line to paediatric specialists via telehealth for GPs;
- appointment of a regional obstetrician to increase collaboration across local services;
- a commitment to build and lease staff-accommodation comprising 32 units in Horsham (\$8m investment);
- recommencement of the day oncology program at Stawell, with improved system technology for prescribing and monitoring treatment;
- recommencement of rehabilitation services to our Horsham campus;
- appointment of an occupational therapist to support Edenhope acute and aged care;
- the submission of a Gender Equality Action Plan for all campuses;
- mobilisation of staff from across campuses to support a whole-of-region response to the pandemic, which filled workforce gaps in public and private healthcare; and
- establishment of Community Reference Groups (CRGs) and the Community Advisory Committee (CAC) to provide ongoing, formal channels of communication between the health service and the community.

We have accomplished things that would not have been possible had we not been united. In being united, we also recognise our responsibility for the physical and emotional health of our workforce.

As one of the region's largest employers, we understand that the coming together of our health services has resulted in degrees of change, and that our workforce needs to be nurtured, and encouraged to flourish.

Looking to the future, we aim to grow and sustain an even greater workforce and be recognised as a trusted and progressive employer of choice – goals which will require continuous engagement with our staff, and a common vision and set of values. Our unified direction was clearly set out in a new Grampians Health Strategic Plan. This plan and a subsequent Clinical Services Plan will guide our vision and direction as an organisation into the future.

We are immensely proud of our workforce and volunteers, and we send a heart-felt ‘thank you’ to them all, for their commitment to embrace the challenges brought about by change, particularly in the midst of the pandemic, and for their kindness and care.

We also thank the communities we serve for the support and confidence afforded to the board and executive team as we continue to grow Grampians Health.



Bill Brown  
Chair, Board of Directors



Dale Fraser  
**Chief Executive Officer**



## Employment and Conduct Principles

Our workforce consists of more than 6,500 dedicated members of the community who deeply understand the needs of our community and contribute to the overall health and wellbeing of the region.

The healthcare industry is expected to experience major workforce shortages over the coming years due to an ageing healthcare workforce and current retention challenges, especially in regional areas.

Through leadership, collaboration and engagement, we will continue to advance our workforce capacity, capability and resilience.

Enhanced education and training to support our people in a 'safety first' culture has commenced. We recognise the importance of a safe work environment and by coming together and coordinating a regional approach to workforce development, we are growing a safe and inclusive workplace culture.

Comparative data is not available for this first reporting cycle as Grampians Health, however individual campuses have noted a reduction across the occupational violence indicators, which points to the effectiveness of programs such as our early intervention program, revised face-to-face prevention training, and increasing support through our wellbeing programs are assisting in improving outcomes for our workforce. This work will be expanded in 2022-23 and reported in the next full financial year.

### Occupational Health and Safety Reporting

Occupational violence category	2021-22
Workplace accepted claims with an occupational violence cause per 100 FTE	0.05
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0.25
Number of occupational violence incidents reported	1428
Number of occupational violence incidents reported per 100 FTE	34.6
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	6.79

Occupational hazards / incidents	2021-22
Number of reported hazards/incidents per 100 FTE	57.09
Number of 'lost time' standard claims per 100 FTE	0.85
Average cost per claim	\$79,167



Labour category	FTE   June 2022 Current Month	FTE   June 2022 Year to Date
Nursing	2023	1972
Admin. & Clerical	783	762
Medical Support Services	205	200
Hotel & Allied Services	806	799
Medical Officers	48	50
Hospital Medical Officer	256	258
Sessional Med. Officers	92	87
Ancillary Support Serv.	340	341
<b>Total</b>	<b>4554</b>	<b>4468</b>

## Gender Equality Act

The Victorian Gender Equality Act came into effect on 31 March 2021, and acknowledges that gender equality is a human right and precondition to social justice. Since 1 November 2021, Grampians Health has undertaken a workforce audit, the findings of which were used to develop our four-year Gender Equality Action Plan.

This plan was approved by the Grampians Health Board in 2022, and submitted to the Commission for Gender Equality in the Public Sector (the Commission). The plan is a significant and valuable piece of work which directs Grampians Health in how to increase gender equity and grow as an inclusive employer of choice.

We service a region spanning 48,500km<sup>2</sup> - home to more than 250,000 residents, and more than 6,500 staff – and the audit identified gender composition at all levels of our workforce, gender composition of the Board, gendered work segregation, workplace sexual harassment, improvement opportunities in recruitment and promotion, and how leave and work flexibility is accessed by the different genders.

We will report to the Commission on our progress against the plan every two years.



## Environmental Performance

Grampians Health adapts and innovates to achieve best outcomes, and every day we apply expertise and integrity to make responsible choices, always striving for continuous improvement.

We aim to be a progressive, and innovative leader of regional and rural healthcare and acknowledge the important role we have in being a responsible steward of management across all our campuses to reduce our environmental footprint and improve sustainability practices.

The amalgamation to one health service has given us a unique opportunity to review our environmental performance and collaborate to leverage ideas and expertise across the campuses:

- Ballarat has an active reduction method of energy reduction from solar panels, with plans to roll out similar programs across other campuses.
- Our car fleet will be updated to roll in sustainable vehicles
- We work closely with local industries to improve recycling capabilities, and our workforce are encouraged to hone recycling habits - for food waste, cardboard, paper, printer cartridges, P.V.C. products, Steri Gard wraps, batteries, glass, plastic and cans.
- PPE requirements to keep our staff and patients safe during the COVID pandemic but this has had a noticeable impact on waste volumes, so staff have been supported to access reusable goggles.
- Looking to the future, all new-build and redevelopment projects include energy efficiency plans.

Environmental Performance	2021-22
Gas (GJ)	140,398
Electricity (kWh)	19,366,705
Petrol for vehicles (kL)	172,879
Diesel for vehicles (kL)	128
Stationary diesel (kL)	142
Scope 1 Emissions CO2-e (Tonnes)	65
Scope 2 Emissions CO2-e (Tonnes)	7,696
Total Emissions CO2-e (Tonnes)	19,207
Water (KL)	25,903
Recycling (kg)	211,438
Waste (kg)	351,311



## Financial Performance

Grampians Health was able to achieve a break-even operating position and continues to focus on generating operating efficiencies and maximising revenue.

2022	\$'000
Total revenue	553,916
Total expenses	(561,503)
<b>Net result from transactions</b>	<b>(7,587)</b>
Total other economic flows	3,746
<b>Net result</b>	<b>(3,841)</b>
Operating result	355
Total assets	780,448
Total liabilities	291,474
Net assets/Total equity	488,974

## Net Result from Transactions

Reconciliation between the Net Result from Transactions to the Operating Result as agreed in the Statement of Priorities.

2022	\$'000
<b>Net operating result</b>	<b>355</b>
Capital purpose income	22,263
COVID-19 State Supply Arrangements – Assets received free of charge or for nil consideration under the State Supply State supply items consumed up to 30 June 2020	5,786 (5,676)
Expenditure for capital purpose	(1,128)
Depreciation and amortisation	(29,042)
Impairment of non-financial assets	-
Financial costs (other)	(145)
<b>Net result from transactions</b>	<b>(7,587)</b>
<b>Net operating result</b>	<b>355</b>

## Board of Directors as at 30 June 2022

**Bill Brown**

Chair

LLB, BEc

Director since 2021  
Term of appointment  
01.11.21 – 30.06.24

**Anthony Schache**

Director\*

BBUS (HONS), MBA, CPA, CMA

Director since 2021  
Term of appointment  
01.11.21 – 30.06.23

**Avril Hogan**

Director

B.Comm, MBA, GAICD

Director since 2021  
Term of appointment  
01.11.21 – 30.06.24

**David Anderson**

Director

B Comm, M Comm (Finance),  
GAICD

Director since 2021  
Term of appointment  
01.11.21 – 30.06.23

**Heather Pickard**

Director\*

Division 1 RN, Post Grad (Addiction  
Studies, Organisation Management),  
Completed AICD course

Director since 2021  
Term of appointment  
01.11.21 – 30.06.23

**Marie Aitken**

Director

BA, Grad Dip (Vocational  
Counselling), Grad Dip (Mental Health  
Sciences, CBT), MAPS, GAICD

Director since 2021  
Term of appointment  
01.11.21 – 30.06.22

**Cora Trevarthen**

Director

GC Health Service Mgmt (UTas), PG  
Dip Arts (UMelb), GAICD

Director since 2021  
Term of appointment  
01.11.21 – 30.06.22

**Meghraj Thakkar**

Director\*

GAICD, PMP, MSc, BEng

Director since 2021  
Term of appointment  
01.11.21 – 30.06.22

**Nick Jones**

Director

BSc, BMBS, Grad Dip (Clinical  
Education), FRACP, CSANZ

Director since 2021  
Term of appointment  
01.11.21 – 30.06.24

**Rhian Jones**

Director

GAICD

Director since 2021  
Term of appointment  
01.11.21 – 30.06.23

Biographies are available at <https://grampianshealth.org.au/our-people/profiles/#board>

\*Member of Audit & Risk Committee



# Our Executive Team



# Executive Areas of Responsibility

## Chief Medical Officer

- Library Services
- Medical Education and Welfare
- Medical Leadership, Management and Administration
- Medico – Legal
- Mortuary
- Professional Medical Standards & Credentialing
- Research & Research Ethics
- University Partnership

## Community and Aged

- Allied Health
- Breastscreen
- Centre Against Sexual Assault
- Community Programs
- Dental
- Mental Health Services
- Radiography & Diagnostic Services
- Residential Aged Care
- Safety Link
- State-Wide Equipment Program

## Hospitals

- Access & Operations Services
- Clinical support services
- Emergency & Intensive Care Services
- General & Specialty Medicine Services
- Surgical & Procedural Services
- Women & Children's Services

## Corporate Services

- Clinical Information Services
- Contracts & Tendering
- Decision Support
- Finance
- Health Information Services
- Information Technology (incl. IT Alliance)
- Payroll & Salary Packaging
- Supply

## Nursing and Midwifery

- Central Allocations Unit
- Centre for Education & Training – Nursing & Midwifery
- Centre for Safety & Innovation
- Infection Prevention and Control
- Nursing & Midwifery
- Professional Nursing & Midwifery Standards
- Regional Clinical Governance
- Research – Nursing & Midwifery
- University Partnerships

## People and Culture

- Community Engagement
- Employee Engagement
- Health, Safety & Wellbeing
- Human Resources
- Industrial/Employee Relations
- Organisation Development
- Security

## Redevelopment and Infrastructure

- Capital Projects & Planning
- Catering
- Engineering & Infrastructure
- Environmental Services
- Linen
- Patient Services / Switchboard

## Strategy and Regions

- Grampians Public Health Unit
- Population Health
- Preventative Health
- Project Management Office
- Regional Partnerships
- Service Planning Improvement / Workforce



## Statement of Priorities

Statement of Priorities are an annual agreement between the Minister for Health and Grampians Health to prioritise action on key priorities. The 2021-22 priorities and our achievement against these are as follows;

In 2021-2022 Grampians Health 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.

### Priority 1

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

#### Outcomes:

COVID testing continues to be undertaken across Grampians Health inpatient and residential aged care services. There is regular testing provided to Grampians Health team members, residents and patients.

Grampians Health Infection Control teams led education and training associated with the wearing of personal protective equipment (PPE) and associated risk minimisation strategies often in liaison with the Grampians Public Health Unit.

Grampians Health Ballarat was established as Grampians Region leads for both Residential Aged Care and Disability Service Providers (public and private providers) on COVID testing, outbreak management, vaccination and education on PPE and Infection control protocols.

Grampians Health campuses provided community testing at various sites across the Grampians Region including the Sebastopol sporting reserve, Victoria Park and the Creswick Road V/Line Car Park. Grampians Health Stawell, Edenhope and Horsham campuses provided onsite community testing from each of their respective campuses.

Grampians Health Ballarat provided a community vaccination hub at the Mercure Convention Centre in Ballarat. At capacity the hub delivered 1300 vaccinations per day. In addition, out / in-reach vaccination teams were operationalised for disability service providers (co-ordinated by the Disability Liaison Officers), public and private residential aged care facilities, neighbour houses, local businesses and schools.

Grampians Health Stawell established a community vaccination hub on site and provided outreach vaccination services to local meat works, disability services, supported vaccination programs at local events such as the Stawell Gift and provided additional vaccination support to East Wimmera Health Service.

Grampians Health Horsham provided a community vaccination clinic at McLachlan Street in Horsham and provided outreach vaccination services to local and rural markets, shopping centres, community groups, local businesses and the Horsham TAFE. In addition, Grampians Health Horsham partnered with our Edenhope Campus to provide local and

outreach vaccination programs to support the community and Residential Aged Care facilities.

Grampians Health and the Grampians Public Health Unit worked closely with local Aboriginal Community Controlled Health Organisations across the Grampians region to provide support for both COVID vaccination and testing.

The Grampians Region achieved >95% vaccination rate (two doses) and met (often exceeding) Department of Health timelines.

The Grampians Region led Victoria in the vaccination rate for the 5 to 11-year-old program.

## Priority 2

***As a service hosting a Local Public Health Unit (LPHU) work collaboratively with my department, other LPHUs, community and primary care providers and local government partners to evolve and deliver a fully integrated and high performing public health network.***

### Outcomes:

Established in January 2021 the Grampians Public Health Unit (GPHU) partnered with local leaders across the Grampians region to affect a pandemic public health response to minimise COVID19 cases while working to achieve high levels of vaccination across all eligible groups within the Grampians community and ensuring there was equity in access to vaccine for all our community members.

Local pandemic-specific health protection capacity-building commenced in May 2020 with the formation of the Ballarat Health Protection Working Group (BHPWG). This group included Local Government Area (LGA), Health Services, Aboriginal Community Controlled Health Organisations (ACCHOs), Western Victoria Primary Health Network (WVPHN), Community Health centres, Faith leaders, Leaders of diverse communities, Schools, all relevant Government Departments including VicPol and Ambulance Victoria.

These partnerships ensured a coordinated and effective regional response to the pandemic and optimised the health outcomes for our community.

## Priority 3

***Drive improvements in access to emergency services by reducing emergency department four-hour wait times, improving ambulance to health service handover times, and implementing strategies to reduce bed-blockage to enable improved whole of hospital system flow.***

### Outcomes:

Improvements have not been achieved in 2021/22. Deterioration in performance has occurred due to the circumstances of the world-wide pandemic, increasing acuity of presentations as a consequence of deferred care and increased respiratory illness, and reduced discharge destinations as a result of widespread Covid restrictions and quarantine's locally and regionally.

This issue remains a priority for the health service at large, as we seek to arrest length of patient stay, which is greatly challenged by the circumstances of the past 2 years, and in particular the last 6 months of 2022/23.

## Priority 4

***Lead and engage all members of your Health Service Partnership to build a culture of collaboration, forge consensus in decision-making, ensure that any initiatives (in addition to the four priority reforms within your Health Service Partnership Policy and Guidelines) are clearly defined and agreed by members, and account to the department for planning and reporting requirements on behalf of the collective membership.***

### Outcomes:

The Grampians Region Health Service Partnership (GRHSP) was established by the Department of Health to work on a small number of strategic system priorities that can be enhanced through collaborative work. Grampians Health is the nominated health service partnership lead for the Grampians Region. System-wide Reform Priorities are determined annually by the Victorian Government and are reflected in each health service's Statement of Priorities. The GRHSP works closely with the teams that develop plans for each priority, outlining activities to be undertaken in order to oversee progress for each project and allocating funding to each priority accordingly. Progress is reported through the GRHSP workplan on a bi monthly basis to the Department of Health and the GRHSP Membership. The Grampians Region Health Services Partnership (GRHSP) is responsible for coordinating these system improvements and ensuring collaboration across our region to deliver integrated health care services in a range of clinical areas that leads to improved health and wellbeing outcomes. The key Department of Health priorities for the partnership are:

- COVID preparedness
- Reforming elective surgery
- Rolling out the Better at Home program
- Addressing recommendations of the Royal Commission into Mental Health.

## Priority 5

***Engage with your community to address the needs of patients, especially our 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 your 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.
- improve elective surgery performance and ensure that patients who have waited longer than clinically recommended for treatment have their needs addressed as a priority.

### Outcomes:

Better at Home program has been established across the Grampians Region in partnership with Regional and Rural Health services to deliver Acute and Sub Acute bed substitution models, Oncology Care at Home, the Older person at home model of care and the introduction of the Grampians Watch Program located at both Grampians Health Ballarat and East Grampians Health Service to provide proactive communication to those most vulnerable of representation to Emergency departments.



Based on the Grampians Better at Home model, the Grampians Region received \$9.2M (over 5 years) in research translation funding from the Commonwealth Government to focus on providing greater home-based care and support for the older person with the aim of reducing hospital admissions.

In addition, the Better at Home model provided the basis for the introduction of COVID monitoring program to remotely monitor COVID positive patients within their own home, enabling the prioritisation of providing anti-viral medications. This program significantly reduced Emergency Department presentations and subsequent hospital admissions related to COVID infection and illness.

Elective surgery has been greatly impacted by state government-declared elective surgery stoppages across metro and larger regional services. This occurred from the second quarter of 2021-22, and whilst some resumption of elective surgery has occurred in late 2021-22, resumption was delayed by the state-wide code brown called at the beginning of the third quarter (January 2022).

Grampians Health Services is committed to a return to pre-Covid elective surgery wait list numbers (approx. 1250) during the 2022-23 year.

## Priority 6

***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 your Health Service Partnership and through your Partnership's engagement with Regional Mental Health and Wellbeing Boards.***

### Outcomes:

Whilst Regional Mental Health and Wellbeing Boards are yet to be implemented at a state-wide level, partnerships with other providers, and expansion of suicide prevention programs has occurred in 2022/23.

There remains much work to do as a result of the recommendations from the Victorian Royal Commission into the Mental Health System. In this vein the Grampians Health Board approved the Grampians Health Mental Health Services Transformation Plan at the final 2022/23 meeting of Board Directors.

## Priority 7

***Embed the Aboriginal and Torres Strait Islander Cultural Safety Framework into your 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:

The Aboriginal and Torres Strait Islander Cultural Safety Framework continues to evolve at Grampians Health Ballarat. The Ballarat Aboriginal Health Liaison team now operate and provide support across all Grampians Health campuses.

One Grampians Health Reconciliation Action Plan (RAP) and one Cultural Safety Framework is under development to assist in alignment of our health care services across Grampians Health.

Changes to Cultural Insight training have occurred due to COVID restrictions. This training is now available and readily accessible online.

Although impacted by COVID, NAIDOC celebrations were held in 2021 under the theme of 'Heal Country'.

The Grampians Health Aboriginal Health Liaison team have been contracted to provide support to East Grampians Health Services and Beaufort Skipton Health Service. A great acknowledgement and recognition of our team.

With the Grampians Health amalgamation, there has been change to our acknowledgment to recognise the peoples of Wotjobaluk, Jaadwa, Jadwadjali, Wergaia, Jupagalk, Djab wurrung and Wadawurrung.



## Key 2021-2022 Performance Priorities

High quality and safe care		
Key performance measure	Target	Result
<b>Infection prevention and control</b>		
Compliance with the Hand Hygiene Australia program	85%	87%
Percentage of healthcare workers immunised for influenza	92%	*NA
<b>Patient experience</b>		
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%	92%
Percentage of mental health consumers reporting a 'very good' or 'excellent' experience of care in the last 3 months or less	80%	71%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	81%
<b>Healthcare associated infections (HAI's)</b>		
Rate of patients with surgical site infection	No outliers	No outliers
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil	Nil
Rate of patients with SAB per 10,000 occupied bed days	≤ 1	1.0
<b>Unplanned readmissions</b>		
Unplanned readmissions to any hospital following a hip replacement	≤ 6%	
<b>Mental Health</b>		
Percentage of closed community cases re-referred within six months: CAMHS, adults and aged persons	< 25%	17%
Rate of seclusion events relating to an adult acute mental health admission per 1,000 occupied bed days	≤ 10	18
Percentage of adult acute mental health inpatients who have a post-discharge follow-up within seven days	88%	76%
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	<14%	15%
<b>Maternity and Newborn</b>		
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%	1.6%
Rate of severe fetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%	0.4%
Proportion of urgent maternity patients referred for obstetric care to a level 4, 5 or 6 maternity service who were booked for a specialist clinic appointment within 30 days of accepted referral	100%	100%
<b>Continuing Care</b>		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	0.863



Strong governance, leadership and culture		
Key performance measure	Target	Result
<b>Organisational culture</b>		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	*NA

Timely access to care		
Key performance measure	Target	Result
<b>Emergency care</b>		
Percentage of patients transferred from ambulance to emergency department within 40 minutes - Ballarat	90%	61%
Percentage of patients transferred from ambulance to emergency department within 40 minutes - Horsham	90%	85%
Percentage of Triage Category 1 emergency patients seen immediately - Ballarat	100%	100%
Percentage of Triage Category 1 emergency patients seen immediately - Horsham	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time - Ballarat	80%	39%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time - Horsham	80%	63%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours - Ballarat	81%	45%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours - Horsham	81%	67%
Number of patients with a length of stay in the emergency department greater than 24 hours - Ballarat	0	279
Number of patients with a length of stay in the emergency department greater than 24 hours - Horsham	0	18
<b>Mental Health</b>		
Percentage of 'crisis' (category 'C') mental health triage episodes with a face-to-face contact received within 8 hours	80%	63%
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours - Ballarat	81%	33%
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours - Horsham	81%	56%
<b>Elective surgery</b>		
Number of patients on the elective surgery waiting list as at 30 June 2022	1,690	1,653
Number of patients admitted from the elective surgery waiting list	3,900	3,932
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1, 2 and 3 elective surgery patients admitted within clinically recommended time	94%	85%

Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year	38%
Number of hospital-initiated postponements per 100 scheduled elective surgery admissions	≤ 7	6
<b>Specialist clinics</b>		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	90%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	93%

Effective financial management		
Key performance measure	Target	Result
Operating result (\$k)	\$0	\$355
Average number of days to pay trade creditors	60 days	32
Average number of days to receive patient fee debtors	60 days	21
Adjusted current asset ratio	0.7	0.7
Actual number of days available cash, measured on the last day of each month.	14 days	26.4
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000	Achieved

Activity		
Funding type	Total	Description
<b>Consolidated Activity Funding</b>		
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	34,694	NWAU
<b>Acute Admitted</b>		
National Bowel Cancer Screening Program NWAU	60	NWAU
Acute admitted DVA	130	NWAU
Acute admitted TAC	127	NWAU
<b>Acute Non-Admitted</b>		
Home Enteral Nutrition	43	NWAU
Specialist Clinics	1,753	
<b>Subacute/Non-Acute, Admitted &amp; Non-admitted</b>		
Subacute NWAU - DVA	159	NWAU
Transition Care - Bed days	1,542	Beddays
Transition Care - Home days	2,916	Home Days
<b>Aged Care</b>		
Residential Aged Care	111,385	Beddays
HACC	11,920	Service Hours
<b>Mental Health and Drug Services</b>		
Mental Health Ambulatory	28,509	
Mental Health Inpatient - Available bed days	7,307	Beddays
Mental Health Inpatient - Secure Unit	5,238	
Mental Health Residential	3,594	

Mental Health Subacute	-	
<b>Primary Health</b>		
Community Health / Primary Care Programs	9,303	Service Hours
<b>Small Rural</b>		
Small Rural Acute (other)	607	Beddays
Small Rural Primary Health & HACC	4,757	Service Hours
Small Rural Residential Care	7,513	Beddays

*\*Grampians Health formed on 01 November 2021. Not applicable data is data which was finalised prior to the formation.*

### **Application of merit and equity**

We are an equal opportunity employer and ensure open competition in recruitment, selection, transfer and promotion.

Employment decisions are based on merit and without consideration of gender, marital status, age, pregnancy, disability, race, religious or political beliefs or activities, or on the grounds of being a parent, childless or in a de facto relationship.

Our people are treated fairly and reasonably and provided with redress against any unfair or unreasonable treatment.

### **Ex-gratia Payments**

There were no ex-gratia payments during the period 1 November 2021 to 30 June 2022.

### **Freedom of Information Requests**

Grampians Health complies with the Victorian Freedom of Information Act 1982 (FOI). Since 2021 we have received the following number of requests.

2021-2022: 893

### **Building Act 1993**

Grampians Health complies with building standards and regulations. All buildings constructed after July 1994 have been designed to conform to the Building Act 1993 and its regulations, as well as to meet our statutory regulations that relate to health and safety matters.

All buildings have been issued with occupancy permits and all building practitioners engaged by Grampians Health are required to produce evidence of current registration on commencing a project, as well as evidence that their registered status will be maintained throughout the year.



## Consultancies

In the period 1 November 2021 to 30 June 2022 there were twenty-three consultancies where the total fees payable to the consultant was \$10,000 or greater.

The total expenditure incurred during the period 1 November 2021 to 30 June 2022 in relation to these consultancies was \$1.786M excl GST with the details shown below.

Consultant	Purpose of Consultancy	Start date	End date	Total approved project fee	Expense	Future Expense
				\$'000	\$'000	\$'000
9 to 5 Dynamics	Workforce Consultation	Nov-21	Jun-22	444	341	102
Androgogic Pty Ltd	LMS / SSO Project Support	Dec-21	Feb-22	152	152	-
Aspex Consulting	Clinical Service Plan	Feb-22	Jun-22	187	112	75
Batman Discretionary Trust	ACFI Support	Nov-21	Jun-22	17	17	-
Benestar Group	Workforce Consultation	Nov-21	Jun-22	44	44	-
Canyon Pty Ltd	Amalgamation Brand Support	Jan-22	Jun-22	257	160	97
Clare Dewan & Associates	Industrial Relations	Nov-21	May-22	14	14	-
Clinical Coding Services	Clinical Coding Services	Nov-21	Jun-22	59	44	15
Cube Group Management Consulting Pty Ltd	Amalgamation Strategic Support	Nov-21	Feb-22	150	150	-
Deakin University	Research Healthy Eating Project	Nov-21	Jun-22	104	85	-
Deakin University	Your Thoughts Matter Project	Nov-21	Jun-22	26	26	-
Enlightened Consultants	Mental Health Support Services	Nov-21	May-22	82	82	-
Grant Thornton Australia	Strategic Review Support	Nov-21	Dec-21	30	30	-
Helga Svendsen	Workforce Consultation	Jan-22	Jan-22	13	13	-
Jost & Co Pty Ltd	Workforce Consultation	Nov-21	Nov-21	11	11	-
Joy Humphreys Consulting	Executive Leadership Coaching	Nov-21	Mar-22	19	19	-
Lehr Consultants International Australia Pty Ltd	Capital Project Assessments	Nov-21	Jun-22	56	56	-
Porter Novelli Australia	Amalgamation Strategic Support	Nov-21	Jun-22	60	42	18
PricewaterhouseCoopers	EMR Project	Nov-21	May-22	95	95	-
PricewaterhouseCoopers	Strategic Plan	Nov-21	May-22	224	224	-
Swinburne University	Academic Research	Nov-21	Jun-22	55	11	-
Syris Consulting	Clinical Costing	Nov-21	Jun-22	27	27	-
The Zalt Group	Workforce Consultation	Nov-21	Feb-22	16	16	-
NTC Architects Trust	Capital Project Assessments	May-22	May-22	14	14	-

In the period 1 November 2021 to 30 June 2022, there were thirteen consultancies where the total fees payable to the consultant was less than \$10,000. The total expenditure incurred during the period 1 November 2021 to 30 June 2022 in relation to these consultancies was \$60,625 excl GST.

## National Competition Policy

Grampians Health complied with all government policies regarding competitive neutrality with respect to all tender applications.

## Public Interest Disclosure Act 2012

Grampians Health had no disclosures notified to the IBAC under section 21(2) of the Public Interest Disclosure Act 2012 in the period 1 November 2021 to 30 June 2022.

## **Local Jobs First Act 2003**

The Local Jobs First Policy relates to the participation by local industry in projects, developments, procurements and other initiatives.

The Local Jobs First Policy objectives are to: promote employment and business growth by expanding market opportunities for local industry; provide contractors with increased access to, and raised awareness of local industry capability; expose local industry to world's best practice in workplace innovation, e-commerce and use of new technologies and materials; develop local industry's international competitiveness and flexibility in responding to changing global markets by giving local industry a fair opportunity to compete against foreign suppliers. Local Jobs First takes into account and is consistent with the following principles relating to procurement, tendering and the provision of financial assistance by the State:

- the provision of open, clear and accountable tendering mechanisms and processes
- value for money considerations in purchasing and supply decisions over the life of a good, service or construction project.

### **Projects commenced – Local Jobs First Standard**

During 2021 -22, Grampians Health commenced 2 Local Jobs First Standard projects totalling \$5.31M in value. Both projects were conducted in regional Victoria with a commitment 70.80% of local content. Neither of these projects met the criteria (>\$20M in value) for the major project skills guarantee (MPSG) to be applied.

The outcomes expected from the implementation of the Local Jobs First Policy to these projects where information was provided are as follows:

- An average of 70.80% of local content commitment was made
- A total of 49 jobs were committed including the creation 1 new job (and the retention of 48 existing jobs)
- A total of 10 positions for apprentices were committed including the creation of 1 new apprenticeship

Thirty small-to-medium sized businesses were engaged through the supply chain on commenced standard projects.

### **Projects completed - local Jobs first standard**

Grampians Health did not complete any projects where information was available.

### **Projects commenced and completed - Local jobs Strategic**

Grampians Health did not commence or complete any projects.

## **Carers Recognition Act**

The Carers Recognition Act 2012 promotes and values the role of people in care relationships and formally recognises the contribution that carers and people in care relationships make to the social and economic fabric of the Victorian community. Grampians Health recognises carers make a substantial contribution to the wellbeing of the Ballarat and regional community.

Grampians Health has taken all practicable measures to comply with its obligations under the Act.

Grampians Health has promoted the principles of the Act to people in care relationships who receive our services and to the wider community by distributing printed material about the Act at community events or service points.

Grampians Health has taken all practicable measures to consider the carer relationships principles set out in the Act when setting policies and providing services by reviewing our employment policies such as flexible working arrangements and leave provisions to ensure these comply with the statement of principles in the Act.

### **Information and Communication Technology (ICT) expenditure 2021-22**

The total ICT expenditure incurred during the period 1 November 2021 to 30 June 2022 is \$12.568M (excluding GST) with the details shown below:

ICT Expenditure			Activity
Business as Usual (BAU)	Non-Business as Usual (non- BAU)	Operating Expenditure	Capital Expenditure
\$10.252M	\$2.316M	\$0.638M	\$1.678M

### **Car Parking Fees**

Grampians Health complies with the Department of Health and Human Services hospital circular on car parking fees effective 1 February 2016 and details of car parking fees and concession benefits can be viewed at <https://www.bhs.org.au/for-patients-families-friends/parking/>

### **Safe Patient Care Act 2015**

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



## Disclosure Index

The annual report of the Grampians Health is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department of Health and Human Services' compliance with statutory disclosure requirements.

Legislation	Requirement	Page Reference
<b>Ministerial Directions</b>		
<b>Report of Operations</b>		
<b>Charter and purpose</b>		
FRD 22	Manner of establishment and the relevant Ministers	4
FRD 22	Purpose, functions, powers and duties	5-6
FRD 22	Nature and range of services provided	12
FRD 22	Activities, programs and achievements for the reporting period	5-6
FRD 22	Significant changes in key initiatives and expectations for the future	5-6
<b>Management and structure</b>		
FRD 22	Organisational structure	12
FRD 22	Workforce data/ employment and conduct principles	8
FRD 22	Occupational Health and Safety	8
<b>Financial information</b>		
FRD 22	Summary of the financial results for the year	10
FRD 22	Significant changes in financial position during the year	10
FRD 22	Operational and budgetary objectives and performance against objectives	17-20
FRD 22	Subsequent events	-
FRD 22	Details of consultancies under \$10,000	31
FRD 22	Details of consultancies over \$10,000	31
FRD 22	Disclosure of ICT expenditure	32
<b>Legislation</b>		
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	31
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	31
FRD 22	Application and operation of <i>Public Interest Disclosure Act 2012</i>	31
FRD 22	Statement on National Competition Policy	31
FRD 22	Application and operation of <i>Carers Recognition Act 2012</i>	32
FRD 22	Summary of the entity's environmental performance	9
FRD 22	Additional information available on request	35
<b>Other relevant reporting directives</b>		
FRD 25	Local Jobs First Act disclosures	32
SD 5.1.4	Financial Management Compliance attestation	33
SD 5.2.3	Declaration in report of operations	6

<b>Attestations</b>	
Attestation on Data Integrity	27
Attestation on managing Conflicts of Interest	27
Attestation on Integrity, fraud and corruption	27
<b>Other reporting requirements</b>	
• Reporting of outcomes from Statement of Priorities 2021-22	13-17
• Occupational Violence reporting	8
• Reporting obligations under the <i>Safe Patient Care Act 2015</i>	24
• Reporting of compliance regarding Car Parking Fees	24

## Additional Information

Consistent with FRD 22, the items listed below have been retained by Grampians Health 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) Declarations of pecuniary interests have been duly completed by all relevant officers
- b) Details of shares held by senior officers as nominee or held beneficially;
- c) Details of publications produced by the entity about itself, and how these can be obtained
- d) Details of changes in prices, fees, charges, rates and levies charged by the Health Service;
- e) Details of any major external reviews carried out on the Health Service;
- f) Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations;
- g) Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h) Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services;
- i) Details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j) General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations;
- k) A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved;
- l) Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

#### Grampians Health Financial Management Compliance Attestation – SD 5.1.4

I, Bill Brown, certify that the Grampians Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Bill Brown  
Chair, Board of Directors  
Grampians Health  
26 October 2022



#### Data integrity

I, Dale Fraser, certify that Grampians Health has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Grampians Health has critically reviewed these controls and processes during the year.

Dale Fraser  
Chief Executive Officer  
Grampians Health  
26 October 2022



#### Conflict of interest

I, Dale Fraser, certify that Grampians Health 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 Grampians Health 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.

Dale Fraser  
Chief Executive Officer  
Grampians Health  
26 October 2022



#### Integrity, Fraud and Corruption

I, Dale Fraser, certify that Grampians Health has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Grampians Health.

Dale Fraser  
Chief Executive Officer  
Grampians Health  
26 October 2022





# Independent Auditor's Report

## To the Board of Grampians Health

<b>Opinion</b>	<p>I have audited the financial report of Grampians Health (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2022</li> <li>• comprehensive operating statement for the period 1 November 2021 to 30 June 2022</li> <li>• statement of changes in equity for the period 1 November 2021 to 30 June 2022</li> <li>• cash flow statement for the period 1 November 2021 to 30 June 2022</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• directors declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2022 and its financial performance and cash flows for the period 1 November 2021 to 30 June 2022 in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.</li> <li>• 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.</li> <li>• 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.</li> </ul> <p>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.</p>
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MELBOURNE  
23 November 2022

Dominika Ryan  
*as delegate for the Auditor-General of Victoria*

## GRAMPIANS HEALTH

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

The attached financial statements for Grampians Health have been prepared in accordance with Standing 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 period 1 November 2021 to 30 June 2022 and the financial position of Grampians Health at 30 June 2022.

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

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



**Mr Bill Brown**  
*Chair*  
*Board of Directors*



**Mr Dale Fraser**  
*Chief Executive Officer*  
*Accountable Officer*



**Mr Rod Hansen**  
*Chief Corporate Services Officer*  
*Chief Finance and Accounting Officer*

Dated the 26th day of October, 2022 at Ballarat



**GRAMPIANS HEALTH**  
**COMPREHENSIVE OPERATING STATEMENT**  
**FOR THE PERIOD 1 NOVEMBER 2021 to 30 JUNE 2022**

	Note	2022 \$000
<b>Revenue and Income from Transactions</b>		
Operating Activities	2.1	553,584
Non-Operating Activities	2.1	332
<b>Total Revenue and Income from Transactions</b>		<b>553,916</b>
<b>Expenses from Transactions</b>		
Employee Expenses	3.1	(398,790)
Supplies and Consumables	3.1	(79,714)
Finance Expenses	3.1	(145)
Other Administrative Expenses	3.1	(30,584)
Other Operating Expenses	3.1	(23,227)
Depreciation and Amortisation	3.1	(29,042)
<b>Total Expenses from Transactions</b>		<b>(561,503)</b>
<b>Net Result from Transactions - Net Operating Balance</b>		<b>(7,587)</b>
<b>Other Economic Flows Included in Net Result</b>		
Net Gain on Non-Financial Assets	3.2	26
Net (Loss) on Financial Instruments	3.2	(2,130)
Other Gain from Other Economic Flows	3.2	5,850
<b>Total Other Economic Flows Included in Net Result</b>		<b>3,746</b>
<b>Net Result for the Period</b>		<b>(3,841)</b>
<b>Other Comprehensive Income</b>		
<b>Items that will not be reclassified to Net Result</b>		
Changes in Asset Revaluation Reserve Surplus	4.4	85,139
<b>Comprehensive Result for the Period</b>		<b>81,298</b>

*This statement should be read in conjunction with the accompanying notes.*

**GRAMPIANS HEALTH**  
**BALANCE SHEET AS AT 30 JUNE 2022**

	Note	2022 \$000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	6.2	101,924
Receivables and Contract Assets	5.1	19,212
Inventory	4.7	2,832
Prepayments		2,135
Investments and Other Financial Assets	4.1	16,361
<b>Total Current Assets</b>		<b>142,464</b>
<b>Non-Current Assets</b>		
Receivables	5.1	40,329
Property, Plant and Equipment	4.2	588,296
Right of Use Assets	4.3	8,247
Intangible Assets	4.5	1,113
<b>Total Non-Current Assets</b>		<b>637,985</b>
<b>Total Assets</b>		<b>780,448</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Employee Benefits	3.3	116,959
Payables and Contract Liabilities	5.2	99,957
Borrowings	6.1	2,109
Other Liabilities	5.3	47,056
<b>Total Current Liabilities</b>		<b>266,082</b>
<b>Non-Current Liabilities</b>		
Employee Benefits	3.3	18,566
Borrowings	6.1	6,826
<b>Total Non-Current Liabilities</b>		<b>25,392</b>
<b>Total Liabilities</b>		<b>291,474</b>
<b>Net Assets</b>		<b>488,975</b>
<b>EQUITY</b>		
Restricted Specific Purpose Reserve		3,196
Property, Plant and Equipment Revaluation Reserve		85,139
Contributed Capital	8.10	407,677
Accumulated Deficits		(7,037)
<b>Total Equity</b>		<b>488,975</b>

*This statement should be read in conjunction with the accompanying notes.*

## GRAMPIANS HEALTH

### STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 1 NOVEMBER 2021 TO 30 JUNE 2022

	Note	Property, Plant and Equipment Revaluation Reserve \$000	Restricted Specific Purpose Reserve \$000	Contributed Capital \$000	Accumulated Deficits \$000	Total \$000
Balance at 1 November 2021		-	-	407,677	-	407,677
Administrative Restructure - Net Asset Transfer		-	-	-	-	-
Net Result for the Period		85,139	-	-	(3,841)	81,298
Transfer from Accumulated Surplus		-	3,196	-	(3,196)	-
Balance as at 30 June 2022		85,139	3,196	407,677	(7,037)	488,975

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

## GRAMPIANS HEALTH

### CASH FLOW STATEMENT

FOR THE YEAR PERIOD 1 NOVEMBER 2021 to 30 JUNE 2022

	Note	2022 \$000 Inflows/ (Outflows)
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Grants from Government - State		413,165
Operating Grants from Government - Commonwealth		52,659
Capital Grants from Government - State		10,118
Capital Grants from Government - Commonwealth		342
Capital Proceeds from Donations and Bequests		73
Patient & Resident Fees		11,489
Interest and Dividends Received		332
GST Received from ATO		10,564
Other		46,186
<b>Total Receipts</b>		<b>544,928</b>
<b>Payments</b>		
Employee Expenses Paid		(396,057)
Supplies & Consumables		(73,474)
Capital Expense		(655)
GST Paid to ATO		(2,695)
Other Payments		(49,271)
<b>Total Payments</b>		<b>(522,152)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>8.1</b>	<b>22,776</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment		(11,905)
Proceeds from Disposal of Property, Plant and Equipment		670
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(11,235)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings		291
Repayment of Borrowings		(1,069)
Receipt of Accommodation Deposits		8,818
Repayment of Accommodation Deposits		(5,895)
<b>Net Cash Inflows from Financing Activities</b>		<b>2,145</b>
<b>Net Increase in Cash and Cash Equivalents Held</b>		<b>13,686</b>
Cash and Cash Equivalents at 1 November 2021 - Transfer of Administrative Restructure		88,238
<b>Cash and Cash Equivalents at End of Period</b>	<b>6.2</b>	<b>101,924</b>

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

# Grampians Health

## Notes to the Financial Statements

For the Period 1 November 2021 to 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 Principles of Consolidation
- 1.5 Joint Operations
- 1.6 Key Accounting Estimates and Judgements
- 1.7 Accounting Standards issued but not yet effective
- 1.8 Goods and Services Tax (GST)
- 1.9 Reporting Entity

### Note 1: Basis of Preparation

These financial statements represent the audited general purpose financial statements for Grampians Health for the period 1 November 2021 to 30 June 2022. The report provides users with information about the Grampians Health's stewardship of resources entrusted to it.

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

#### Note 1.1 Basis of Preparation of the Financial Statements

Grampians Health is a newly formed registered funded agency under the *Health Services Act 1988*. It was formed effective 1 November 2021, following the voluntary amalgamation of Ballarat Health Services, Wimmera Health Care Group, Stawell Regional Health and Edenhope and District Memorial Hospital (together, the pre-amalgamation entities). The amalgamation and formation of the new agency was by an Order in Council under the Health Services Act 1988, declared in Victoria Government Gazette No S 599 29 October 2021, and is considered an Administrative Restructure. As the entity was first formed on 1 November 2021, no comparative period is presented.

Grampians Health acquired all the rights, responsibilities, assets, liabilities and equity of the former Ballarat Health Services, Wimmera Health Care Group, Stawell Regional Health and Edenhope and District Memorial Hospital on amalgamation.

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.

The financial information for the pre-amalgamation entities for the period from 1 July 2021 to 31 October 2021, and financial position as at 31 October 2021 are disclosed in Note 8.11 through to Note 8.14 of the notes to and forming part of these financial statements.

Note 8.10 contributed capital presents the net assets transferred to Grampians Health on Administrative Restructure as at 1 November 2021. The opening contributed capital of Grampians Health (as at 1 November 2021) is recognised at the carrying amount of these assets and liabilities in the pre-amalgamation entities balance sheet statements immediately before amalgamation (as at 31 October 2021), and is treated as a contribution of capital by the state.

Grampians Health is a not-for-profit entity and therefore applies the additional Australian paragraphs applicable to "not-for-profit" health services 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 by the pre-amalgamation entities.

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.

These financial statements are prepared on a going concern basis (refer to Note 8.9 Economic Dependency).

These financial statements are presented in Australian dollars, the functional and presentation currency of Grampians Health.

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

The annual financial statements were authorised for issue by the Board of Directors of Grampians Health on 26 October 2022.



### Note 1.2 Impact of COVID-19 pandemic

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

The COVID-19 pandemic has created economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the health service at the reporting date. Management recognises that 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, Grampians Health has:

- continued restrictions on non-essential visitors
- utilised telehealth service
- deferred elective surgery and reduced activity
- transferred inpatients to private health facilities
- performed COVID-19 testing
- operated vaccine clinics
- changed infection control practices
- continued work from home arrangements where appropriate.

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

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

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

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

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

### Note 1.4 Principles of Consolidation

Grampians Health does not have any consolidated reporting entities.

### Note 1.5 Joint Operations

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

Grampians Health has the following joint arrangements:

- Grampians Rural Health Alliance

Details of the joint arrangements are set out in Note 8.9.

### Note 1.6 Key Accounting Estimates and Judgements

Management make estimates and judgements when preparing the financial statements.

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

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

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

**Note 1.7 Accounting Standards issued but not yet effective**

Grampians Health has undertaken an assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable, and the adoption of these standards are not expected to have a material impact.

**Note 1.8 Goods and Services Tax (GST)**

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

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

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

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

**Note 1.9 Reporting Entity**

The financial statements include all the controlled activities of Grampians Health.

Its principal address is:

Drummond St North  
Ballarat, Victoria, 3350

A description of the nature of Grampians Health 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

Grampians Health overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

To enable Grampians Health to fulfil its objective it receives grant funding for the provision of outputs.

Grampians Health 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

Grampians Health received additional grant funding during the period which was partially attributable to the COVID-19 Coronavirus pandemic.

Activity based funding agreed in the Statement of Priorities couldn't be delivered due to reductions in the number of patients being treated at various times throughout the period.

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

- increased staffing costs to service the vaccination hubs and the in-house contact tracing unit;
- pathology testing costs due to COVID-19 tests;
- increased personal protective equipment costs; and
- costs related to the expansion of emergency services.

Funded provided included:

- COVID-19 and state repurposed grants;
- Additional elective surgery funding;
- local public health unit funding; and
- sustainability funding.

For the period 1 November 2021 to 30 June 2022, the COVID-19 pandemic has impacted Grampians Health's ability to satisfy its performance obligations contained within grant agreements which were initially classified as contracts with customers due to the presence of enforceable sufficiently specific performance obligations. Grampians Health were advised by the funding bodies there would be no obligation to return funds to each relevant funding body where performance obligations had not been met.

This resulted in approximately \$31M being recognised as income for the period 1 November 2021 to 30 June 2022 which would have otherwise been recognised as a contract liability in the Balance Sheet until subsequent years when underlying performance obligations were fulfilled. The impact of contract modifications obtained for Grampians Health's most material revenue streams, where applicable, is disclosed within this note.

### Key Judgements and Estimates

This section contains the following key judgements and estimates:

Key Judgement and Estimates	Description
Identifying performance obligations	<p>Grampians Health 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 Grampians Health 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>Grampians Health 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>Grampians Health 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

	2022 \$000
<b>Operating</b>	
<b>Revenue from Contracts with Customers</b>	
Government Grants (State) - Operating	245,909
Government Grants (Commonwealth) - Operating	52,071
Patient and Resident Fees	14,304
Commercial Activities <sup>1</sup>	26,574
<b>Total Revenue from Contracts with Customers</b>	<b>338,857</b>
<b>Other Sources of Income</b>	
Government Grants (State) - Operating	167,547
Government Grants (State) - Capital	19,450
Government Grants (Commonwealth) - Capital	343
Other Capital Purpose Income	2,413
Other Income from Operating Activities	19,115
Assets Received Free of Charge or for Nominal Consideration	5,859
<b>Total Other Sources of Income</b>	<b>214,726</b>
<b>Total Revenue and Income from Operating Activities</b>	<b>553,584</b>
<b>Income from Non-Operating Activities</b>	
Capital Interest and Dividends	44
Other Interest & Dividends	288
<b>Total Income from Non-Operating Activities</b>	<b>332</b>
<b>Total Revenue and Income from Transactions</b>	<b>553,916</b>

<sup>1</sup> Commercial activities represent business activities which Grampians Health enters into to support their operations.

### Note 2.1(a): Timing of Revenue from Contracts with Customers

	2022 \$000
<b>Grampians Health disaggregates revenue by the timing of revenue recognition.</b>	
<b>Goods and Services transferred to Customers</b>	
At a point in time	312,284
Over time	26,574
<b>Total Revenue from Contracts with Customers</b>	<b>338,857</b>

#### How we Recognise Revenue and Income from Operating Activities

##### Government Operating Grants

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

When both these conditions are satisfied, the health service:

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

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

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

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

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

Government Grant	Performance Obligations
Activity Based Funding (ABF) paid as Weighted Inlier Equivalent Separation (WIES) casemix	<p>The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'casemix') in accordance with the levels of activity agreed to, with the DH in the annual Statement of Priorities.</p> <p>Revenue is recognised at a point in time, which is when a patient is discharged.</p> <p>WIES activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource use for each episode of care in a diagnosis related group (DRG).</p> <p>WIES was superseded by NWAU from 1 July 2021, for acute, sub-acute and state-wide (which includes specified grants, state-wide services and teaching and training). Services not transitioning at this time include mental health and small rural services.</p>
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	<p>NWAU funding commenced 1 July 2021 and supersedes WIES for acute, sub-acute and state-wide services (which includes specified grants, state-wide services and teaching and training). Services not transitioning at this time include mental health and small rural services.</p> <p>NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.</p> <p>The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity.</p> <p>Revenue is recognised at point in time, which is when a patient is discharged.</p>
Pharmaceutical Benefits Scheme (PBS) Funding	<p>The performance obligations for PBS funding are recognised as defined Pharmaceutical prescriptions or orders are processed that satisfy and are completed in accordance with the Commonwealth PBS guidelines.</p> <p>Revenue is recognised at a point in time, which is when a patient's prescription is processed and is in accordance with the criteria set out in the PBS regulations.</p>



## Note 2.1: Revenue and Income from Transactions (Cont.)

### Capital Grants

Where Grampians Health 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 Grampians Health obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

### Patient and Resident Fees

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

### Private Practice Fees

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

### Commercial Activities

Revenue from commercial activities includes items such as car park income, clinical trial income, ethics review fees, and training and seminar fees. 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 takes into account the effective yield of the financial asset, which allocates interest over the relevant period.

#### Dividend Income

Dividend revenue is recognised when the right to receive payment is established. Dividends represent the income arising from Grampians Health investments in financial assets.

## Note 2.2: Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration

	2022 \$000
Cash Donations and Gifts	73
Inventory	5,786
<b>Total Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration</b>	<b>5,859</b>

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

#### Donations and Bequests

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

#### Personal Protective Equipment

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

Generally, the State Supply Arrangement stipulates that Health Purchasing Victoria (trading as HealthShare Victoria) sources, secures and agrees terms for the purchase of PPE. The purchases are funded by the Department of Health, while Monash Health takes delivery and distributes an allocation of the products to health services. Grampians Health received these resources free of charge and recognised them as income.

#### Contributions

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

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

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

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

#### Voluntary Services

Contributions by volunteers, in the form of services, are only recognised when fair value can be reliably measured, and the services would have been purchased if they had not been donated.

Grampians Health greatly values the services contributed by volunteers, but it does not depend on volunteers to deliver its services, and these services would not have been acquired if they had not been donated.

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

The Department of Health makes some payments on behalf of Grampians Health as follows:

Government Grant	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Grampians Health 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 with the DH.
Department of Health	Department of Health covers the cash payments for major capital projects such as the New Ballarat Hospital.

### Note 3: The Cost of Delivering Services

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

Grampians Health experienced additional expenses during the period 1 November 2021 to 30 June 2022 which was partially attributable to the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

Additional costs were incurred to deliver the following additional services:

- Establish facilities within Grampians Health for the treatment of suspected and admitted COVID patients resulting in an increase in employee costs and additional equipment purchases;
- Implement COVID safe practices throughout Grampians Health including increased cleaning, increased security, consumption of personal protective equipment;
- Assist with COVID-19 case management, contact tracing and outbreak management contributing to an increase in employee and administration costs;
- Establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs and additional equipment purchased;
- establish COVID-19 testing facilities for staff and the community, resulting in an increase in employee costs and consumables; and
- implement work from home arrangements resulting in increased ICT infrastructure costs and additional equipment purchases.

#### Key Judgements and Estimates

This sections contains the following key judgements and estimates:

Key Judgement and Estimates	Description
Classifying employee benefit liabilities	<p>Grampians Health applies significant judgment when measuring and classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Grampians Health 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 Grampians Health 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>Grampians Health 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	2022 \$'000
Salaries and Wages		309,134
On-Costs		73,607
Agency Expenses		10,037
WorkCover Premium		6,013
<b>Total Employee Expenses</b>		<b>398,790</b>
Drug Supplies		20,518
Medical and Surgical Supplies		47,254
Pathology Supplies		5,970
Other Supplies and Consumables		5,973
<b>Total Supplies and Consumables</b>		<b>79,714</b>
Interest Charges		145
<b>Total Finance Costs</b>		<b>145</b>
Other Administrative Expenses		30,584
<b>Total Other Administrative Expenses</b>		<b>30,584</b>
Fuel, Light, Power and Water		4,788
Repairs and Maintenance		10,480
Medical Indemnity Insurance		5,757
Expenses Related to Short Term Leases		1,074
Expenditure for Capital Purpose		1,128
<b>Total Other Operating Expenses</b>		<b>23,227</b>
<b>Total Operating Expenses</b>		<b>532,461</b>
Depreciation and Amortisation	4.6	29,042
<b>Total Depreciation and Amortisation</b>		<b>29,042</b>
<b>Total Expenses from Transactions</b>		<b>561,503</b>

#### How We Recognise Expenses from Transactions

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

#### Employee Expenses

Employee expenses include:

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

#### Supplies and Consumables

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

#### Finance Costs

Finance costs include:

- Interest on short-term and long-term borrowings (Interest expense is recognised in the period in which it is incurred);
- Amortisation of discounts or premiums relating to borrowings;
- Amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- Finance charges in respect of leases which are recognised in accordance with AASB 16 *Leases*.

#### Other Operating Expenses

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

- Fuel, light and power;
- Repairs and maintenance; and
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$2,000).

The DH makes certain payments on behalf of Grampians Health. 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.

### Note 3.2: Other Economic Flows

	2022 \$000
Net Gain on Disposal of Property, Plant and Equipment	26
<b>Total Net Gain on Sale of Non-Financial Assets</b>	<b>26</b>
Allowance for impairment losses of contractual receivables	(735)
Net Gain/(Loss) on Financial Instruments	(1,395)
<b>Total Net Gain/ (Loss) on Financial Instruments</b>	<b>(2,130)</b>
Net gains/(loss) arising from Revaluation of Long Service Liability	5,850
<b>Total Other Gain/(Losses) from Other Economic Flows</b>	<b>5,850</b>
<b>Total Other Gains/(Losses) from Economic Flows</b>	<b>3,746</b>

#### How We Recognise Other Economic Flows

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

##### 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.

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

##### Net Gain/(Loss) on Financial Instruments at Fair Value

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

- Realised and unrealised gains and losses from revaluation of financial instruments at fair value;
- Impairment and reversal of impairment for financial instruments at amortised cost (Refer to Note 4.1 Investments and other Financial Assets); and
- Disposals of financial assets and de-recognition of financial liabilities.

##### Other Gains/(Losses) from Other Economic Flows

Other gains/(losses) include:

- The revaluation of the present value of the Long Service Leave liability due to changes in the bond rate movements, inflation rate movements and the changes of probability factors.



### Note 3.3: Employee Benefits in the Balance Sheet

	2022 \$000
<b>Current Employee Benefits and Related On-Costs</b>	
Annual Leave	
- Unconditional and expected to be settled wholly within 12 months	34,895
- Unconditional and expected to be settled wholly after 12 months	5,579
	<b>40,474</b>
Long Service Leave	
- Unconditional and expected to be settled wholly within 12 months	8,889
- Unconditional and expected to be settled wholly after 12 months	53,080
	<b>61,969</b>
Accrued Days Off	
- Unconditional and expected to be settled wholly within 12 months	1,202
	<b>1,202</b>
Provisions related to Employee Benefit On-Costs	
- Unconditional and expected to be settled wholly within 12 months	5,704
- Unconditional and expected to be settled wholly after 12 months	7,610
	<b>13,314</b>
<b>Total Current Employee Benefits and Related On-Costs</b>	<b>116,959</b>
<b>Non-Current Employee Benefits and Related On-Costs</b>	
Conditional Long Service Leave	16,058
Provisions related to Employee Benefit On-Costs	2,508
<b>Total Non-Current Employee Benefits and Related On-Costs</b>	<b>18,566</b>
<b>Total Employee Benefits and Related On-Costs</b>	<b>135,525</b>

### Note 3.3(a): Consolidated Employee Benefits and Related On-Costs

	2022 \$000
<b>Current Employee Benefits and Related On-Costs</b>	
Unconditional Long Service Leave Entitlements	69,851
Unconditional Annual Leave Entitlements	45,733
Unconditional Accrued Days Off Entitlements	1,374
<b>Total Current Employee Benefits and Related On-Costs</b>	<b>116,958</b>
<b>Non-Current Employee Benefits and Related On-Costs</b>	
Conditional Long Service Leave Entitlements	18,566
<b>Total Non-Current Employee Benefits and Related On-Costs</b>	<b>18,566</b>
<b>Total Employee Benefits and Related On-Costs</b>	<b>135,524</b>
<b>Attributable to:</b>	
Employee Benefits	119,702
Provision for Related On-Costs	15,822
<b>Total Employee Benefits and Related On-Costs</b>	<b>135,524</b>

### Note 3.3(b): Provision for Related On-Costs Movement Schedule

<b>Balance at Start of Period - Transfer on Administrative Restructure</b>	14,924
Additional provisions recognised	4,519
Amounts incurred during the period	(4,352)
Net gain arising from revaluation of long service liability	731
<b>Carrying amount at the end of the period</b>	<b>15,822</b>

### **Note 3.3: Employee Benefits in the Balance Sheet (cont.)**

#### **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 all recognised in the provision for employee benefits as 'current liabilities' because Grampians Health 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 Grampians Health expects to wholly settle within 12 months; or
- Present value - if Grampians Health does not expect to wholly settle within 12 months.

##### **Long Service Leave (LSL)**

The liability for LSL is recognised in the provision for employee benefits.

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

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

Long service leave provision changed in 2022 due to a calculation adjustment to factor in increases in superannuation and earlier employee entitlement on some awards (i.e. gradual reduction from 10 years down to 7 years for the employee to access their entitlement), an assessment was performed and the impacts were not material.

##### **Termination Benefits**

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

##### **On-Costs Related to Employee Expense**

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

### Note 3.4: Superannuation

	Paid Contribution	Contribution Outstanding
	2022 \$000	2022 \$000
<b>Defined Benefit Plans (i):</b>		
Aware Super	926	109
<b>Defined Contribution Plans:</b>		
Aware Super	14,528	1,608
Hesta	7,747	1,010
Other	5,618	636
<b>Total</b>	<b>28,819</b>	<b>3,363</b>

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

#### How we Recognise Superannuation

Employees of Grampians Health 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 Grampians Health to the superannuation plans in respect of the services of current Grampians Health'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.

Grampians Health 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 Grampians Health.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Grampians Health 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.

#### Note 4: Key Assets to Support Service Delivery

Grampians Health 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 Grampians Health to be utilised for delivery of those outputs.

##### Structure

- 4.1: Investments and Other Financial Assets
- 4.2: Property, Plant and Equipment
- 4.3: Right-of-use Assets
- 4.4: Revaluation Surplus
- 4.5: Intangible Assets
- 4.6: Depreciation and Amortisation
- 4.7: Inventories
- 4.8: Impairment of Assets

##### Telling the COVID-19 story

Assets used to support the delivery of our services during the period 1 November 2021 to 30 June 2022 were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

##### Key Judgments and Estimates

Key Judgement and Estimates	Description
Estimating useful life of property, plant and equipment	Grampians Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	<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>Grampians Health applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>
Estimating restoration costs at the end of a lease	Where a lease agreement requires Grampians Health to restore a right-of-use asset to its original condition at the end of a lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Estimating the useful life of intangible assets	Grampians Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, Grampians Health 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. The health service considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> <li>- If an asset's value has declined more than expected based on normal use</li> <li>- If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset</li> <li>- If an asset is obsolete or damaged</li> <li>- If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life</li> <li>- If the performance of the asset is or will be worse than initially expected.</li> </ul> <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: Investments and Other Financial Assets

	Operating Fund	Specific Purpose Fund	Trust Fund	Total
	2022	2022	2022	2022
	\$000	\$000	\$000	\$000
<b>Current</b>				
Equities	597	-	-	597
Managed Investment Schemes (VPMC)	-	3,196	12,568	15,764
<b>Total Current</b>	<b>597</b>	<b>3,196</b>	<b>12,568</b>	<b>16,361</b>
<b>Total</b>	<b>597</b>	<b>3,196</b>	<b>12,568</b>	<b>16,361</b>
<b>Represented by:</b>				
Health Service Investments	597	3,196	-	3,793
Monies Held in Trust				
- Refundable Accommodation Deposit ('RAD')	-	-	11,521	11,521
- Patient Monies Held in Trust	-	-	173	173
- State Wide Equipment Program	-	-	129	129
- Grampians Integrated Cancer Services	-	-	745	745
<b>Total</b>	<b>597</b>	<b>3,196</b>	<b>12,568</b>	<b>16,361</b>

#### How We Recognise Investments and Other Financial Assets

Grampians Health investments and other financial assets are made in accordance with Standing Direction 3.7.2 - Treasury Management.

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

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

Grampians Health classifies its other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset.

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

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

## Note 4.2: Property, Plant and Equipment

### Note 4.2(a): Gross Carrying Amount and Accumulated Depreciation

	Gross Cost Valuation 2022 \$000	Accumulated Dep'n 2022 \$000	Written Down Value 2022 \$000
Land at Fair Value	82,499	-	82,499
Under Construction at Cost	24,337	-	24,337
Buildings at Fair Value	466,681	21,200	445,481
Plant and Equipment at Fair Value	17,574	1,989	15,585
Medical Equipment at Fair Value	18,517	3,104	15,413
Computers and Communications at Fair Value	1,186	336	850
Furniture and Fittings at Fair Value	1,023	163	860
Personal Alarm Call Systems at Fair Value	2,277	557	1,720
Linen Stock at Fair Value	1,194	222	972
Motor Vehicles at Fair Value	745	166	579
<b>Total Property, Plant and Equipment</b>	<b>616,033</b>	<b>27,737</b>	<b>588,296</b>

### Note 4.2(b): Reconciliations of the Carrying Amount of each Class of Assets

Note	Land \$000	Under Construction \$000	Buildings \$000	Plant and Equipment \$000	Medical Equipment \$000	Computers and Comm'n \$000	Furniture and Fittings \$000	Personal Alarm Call Systems \$000	Linen Stock \$000	Motor Vehicles \$000	Total \$000
<b>Balance at 1 November 2021</b>											
<b>Transfer on Administrative Restructure</b>	<b>48,012</b>	<b>16,519</b>	<b>405,981</b>	<b>15,563</b>	<b>14,879</b>	<b>1,042</b>	<b>701</b>	<b>1,951</b>	<b>929</b>	<b>526</b>	<b>506,103</b>
Additions	15	20,251	236	869	3,014	200	76	326	265	219	25,471
Revaluations	33,658	-	51,481	-	-	-	-	-	-	-	85,139
Net transfers between classes	4.5 1,074	(12,433)	9,090	1,170	814	38	247	-	-	-	-
Disposals	(260)	-	(107)	(28)	(190)	(94)	(1)	-	-	-	(680)
Depreciation	-	-	(21,200)	(1,989)	(3,104)	(336)	(163)	(557)	(222)	(166)	(27,737)
<b>Balance at 30 June 2022</b>	<b>82,499</b>	<b>24,337</b>	<b>445,481</b>	<b>15,585</b>	<b>15,413</b>	<b>850</b>	<b>860</b>	<b>1,720</b>	<b>972</b>	<b>579</b>	<b>588,296</b>

#### Land and Buildings and Leased Assets Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Grampians Health owned 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 2022 for land, and 30 June 2019 for buildings.

## Note 4.2: Property, Plant and Equipment (cont.)

### How we Recognise Property, Plant and Equipment

Property, plant and equipment are tangible items that are used by Grampians Health 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 are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment loss. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/machinery of government change are transferred at their carrying amounts.

The cost of constructed non-financial physical assets includes the costs of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

#### Subsequent Measurement

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

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

Further information regarding fair value measurement is disclosed below.

#### Revaluation

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

Where an independent valuation has not been undertaken at balance date, Grampians Health 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%, Grampians Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

Movement greater than 40% for land since the last revaluation, as such an independent revaluation was required as at 30 June 2022.

Movement greater than 10% (12.73%) for buildings since the last revaluation, as such a managerial revaluation was required as at 30 June 2022.

An independent valuation of Grampians Health land was performed by the VGV on 30 June 2022, which resulted in an overall increase in fair value of land of \$33.658M. 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. A managerial assessment of Buildings was performed based on the VGV indices at 30 June 2022 indicated an overall increase in fair value of buildings of \$51.481M.

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

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

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

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

### Note 4.3: Right-Of-Use Assets

#### Note 4.3(a): Gross Carrying Amount and Accumulated Depreciation

	Gross Cost Valuation 2022 \$000	Accumulated Dep'n 2022 \$000	Written Down Value 2022 \$000
Buildings - Right of Use	4,768	408	4,360
Right of Use - Plant, Equipment and Vehicles	4,460	573	3,887
<b>Total Right-of-use Assets</b>	<b>9,228</b>	<b>981</b>	<b>8,247</b>

#### Note 4.3(b): Reconciliations of Carrying Amount by Class of Asset

	Right-of-use Buildings \$000	Right-of-use PE, FF & V \$000	Total \$000
<b>Balance at 1 November 2021</b>			
<b>Transfer on Administrative Restructure</b>	<b>5,015</b>	<b>3,799</b>	<b>8,814</b>
Additions	-	691	691
Disposals	(247)	(30)	(277)
Depreciation	(408)	(573)	(981)
<b>Balance at 30 June 2022</b>	<b>4,360</b>	<b>3,887</b>	<b>8,247</b>

#### How we Recognise Right-Of-Use Assets

Where Grampians Health 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. Grampians Health 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
Lease buildings	3 to 15 years
Leased plant, equipment, furniture, fittings and vehicles	3 to 7 years

#### Initial Recognition

When a contract is entered into, Grampians Health 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.

Grampians Health holds lease agreements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. Refer to Note 6.1 for further information regarding the nature and terms of the concessional lease, and Grampians Health dependency on such lease arrangements.

#### Subsequent Measurement

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

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

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

#### Note 4.4: Revaluation Surplus

	2022 \$000
Balance at the Beginning of the of Reporting Period	-
<b>Revaluation Increment</b>	
- Land	33,658
- Buildings	51,481
<b>Balance at the end of Reporting Period*</b>	<b>85,139</b>
<b>* Represented by:</b>	
- Land	33,658
- Buildings	51,481
	<b>85,139</b>



## Note 4.5: Intangible Assets

### Note 4.5(a): Intangible Assets - Gross Carrying Amount and Accumulated Amortisation

	2022 \$000
Computer Software	771
Less: Accumulated Amortisation	(324)
	<b>447</b>
Intangible Work in Progress	666
<b>Total Intangible Assets</b>	<b>1,113</b>

### Note 4.5(b): Intangible Assets - Reconciliation of the Carrying Amount by Class of Asset

	Software \$000	WIP \$000	Total \$000
<b>Balance at 1 November 2021</b>			
<b>Transfer on Administrative Restructure</b>	<b>613</b>	<b>401</b>	<b>1,014</b>
Additions	158	265	423
Amortisation	(324)	-	(324)
<b>Balance at 30 June 2022</b>	<b>447</b>	<b>666</b>	<b>1,113</b>

### How we Recognise Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance such as computer software and development costs.

#### Initial Recognition

Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probably future economic benefits; and
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised as an expense in the period on which it is incurred.

#### Subsequent Measurement

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

#### Note 4.6: Depreciation and Amortisation

	2022 \$000
<b>Depreciation</b>	
Buildings	21,200
Medical Equipment	3,104
Plant and Equipment	1,989
Motor Vehicles	166
Personal Alarm Call Systems	557
Linen Stock	222
Computers and Communications	336
Furniture and Fittings	163
<b>Total Depreciation</b>	<b>27,737</b>
<b>Right-of-use Assets</b>	
Right-of-use Buildings	408
Right-of-use Plant, Equipment and Motor Vehicles	573
<b>Total Depreciation - Right-of-use Assets</b>	<b>981</b>
<b>Amortisation</b>	
Intangibles	324
<b>Total Amortisation</b>	<b>324</b>
<b>Total Depreciation and Amortisation</b>	<b>29,042</b>

##### How we Recognise Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under assets held for sale), and 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.

##### How we Recognise Amortisation

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

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

	2022
Buildings	
- Structure Shell Building Fabric	3-59 years
- Site Engineering Services	3-50 years
- Fit out	3-25 years
- Trunk Reticulated Building Systems	3-30 years
- Right-of-Use	2-15 years
Plant and Equipment	5-22 years
Medical Equipment	5-10 years
Furniture and Fittings	5 years
Personal Alert Call Systems	5 years
Linen	5 years
Motor Vehicles	3-7 years
Computers and Communications	3-5 years
Leased Assets	3-5 years
Right-of-Use Plant, Equipment and Vehicles	2-5 years
Intangibles	3 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 4.7: Inventories

	2022 \$000
General (at cost)	1,681
Pharmaceuticals (at cost)	1,151
<b>Total</b>	<b>2,832</b>

#### How we Recognise Inventories

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

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

#### Note 4.8: Impairment of Assets

##### How we recognise impairment

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

Grampians Health did not record any impairment losses for the period 1 November 2021 to 30 June 2022.

## Note 5: Other Assets and Liabilities

This section sets out those assets and liabilities that arose from Grampians Health operations.

### Structure

5.1: Receivables and Contract Assets

5.2: Payables and Contract Liabilities

5.3: Other Liabilities

### Telling the COVID-19 Story

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

### Key Judgements and Estimates

This section contains the following key judgements and estimates:

Key Judgement and Estimates	Description
Estimating the provision for expected credit losses	Grampians Health 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 Grampians Health 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.  Grampians Health 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	Grampians Health 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**

	Current 2022 \$000	Non-Current 2022 \$000	Total 2022 \$000
<b>Contractual</b>			
<b>Trade Debtors</b>			
- Acute and Sub-Acute Inpatients	1,778	-	1,778
- RAC	1,030	-	1,030
- Eureka Linen	592	-	592
- Radiology	218	-	218
- Safety Link	67	-	67
- Sundry	10,412	-	10,412
Accrued Investment Income	747	-	747
Contract Assets - Other	3,686	-	3,686
Deposits Paid	71	-	71
<i>Less: Allowance for impairment losses of contractual receivables</i>			
Trade Debtors	(470)	-	(470)
Patient Fees	(325)	-	(325)
<b>Total Contractual</b>	<b>17,805</b>	<b>-</b>	<b>17,805</b>
<b>Statutory</b>			
GST Receivable	1,406	-	1,406
Long Service Leave - Department of Health	-	40,329	40,329
<b>Total Statutory</b>	<b>1,406</b>	<b>40,329</b>	<b>41,735</b>
<b>Total</b>	<b>19,212</b>	<b>40,329</b>	<b>59,541</b>

(i) Financial assets classified as receivables and contract assets (Note 7.1(a))

	2022 \$000
<b>Total Receivables and Contract Assets</b>	<b>59,541</b>
GST Receivable	(1,406)
Long Service Leave - Department of Health	(40,329)
<b>Total Financial Assets</b>	<b>17,805</b>

As at 30 June 2022, Grampians Health has contract assets of \$3.686M which is net of an allowance for expected credit losses of nil.

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

	2022 \$000
<b>Balance at Beginning of Period - Transfer on Administrative Restructure</b>	<b>(414)</b>
Amounts Written off During the Year	140
Amounts Recovered During the Year	-
Increase/(Decrease) in Allowance Recognised in the Net Result	(521)
<b>Balance at End of Year</b>	<b>(795)</b>

**How we Recognise Receivables**

Receivables consist of:

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

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

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

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

**Impairment Losses of Contractual Receivables**

Refer to Note 7.1 (a) for Grampians Health contractual impairment losses.

**Note 5.1(b): Contract Assets**

	2022 \$000
<b>Balance at Beginning of Period - Transfer on Administrative Restructure</b>	<b>4,290</b>
Add: Additional costs that are incurred that are recoverable from the customer	11,800
Less: Transfer to trade receivable or cash at bank	(12,404)
<b>Balance at End of Year</b>	<b>3,686</b>

**How we Recognise Contract Assets**

Contract assets relate to Grampians Health right to consideration in exchange for goods transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. Contract assets are expected to be recovered early next year.

## Note 5.2: Payables and Contract Liabilities

	2022 \$000
<b>Current</b>	
<b>Contractual</b>	
Trade Creditors and Accrued Expenses	32,722
Accrued Salary and Wages	20,620
Contract Liabilities - Income Received in Advance	32,257
Deferred Capital Grant Revenue	14,358
<b>Total Current Payables and Contract Liabilities</b>	<b>99,957</b>

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

	2022 \$000
<b>Total Payables and Contract Liabilities</b>	<b>99,957</b>
Deferred Grant Income	(14,358)
Contract Liabilities	(32,257)
<b>Total Financial Liabilities</b>	<b>53,342</b>

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

The normal credit terms for accounts payable are usually month end, plus 30 days.

### Note 5.2(a): Deferred Capital Grant Revenue

	2022 \$000
<b>Balance at start of Period - Transfer of Administrative Restructure</b>	<b>10,908</b>
Grant Consideration for Capital Works received during the period	8,360
Deferred Grant Revenue recognised as revenue due to completion of Capital Works	(4,910)
<b>Closing balance of Deferred Capital Grant Income</b>	<b>14,358</b>

### How we Recognise Deferred Capital Grant Revenue

Grant consideration was received from the Department of Health and the Commonwealth Government for various capital projects and equipment purchases. Grant revenue is recognised progressively as the asset is constructed, since this is the time when Grampians Health satisfies its obligations under the transfer by controlling the asset as and when its constructed. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done (see note 2.1). As a result, Grampians Health has deferred recognition of a portion of the capital grant consideration received as a liability for the outstanding obligations.

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

### Note 5.2(b): Contract Liabilities

	2022 \$000
<b>Balance at start of Period - Transfer of Administrative Restructure</b>	<b>24,475</b>
Payments Received for sufficiently specific performance obligations received during the period	346,415
Revenue Recognised for the completion of a Performance Obligation	(338,857)
<b>Total Current Contract Liabilities</b>	<b>32,257</b>

### How we Recognise Contract Liabilities

Contract liabilities relate to consideration received in advance from stakeholders for operational programs, where these services are to be provided over a specified time frame. These funds have been deferred until specific performance obligations are met.

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

### How we Recognise Contract Liabilities

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



### Note 5.3: Other Liabilities

	Note	2022 \$000
<b>Current</b>		
Monies Held in Trust*		
- Refundable Accommodation Deposit ('RAD')		46,009
- Patient Monies Held in Trust		173
- Grampians Integrated Cancer Service		745
- State Wide Equipment Program		129
<b>Total Other Liabilities</b>		<b>47,056</b>
<b>*Monies Held in Trust Represented by:</b>		
Other Financial Assets	4.1	12,568
Cash and Cash Equivalents	6.2	34,488
<b>Total</b>		<b>47,056</b>

#### How we Recognise Other Liabilities

##### Refundable Accommodation Deposit ('RAD')

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

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

## Note 6: How we Finance our Operations

This section provides information on the sources of finance utilised by the hospital during its operations, along with interest expenses and other information related to financing activities of Grampians Health.

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

### Telling the COVID-19 story

Our finance and borrowing arrangements were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

### Key Judgements and Estimates

This section contains the following key judgements and estimates:

Key Judgement and Estimates	Description
Determining if a contract is or contains a lease	<p>Grampians Health applies significant judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> <li>-has the right-to-use an identified asset</li> <li>-has the right to obtain substantially all economic benefits from the use of the leased asset and</li> <li>-can decide how and for what purpose the asset is used throughout the lease.</li> </ul>
Determining if a lease meets the short-term or low value asset lease exemption	<p>Grampians Health 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>Grampians Health 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, Grampians Health 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 Grampians Health is reasonably certain to exercise such options.</p> <p>Grampians Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> <li>-If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>-If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease.</li> <li>-The health service considers historical lease durations and the costs and business disruption to replace such leased assets.</li> </ul>

## Note 6.1: Borrowings

	2022 \$000
<b>Current</b>	
Lease Liability	1,990
DH Loan	119
<b>Total Current Borrowings</b>	<b>2,109</b>
<b>Non-Current</b>	
Lease Liability	6,498
DH Loan	328
<b>Total Non-Current Liability</b>	<b>6,826</b>
<b>Total Borrowings</b>	<b>8,935</b>

### How we Recognise Borrowings

Borrowings refer to interest bearing liabilities mainly raised through lease liabilities and advances received from DH.

### Initial Recognition

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

### Subsequent Measurement

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

### Maturity Analysis

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

### Defaults and breaches

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

## Note 6.1(a): Lease Liabilities

Grampians Health lease liabilities are summarised below:

	2022 \$000
Total Undiscounted Lease Liabilities	9,236
Less Unexpired Finance Expenses	(724)
<b>Net Lease Liabilities</b>	<b>8,512</b>

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

	2022 \$000
Repayments in relation to leases are payable as follows:	
Not later than one year	2,123
Later than 1 year and not later than 5 years	4,962
Later than 5 years	2,151
<b>Minimum Future Lease Liability</b>	<b>9,236</b>
Less unexpired Finance Expenses	(724)
<b>Present Value of Lease Liability</b>	<b>8,512</b>
Included in the financial statements as:	
Current Liabilities	1,990
Non-Current Liabilities	6,498
<b>Total</b>	<b>8,488</b>

### How we Recognise Lease Liabilities

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

To apply this definition, Grampians Health 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 Grampians Health and for which the supplier does not have substantive substitution rights;
- Grampians Health 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 Grampians Health has the right to direct the use of the identified asset throughout the period of use; and
- Grampians Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000 AUD) and short term leases of less than 12 months.

Grampians Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased buildings	3 to 15 years
Leased plant, equipment, furniture, fittings and vehicles	3 to 5 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000 AUD) and short term leases of less than 12 months. The following low value and short term lease payments are recognised in profit or loss:

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Lease agreements for rented mail boxes.
Short-term lease payments	Leases with a term less than 12 months	Lease agreements for accommodation and office space, with terms less than 12 months.

## Note 6.1: Borrowings (Continued)

### 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

### 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 Grampians Health incremental borrowing rate.

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

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

Lease arrangements may contain extension and termination options, 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).

Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

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

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was nil.

### 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 the substance of the 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.

### Leases with Significantly Below Market Terms and Conditions

Grampians Health holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. These are commonly referred to as a peppercorn or concessionary lease arrangement.

The nature and terms of such lease arrangements, including Grampians Health dependency on such lease arrangements is described below:

Description of Leased Asset	Our Dependence on Lease	Nature and Terms of Lease
The land situated on the corner of Tuppen and Hertford Streets, Sebastopol, 3356.	Ability to access site to provide clinical services to the community.	30 Year Lease Term commencing July 2013, with rent payable of \$1 per annum.
The land situated at 2 Arnott Street, Horsham.	Ability to access site to provide clinical services to the community.	50 Year Lease Term commencing May 1996, with rent payable of \$1 per annum.

## Note 6.2: Cash and Cash Equivalents

	2022 \$000
Cash on Hand (Excluding Monies Held in Trust)	43
Cash at Bank (Excluding Monies Held in Trust)	3,677
Cash at Bank - CBS (Excluding Monies Held in Trust)	63,717
<b>Total Cash held for Operations</b>	<b>67,436</b>
Cash at Bank - CBS (Monies Held in Trust)	34,488
<b>Total Cash held as Monies in Trust</b>	<b>34,488</b>
<b>Total Cash and Cash Equivalents</b>	<b>101,924</b>
<b>Represented By</b>	
Cash for Health Services Operations ( <i>as per Cash Flow Statement</i> )	101,924
<b>Total Cash and Cash Equivalents</b>	<b>101,924</b>

### How we Recognise Cash and Cash Equivalents

Cash and cash equivalents recognised on the balance sheet comprise of cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes and are readily convertible to known amounts of cash and 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

	2022 \$000
<b>Capital Expenditure Commitments</b>	
Not later than 1 year	22,330
Later than 1 year and not later than 5 years	127
<b>Total Capital Expenditure Commitments Payable</b>	<b>22,457</b>
<b>Operating Expenditure Commitments</b>	
Not later than 1 year	14,566
Later than 1 year and not later than 5 years	15,465
Later than 5 years	926
<b>Total Operating Expenditure Commitments Payable</b>	<b>30,957</b>
<b>Total Commitments for Expenditure (inclusive of GST)</b>	<b>53,414</b>
Less GST recoverable from the Australian Tax Office	(4,766)
<b>Total Commitments for Expenditure (exclusive of GST)</b>	<b>48,648</b>

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, 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.

### Short Term and Low Value Leases

Balalrat Health Services discloses short term and low value lease commitments which are excluded from the measurement of right-of-use assets and lease liabilities. Refer to Note 6.1 for further information.

## Note 7: Risks, Contingencies and Valuation Uncertainties

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



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

**Note 7.1(a) Financial Instruments: Categorisation**

		Financial Assets at Amortised Cost \$000	Financial Assets at Fair Value Through Net Result \$000	Financial Liabilities at Amortised Cost \$000	Total \$000
	2022				
<b>Financial Assets</b>					
Cash and Cash Equivalents	6.2	101,924	-	-	101,924
Receivables and Contract Assets	5.1	17,805	-	-	17,805
Investments and Other Financial Assets	4.1	-	16,361	-	16,361
<b>Total Financial Assets(i)</b>		<b>119,729</b>	<b>16,361</b>	<b>-</b>	<b>136,091</b>
<b>Financial Liabilities</b>					
Payables and Contract Liabilities	5.2	-	-	53,342	53,342
Borrowings	6.1	-	-	8,935	8,935
Accommodation Bonds	5.3	-	-	46,009	46,009
Monies Held in Trust	5.3	-	-	1,047	1,047
<b>Total Financial Liabilities(ii)</b>		<b>-</b>	<b>-</b>	<b>109,334</b>	<b>109,334</b>

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. GST input tax credit recoverable)

(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes, DHS cash advances) and contractual payables (i.e. deferred capital grant revenue and contract liabilities - income in advance)

## Note 7.1: Financial Instruments (Cont)

### How we Categories Financial Instruments

#### Categories of Financial Assets

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

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

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

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

#### Financial assets at amortised cost

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

- the assets are held by Grampians Health to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

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

Grampians Health recognises the following assets in this category:

- Cash and Cash Equivalents; and
- Receivables (excluding statutory receivables).

#### Financial assets at fair value through net result

Grampians Health initially designates a financial instrument as measured at fair value through net result if:

- It eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or recognising the gains and losses on them, on a different basis
  - It is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial asset can be managed and evaluated consistently on a fair value basis or
  - It is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.
- The initial designation of the financial instruments to measure at fair value through net result is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Grampians Health recognises listed equity securities as mandatorily measured at fair value through net result and designated all of its managed investment schemes at fair value through net result.

#### Categories of Financial Liabilities

Financial liabilities are recognised when Grampians Health 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.

Grampians Health recognises the following liabilities in this category:

- Payables (excluding statutory payables);
- Borrowings (including lease liabilities); and
- Other Liabilities (including monies held in trust).

#### Derecognition of Financial Assets

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

- The rights to receive cash flows from the asset have expired; or
- Grampians Health 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
- Grampians Health 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 Grampians Health has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Grampians Health continuing involvement in the asset.

#### Derecognition of Financial Liabilities

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

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

#### Reclassification of Financial Instruments

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when Grampians Health business model for managing its financial assets has changes 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, Grampians Health 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.

Grampians Health main financial risks include credit risk, liquidity risk, and equity price risk. Grampians Health manages these financial risks in accordance with its financial risk management policy.

Grampians Health 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) Liquidity Risk

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

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

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

Cash for unexpected events is generally sourced from liquidation of investments and other financial assets.

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

	Note	Carrying Amount \$000	Nominal Amount \$000	Maturity Dates				
				Less than 1 Month \$000	1-3 Months \$000	3 Months - 1 Year \$000	1-5 Years \$000	Over 5 Years \$000
<b>2022</b>								
<b>Financial Liabilities</b>								
Payables and Contract Liabilities	5.2	53,342	53,342	53,342	-	-	-	-
Borrowings	6.1	8,935	8,935	174	522	1,510	4,829	1,900
Accommodation Bonds	5.3	46,009	46,009	5,061	10,122	28,986	1,840	-
Monies Held in Trust	5.3	1,047	1,047	116	230	659	42	-
<b>Total Financial Liabilities</b>		<b>109,334</b>	<b>109,334</b>	<b>58,693</b>	<b>10,874</b>	<b>31,155</b>	<b>6,711</b>	<b>1,900</b>

The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes, payables)

**Note 7.2: Financial Risk Management Objectives and Policies (cont.)****Note 7.2(b) Credit Risk**

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

Credit risk associated with Grampians Health 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, Grampians Health 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. Grampians Health complies with the Victorian Government's Central Banking System (CBS) requirements.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Grampians Health 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 Grampians Health maximum exposure to credit risk without taking account of the value of any collateral obtained.

**Impairment of Financial Assets under AASB 9**

Grampians Health 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.

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**

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

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

		Current	Less than 1 Month \$000	1 - 3 Months \$000	'3 Months - 1 Year \$000	1 - 5 Years \$000	Total \$000
	Note						
<b>2022</b>							
<b>Expected Loss Rate</b>		0.10%	1.36%	13.40%	24.05%	100.00%	
Gross Carrying Amount of Contractual Receivables	5.1	12,673	2,505	1,477	1,837	110	18,602
<b>Loss Allowance</b>		<b>(14)</b>	<b>(34)</b>	<b>(198)</b>	<b>(441)</b>	<b>(110)</b>	<b>(796)</b>

**Statutory receivables and debt investments at amortised cost**

Grampians Health non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 Financial Instruments requirements as if those receivables are financial instruments.

## Note 7.2: Financial Risk Management Objectives and Policies (cont.)

### Note 7.2(c) Market Risk

Grampians Health exposures to market risk are primarily through equity price risk. Objectives, policies and processes used to manage this risk is disclosed below.

#### Sensitivity Disclosure Analysis and Assumptions

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

#### Statutory Receivables and Debt Investments at Amortised Cost

Grampians Health's sensitivity to market risk is determined based on the observed range of actual historical data. Grampians Health's cannot be expected to predict movements in market rates and prices. The following movements are considered 'reasonably possible' over the next 12 months:

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

#### Equity Risk

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

Grampians Health's sensitivity to equity price risk is set out below.

	Carrying Amount \$000	-15% Net Result \$000	+15% Net Result \$000
<b>2022</b>			
Contractual Financial Assets			
Investments and other Contractual Financial Assets	16,361	(2,454)	2,454
<b>Total Impact</b>	<b>16,361</b>	<b>(2,454)</b>	<b>2,454</b>

## Note 7.3: Contingent Assets and Contingent Liabilities

There were no contingent assets or liabilities as at 30 June 2022.

### How we Measure and Disclose Contingent Assets and Contingent Liabilities

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

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

#### Contingent Assets

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

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

#### Contingent Liabilities

Contingent liabilities are:

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

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

## Note 7.4: Fair Value Determination

### How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result
- Property, Plant and equipment
- Right-of-use assets

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

### Valuation Hierarchy

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

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

Grampians Health 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.

Grampians Health 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 Grampians Health'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 Investments and Other Financial Assets

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting		
		Level 1	Level 2	Level 3
Equities	597	597	-	-
Managed Investments Schemes	15,764	-	15,764	-
<b>Total Financial Assets held at Fair Value through other Comprehensive Income</b>	<b>16,361</b>	<b>597</b>	<b>15,764</b>	<b>-</b>
<b>Total Investments and Other Financial Assets at Fair Value</b>	<b>16,361</b>	<b>597</b>	<b>15,764</b>	<b>-</b>

### How we measure fair value

#### Management Investment Schemes

Grampians Health invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions.

Grampians Health considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate. The net asset value of these funds is used as an input into measuring their fair value, and is adjusted as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund.

Grampians Health classifies these funds as Level 2.

#### Equities

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

Grampians Health classifies these instruments as Level 1.



## Note 7.4(b): Fair Value Determination of Non-Financial Physical Assets

	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
Non-Specialised Land	38,288	-	38,288	-
Specialised Land	44,211	-	-	44,211
<b>Total of Land at fair value</b>	<b>82,499</b>	<b>-</b>	<b>38,288</b>	<b>44,211</b>
Non-Specialised Buildings	142,007	-	142,007	-
Specialised Buildings	265,040	-	-	265,040
<b>Total of Buildings at fair value</b>	<b>407,047</b>	<b>-</b>	<b>142,007</b>	<b>265,040</b>
Motor Vehicles	579	-	579	-
Plant and Equipment	15,585	-	-	15,585
Furniture and Fittings	860	-	-	860
Medical Equipment	15,413	-	-	15,413
Computers and Communications	850	-	-	850
Personal Alarm Call Systems	1,720	-	-	1,720
Linen Stock	972	-	-	972
<b>Total of Plant, Equipment and Vehicles at fair value</b>	<b>35,979</b>	<b>-</b>	<b>579</b>	<b>35,400</b>
Right-of-use Buildings	4,360	-	-	4,360
Right-of-use Plant, Equipment and Vehicles	3,887	-	-	3,887
<b>Total Right-of-use Assets at fair value</b>	<b>8,247</b>	<b>-</b>	<b>-</b>	<b>8,247</b>
<b>Total Non-Financial Physical Assets at fair value</b>	<b>533,772</b>	<b>-</b>	<b>180,874</b>	<b>352,898</b>

### 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, Grampians Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

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

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

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation was 30 June 2022 for Land and 30 June 2019 for Buildings.

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

An independent valuation of Grampians Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation was 30 June 2022 for Land and 30 June 2019 for Buildings.

## Note 7.4(b): Fair Value Determination of Non-Financial Physical Assets (cont.)

### Vehicles

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

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

## Note 7.4(c): Reconciliation of Level 3 Fair Value

	Land \$000	Buildings \$000	Plant, Equipment, Furniture and Fittings \$000	Right-of-use Buildings \$000	Right-of-use Plant, Equipment and Vehicles \$000
<b>2022</b>					
Balance at start of Period - transfer on Administrative Restructure	25,690	268,211	35,065	5,015	3,799
Additions (disposals)	-	4,532	4,750	-	691
Transfers in of Level 3	-	-	2,269	-	-
Disposals	-	-	(313)	(247)	(30)
<b>Subtotal</b>	<b>25,690</b>	<b>272,743</b>	<b>41,771</b>	<b>4,768</b>	<b>4,460</b>
Gains or losses recognised in net result					
- Depreciation	-	(15,584)	(6,371)	(408)	(573)
<b>Subtotal</b>	<b>-</b>	<b>(15,584)</b>	<b>(6,371)</b>	<b>(408)</b>	<b>(573)</b>
Items recognised in other comprehensive income					
- Revaluation	18,521	7,881	-	-	-
<b>Subtotal</b>	<b>18,521</b>	<b>7,881</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>44,211</b>	<b>265,040</b>	<b>35,400</b>	<b>4,360</b>	<b>3,887</b>

Classified in accordance with the fair value hierarchy, refer note 7.(b)

## Fair Value Determination of Level 3 Fair Value Measurement

Asset Class (including RoU)	Valuation technique	Significant unobservable inputs
Specialised Land	Market Approach (i)	Community Service Obligation (CSO) Adjustment (i)
Specialised Buildings	Current Replacement Cost	Direct cost per square metre Useful life of specialised buildings
Plant and Equipment at Fair Value	Current Replacement Cost	Cost Per Unit Useful Life of Plant and Equipment
Medical Equipment at Fair Value	Current Replacement Cost	Cost Per Unit Useful Life of Medical Equipment

(i) A community service obligation (CSO) of 5% to 20% was applied to the Grampians Health's specialised land.

## **Note 8: Other Disclosures**

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

### **Structure**

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

8.2: Responsible Persons

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: Joint Arrangements

8.8: Equity

8.9: Economic Dependency

8.10: Contributed Capital

8.11: Financial information of Ballarat Health Services

8.12: Financial information of Wimmera Health Care Group

8.13: Financial information of Stawell Regional Health

8.14: Financial information of Edenhope and District Memorial Hospital

### **Telling the COVID-19 Story**

Our other disclosures were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

## Note 8.1: Reconciliation of Net Result for the Year to Net Cash flows from Operating Activities

	2022 \$000
<b>Net Result for the Year</b>	<b>(3,841)</b>
<b>Movements included in Investing and Financing Activities</b>	
Net Gain on Disposal of Non Financial Assets	(26)
<b>Non-Cash Movements</b>	
Depreciation and Amortisation	29,042
Grampians Rural Health Alliance	683
Resources/Assets Received Free of Charge	(13,990)
Revaluation of Long Service Leave Liability	(5,850)
Impairment of Investments	1,395
Income from managed funds reinvested	(104)
Department of Health Non-Cash Grants	(3,968)
Provision for Doubtful Debts	735
<b>Movements in Assets and Liabilities</b>	
Decrease in Payables	(3,001)
Increase in Employee Benefits	3,569
Increase in Other Liabilities	1,203
Increase in Inventory	(225)
Decrease in Prepayments	10,995
Decrease in Receivables	6,159
<b>Net Cash Inflows from Operating Activities</b>	<b>22,776</b>

## Note 8.2: Responsible Persons

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

	Period	
<b>Responsible Ministers</b>		
The Honourable Mary-Anne Thomas		
Minister for Health	27/06/2022	30/06/2022
Minister for Ambulance Services	27/06/2022	30/06/2022
The Honourable Gabrielle William:		
Minister for Mental Health	27/06/2022	30/06/2022
The Honourable Colin Brooks:		
Minister for Disability, Ageing and Carers	27/06/2022	30/06/2022
The Honourable Martin Foley:		
Minister for Health	1/11/2021	27/06/2022
Minister for Ambulance Services	1/11/2021	27/06/2022
The Honourable James Merlino:		
Minister for Mental Health	1/11/2021	27/06/2022
Minister for Disability, Ageing and Carers	1/11/2021	6/12/2021
The Honourable Anthony Carbines:		
Minister for Disability, Ageing and Carers	6/12/2021	27/06/2022
<b>Governing Boards</b>		
Mr B Brown - Chair of the Board	1/11/2021	30/06/2022
Mr A Schache - Member of the Board	1/11/2021	30/06/2022
Ms A Hogan - Member of the Board	1/11/2021	30/06/2022
Ms C Trevarthen - Member of the Board	1/11/2021	30/06/2022
Mr D Anderson - Member of the Board	1/11/2021	30/06/2022
Ms H Pickard - Member of the Board	1/11/2021	30/06/2022
Mr M Thakkar - Member of the Board	1/11/2021	30/06/2022
Ms M Aitken - Member of the Board	1/11/2021	30/06/2022
Mr N Jones - Member of the Board	1/11/2021	30/06/2022
Ms R Jones - Member of the Board		
<b>Accountable Officer</b>		
Mr D Fraser - Chief Executive Officer	1/11/2021	30/06/2022

## Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income band;

	2022 No.
<b>Income Band</b>	
\$20,000 - \$29,999	9
\$50,000 - \$59,999	1
\$290,000 - \$299,999	1
<b>Total Numbers</b>	<b>11</b>
<b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b>	<b>558,848</b>

Amounts relating to the Governing Board Members and Accountable Officer of Grampians Health's controlled entities are disclosed in their own financial statements. Amounts relating to Responsible Ministers are reported within the States 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.

	2022
Remuneration of Executive Officers	\$000
Short term employee benefits	1,419
Post-employment benefits	114
Other long-term benefits	38
<b>Total Remuneration(a)</b>	<b>1,571</b>
<b>Total Number of Executive Officers</b>	<b>8</b>
<b>Employee Equivalent (AEE)(b)</b>	<b>8</b>

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Grampians Health under AASB124 Related Parties Disclosures and are also reported within the related parties note disclosure (Note 8.4).

(b) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

All payments made to Executives are governed by the Government Sector Executive Remuneration Panel (GSERP).

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

#### Other Long-term Benefits

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

## Note 8.4: Related Parties

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

- all key management personnel and their close family members;
- all cabinet ministers and their close family members;
- jointly controlled operations – A member of the Grampians Rural Health Alliance; and
- all hospitals and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

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

### Key Management Personnel

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

#### Board Members

Mr B Brown - Chair of the Board  
Mr A Schache - Member of the Board  
Ms A Hogan - Member of the Board  
Ms C Trevarthen - Member of the Board  
Mr D Anderson - Member of the Board  
Ms H Pickard - Member of the Board  
Mr M Thakkar - Member of the Board  
Ms M Aitken - Member of the Board  
Mr N Jones - Member of the Board  
Ms R Jones - Member of the Board

#### Executive Directors

Mr D Fraser - Chief Executive Officer  
Mr. B Kelly - Chief Operating Officer Hospitals  
Ms. C Woods - Chief People Officer  
Mr. C Wilding - Chief Operating Officer Community and Aged Care  
Ms. L Shea - Chief Nursing and Midwifery Officer  
Mr. M Hadfield - Chief Medical Officer  
Ms. M Robertson - Chief Redevelopment and Infrastructure Officer  
Dr. R Grenfell - Chief Strategy and Regions Officer  
Mr. R Hansen - Chief Corporate Services Officer

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 States Annual Financial Report.

Compensation	2022 \$000
Short term employee benefits (a)	1,934
Post-employment benefits	151
Other long-term benefits	46
<b>Total Compensation (b)</b>	<b>2,131</b>

(a) Total remuneration paid to KMPs employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.

(b) KMP's are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

### Significant transactions with government-related entities

Grampians Health received funding from the DH of \$422.648M and indirect contributions of \$16.033M. Balances receivable as at 30 June 2022 are \$2.171M.

Expenses incurred by Grampians Health 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 Grampians Health 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 key management personnel and other related parties

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

Outside of normal citizen type transactions with the Grampians Health, 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.

There were no related party transactions required to be disclosed for the Grampians Health Board of Directors, Chief Executive Officer and Executive Directors in 2022.



## Note 8.5: Remuneration of Auditors

	2022 \$000
Audit of the Financial Statement (Victorian Auditor-General's Office)	170
<b>Total Remuneration of Auditors</b>	<b>170</b>

## 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

Grampians Health has an interest in a Jointly Controlled Operation. The Jointly Controlled Operation is Grampians Rural Health Alliance. Details of operations are listed as follows:

In June 2008, the Department of Health issued circular number 17/2008, which outlines government requirements for the operation of rural health Information and Communication Technology (ICT) alliances. The policy outlines the accepted governance model for the operation of the ICT alliances.

The policy requires public hospitals, public health services and multipurpose services which are declared or established under the Health Services Act 1988, to enter into the alliance for the region in which they operate, in accordance with a Joint Operation Agreement. Consistent with this policy, the Grampians Rural Health Alliance came into effect on 9th of December 2008.

Grampians Health interest in assets, liabilities, Revenue and Expenses of the above joint arrangements are detailed below. The amounts are included in the financial statements under their respective categories:

	2022 \$000
Revenue	3,731
Expenses	(4,414)
<b>Net Result</b>	<b>(683)</b>
Assets	2,882
Liabilities	(901)
<b>Net Assets</b>	<b>1,981</b>

Ownership Interest

42.64%

## Contingent Liabilities and Capital Commitments

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

## Note 8.8: Equity

### Contributed Capital

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

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.

### Restricted specific purpose reserves

The specific restricted purpose reserve is established where Grampians Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received. Restricted specific purpose reserves held by pre-amalgamated entities, have carried over as restricted specific purpose reserves within Grampians Health.

## Note 8.9: Economic Dependency

Grampians Health is dependent on the DH 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 DH will not continue to support Grampians Health.

## Note 8.10: Contributed Capital

### Net assets transferred on Administrative Restructure AS AT 31 OCTOBER 2021

The table below represents the carrying value of the net assets in the balances sheets of the former entities of Ballarat Health Services, Wimmera Health Care Group, Stawell Regional Health and Edenhope and District Memorial Hospital immediately before the transfer.

The net assets assumed by Grampians Health as a result of the administrative restructure is recognised in the balance sheet at the carrying amount of those assets in the former entities balance sheet statements immediately before transfer.

	Ballarat Health Services \$000	Wimmera Health Care Group \$000	Stawell Regional Health \$000	Edenhope & District Memorial \$000	Total \$000
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	58,055	14,702	9,883	5,598	88,238
Receivables	18,589	10,417	783	383	30,172
Inventory	1,939	537	131	-	2,607
Prepayments	10,391	1,941	606	192	13,130
Investments and Other Financial Assets	17,652	-	243	-	17,895
<b>Total Current Assets</b>	<b>106,626</b>	<b>27,597</b>	<b>11,646</b>	<b>6,173</b>	<b>152,042</b>
<b>Non-Current Assets</b>					
Receivables	31,846	3,215	249	218	35,528
Property, Plant and Equipment	385,140	74,559	38,169	17,049	514,917
Intangible Assets	724	73	217	-	1,014
<b>Total Non-Current Assets</b>	<b>417,710</b>	<b>77,847</b>	<b>38,635</b>	<b>17,267</b>	<b>551,459</b>
<b>Total Assets</b>	<b>524,336</b>	<b>105,444</b>	<b>50,281</b>	<b>23,440</b>	<b>703,501</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Employee Benefits	89,654	18,564	4,259	1,801	114,278
Payables and Contract Liabilities	80,085	17,016	4,323	1,534	102,958
Borrowings	1,312	496	-	54	1,862
Other Liabilities	33,790	7,247	1,323	3,492	45,852
<b>Total Current Liabilities</b>	<b>204,841</b>	<b>43,323</b>	<b>9,905</b>	<b>6,881</b>	<b>264,950</b>
<b>Non-Current Liabilities</b>					
Employee Benefits	19,657	2,957	691	222	23,527
Borrowings	6,376	853	-	118	7,347
<b>Total Non-Current Liabilities</b>	<b>26,033</b>	<b>3,810</b>	<b>691</b>	<b>340</b>	<b>30,874</b>
<b>Total Liabilities</b>	<b>230,874</b>	<b>47,133</b>	<b>10,596</b>	<b>7,221</b>	<b>295,824</b>
<b>Net Assets</b>	<b>293,462</b>	<b>58,311</b>	<b>39,685</b>	<b>16,219</b>	<b>407,677</b>
<b>Contributed Capital</b>	<b>293,462</b>	<b>58,311</b>	<b>39,685</b>	<b>16,219</b>	<b>407,677</b>

**Note 8.11: Financial information of Ballarat Health Services**

**BALLARAT HEALTH SERVICES  
COMPREHENSIVE OPERATING STATEMENT  
FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Revenue and Income from Transactions</b>		
Operating Activities	195,582	558,000
Non-Operating Activities	710	725
<b>Total Revenue and Income from Transactions</b>	<b>196,292</b>	<b>558,725</b>
<b>Expenses from Transactions</b>		
Employee Expenses	(146,144)	(413,874)
Supplies and Consumables	(30,685)	(90,186)
Finance Expenses	(61)	(159)
Other Administrative Expenses	(7,670)	(24,014)
Other Operating Expenses	(8,452)	(24,183)
Depreciation and Amortisation	(11,165)	(33,576)
<b>Total Expenses from Transactions</b>	<b>(204,177)</b>	<b>(585,992)</b>
<b>Net Result from Transactions - Net Operating Balance</b>	<b>(7,885)</b>	<b>(27,267)</b>
<b>Other Economic Flows Included in Net Result</b>		
Net Gain on Non-Financial Assets	23	22
Net Gain / (Loss) on Financial Instruments	(675)	1,583
Other Gain / (Loss) from Other Economic Flows	(481)	6,505
<b>Total Other Economic Flows Included in Net Result</b>	<b>(1,133)</b>	<b>8,110</b>
<b>Net Result for the Year</b>	<b>(9,018)</b>	<b>(19,157)</b>
<b>Other Comprehensive Income</b>		
<b>Items that will not be reclassified to Net Result</b>		
Changes in Asset Revaluation Reserve Surplus	-	6,929
<b>Comprehensive Result for the Year</b>	<b>(9,018)</b>	<b>12,228</b>

**BALLARAT HEALTH SERVICES  
BALANCE SHEET  
AS AT 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	58,055	46,482
Receivables	18,589	17,810
Inventory	1,939	1,742
Prepayments	10,391	1,628
Investments and Other Financial Assets	17,652	19,842
<b>Total Current Assets</b>	<b>106,626</b>	<b>87,504</b>
<b>Non-Current Assets</b>		
Receivables	31,846	25,697
Property, Plant and Equipment	385,140	390,808
Intangible Assets	724	692
<b>Total Non-Current Assets</b>	<b>417,710</b>	<b>417,197</b>
<b>Total Assets</b>	<b>524,336</b>	<b>504,701</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Employee Benefits	89,654	84,876
Payables and Contract Liabilities	80,085	53,949
Borrowings	1,312	1,152
Other Liabilities	33,790	36,944
<b>Total Current Liabilities</b>	<b>204,841</b>	<b>176,921</b>
<b>Non-Current Liabilities</b>		
Employee Benefits	19,657	18,917
Borrowings	6,376	6,384
<b>Total Non-Current Liabilities</b>	<b>26,033</b>	<b>25,301</b>
<b>Total Liabilities</b>	<b>230,874</b>	<b>202,222</b>
<b>Net Assets</b>	<b>293,462</b>	<b>302,479</b>
<b>EQUITY</b>		
Restricted Specific Purpose Reserve	434	434
Property, Plant and Equipment Revaluation Reserve	278,132	278,132
Contributed Capital	157,940	157,940
Accumulated Deficits	(143,045)	(134,027)
<b>Total Equity</b>	<b>293,462</b>	<b>302,479</b>

**Note 8.11: Financial information of Ballarat Health Services (Cont.)**

**BALLARAT HEALTH SERVICES  
STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Property, Plant and Equipment Revaluation Reserve \$000	Restricted Specific Purpose Reserve \$000	Contributed Capital \$000	Accumulated Deficits \$000	Total \$000
<b>Balance as at 30 June 2020</b>	271,203	462	157,940	(114,898)	314,707
Net Result for the Year	-	-	-	(19,157)	(19,157)
Other Comprehensive Income for the Year	6,929	-	-	-	6,929
Transfer to Accumulated Surplus	-	(28)	-	28	-
<b>Balance as at 30 June 2021</b>	<b>278,132</b>	<b>434</b>	<b>157,940</b>	<b>(134,027)</b>	<b>302,479</b>
Net Result for the Period	-	-	-	(9,018)	(9,018)
<b>Balance as at 31 October 2021</b>	<b>278,132</b>	<b>434</b>	<b>157,940</b>	<b>(143,045)</b>	<b>293,462</b>

**BALLARAT HEALTH SERVICES  
CASH FLOW STATEMENT FOR THE YEAR PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Grants from Government - State	152,508	398,516
Operating Grants from Government - Commonwealth	22,766	62,722
Capital Grants from Government - State	1,518	5,050
Capital Grants from Government - Commonwealth	99	929
Proceeds from Donations	26	213
Capital Proceeds from Donations and Bequests	311	708
Patient & Resident Fees	4,980	23,047
Interest and Dividends Received	710	700
GST Received from ATO	5,032	10,821
Other	16,308	44,537
<b>Total Receipts</b>	<b>204,258</b>	<b>547,243</b>
<b>Payments</b>		
Employee Expenses Paid	(129,225)	(405,495)
Supplies & Consumables	(30,488)	(87,171)
Capital Expense	(74)	(1,286)
GST Paid to ATO	(1,197)	(2,630)
Other Payments	(25,232)	(41,774)
<b>Total Payments</b>	<b>(186,216)</b>	<b>(538,356)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>18,042</b>	<b>8,887</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(4,054)	(8,242)
Proceeds from Disposal of Financial Assets	-	3,400
Proceeds from Disposal of Property, Plant and Equipment	41	23
<b>Net Cash (Outflows) from Investing Activities</b>	<b>(4,013)</b>	<b>(4,819)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of Borrowings	(277)	(999)
Receipt of Accommodation Deposits	1,538	8,481
Repayment of Accommodation Deposits	(3,717)	(13,543)
<b>Net Cash Inflows / (Outflows) from Financing Activities</b>	<b>(2,456)</b>	<b>(6,061)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents Held</b>	<b>11,573</b>	<b>(1,993)</b>
Cash and Cash Equivalents at Beginning of Financial Year	46,482	48,475
<b>Cash and Cash Equivalents at End of Year</b>	<b>58,055</b>	<b>46,482</b>

## Note 8.12: Financial information of Wimmera Health Care Group

### WIMMERA HEALTH CARE GROUP COMPREHENSIVE OPERATING STATEMENT FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Revenue and Income from Transactions</b>		
Operating Activities	43,231	128,653
Non-Operating Activities	160	368
<b>Total Revenue and Income from Transactions</b>	<b>43,391</b>	<b>129,021</b>
<b>Expenses from Transactions</b>		
Employee Expenses	(32,156)	(93,440)
Supplies and Consumables	(5,674)	(17,333)
Finance Expenses	(11)	(32)
Other Administrative Expenses	(2,543)	(7,761)
Other Operating Expenses	(2,577)	(6,934)
Depreciation and Amortisation	(2,124)	(6,494)
<b>Total Expenses from Transactions</b>	<b>(45,085)</b>	<b>(131,994)</b>
<b>Net Result from Transactions - Net Operating Balance</b>	<b>(1,694)</b>	<b>(2,973)</b>
<b>Other Economic Flows Included in Net Result</b>		
Net Gain on Non-Financial Assets	(35)	(11)
Net Gain / (Loss) on Financial Instruments	(9)	-
Other Gain / (Loss) from Other Economic Flows	16	910
<b>Total Other Economic Flows Included in Net Result</b>	<b>(28)</b>	<b>899</b>
<b>Net Result for the Year</b>	<b>(1,722)</b>	<b>(2,074)</b>
<b>Other Comprehensive Income</b>		
<b>Items that will not be reclassified to Net Result</b>		
Changes in Asset Revaluation Reserve Surplus	(550)	-
<b>Comprehensive Result for the Year</b>	<b>(2,272)</b>	<b>(2,074)</b>

### WIMMERA HEALTH CARE GROUP BALANCE SHEET AS AT 31 OCTOBER 2021

	Part Year 2022 \$000	Full Year 2021 \$000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	14,702	15,835
Receivables	10,417	3,195
Inventory	537	485
Prepayments	1,941	1,782
<b>Total Current Assets</b>	<b>27,597</b>	<b>21,297</b>
<b>Non-Current Assets</b>		
Receivables	3,215	3,301
Property, Plant and Equipment	74,559	76,560
Intangible Assets	73	107
<b>Total Non-Current Assets</b>	<b>77,847</b>	<b>79,968</b>
<b>Total Assets</b>	<b>105,444</b>	<b>101,265</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Employee Benefits	18,564	17,808
Payables and Contract Liabilities	17,016	11,367
Borrowings	496	503
Other Liabilities	7,247	7,192
<b>Total Current Liabilities</b>	<b>43,323</b>	<b>36,870</b>
<b>Non-Current Liabilities</b>		
Employee Benefits	2,957	2,937
Borrowings	853	875
<b>Total Non-Current Liabilities</b>	<b>3,810</b>	<b>3,812</b>
<b>Total Liabilities</b>	<b>47,133</b>	<b>40,682</b>
<b>Net Assets</b>	<b>58,311</b>	<b>60,583</b>
<b>EQUITY</b>		
Restricted Specific Purpose Reserve	2,698	2,698
Property, Plant and Equipment Revaluation Reserve	56,790	57,340
Contributed Capital	27,708	27,708
Accumulated Deficits	(28,885)	(27,163)
<b>Total Equity</b>	<b>58,311</b>	<b>60,583</b>

**Note 8.12: Financial information of Wimmera Health Care Group (Cont.)**

**WIMMERA HEALTH CARE GROUP  
STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Property, Plant and Equipment Revaluation Reserve	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Deficits	Total
Note	\$000	\$000	\$000	\$000	\$000
<b>Balance as at 30 June 2020</b>	57,340	2,585	27,708	(24,975)	62,658
Net Result for the Year	-	-	-	(2,074)	(2,074)
Transfer to Accumulated Surplus	-	113	-	(113)	-
<b>Balance as at 30 June 2021</b>	<b>57,340</b>	<b>2,698</b>	<b>27,708</b>	<b>(27,163)</b>	<b>60,583</b>
Net Result for the Period	(550)	-	-	(1,722)	(2,272)
<b>Balance as at 31 October 2021</b>	<b>56,790</b>	<b>2,698</b>	<b>27,708</b>	<b>(28,885)</b>	<b>58,311</b>

**WIMMERA HEALTH CARE GROUP  
CASH FLOW STATEMENT FOR THE PERIOD 1 JULY 2021 TO 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Grants from Government	38,236	111,946
Capital Grants from Government - State	177	1,234
Patient & Resident Fees	1,935	5,849
Interest and Dividends Received	15	61
GST Received from ATO	1,232	3,065
Other	1,275	4,861
<b>Total Receipts</b>	<b>42,870</b>	<b>127,016</b>
<b>Payments</b>		
Employee Expenses Paid	(32,464)	(89,242)
Supplies & Consumables	(5,506)	(17,896)
Other Payments	(5,552)	(15,605)
<b>Total Payments</b>	<b>(43,522)</b>	<b>(122,743)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>(652)</b>	<b>4,273</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(389)	(2,149)
Proceeds from Disposal of Property, Plant and Equipment	42	296
<b>Net Cash (Outflows) from Investing Activities</b>	<b>(347)</b>	<b>(1,853)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of Borrowings	(189)	(588)
Receipt of Accommodation Deposits	1,033	1,350
Repayment of Accommodation Deposits	(978)	(1,818)
<b>Net Cash Inflows / (Outflows) from Financing Activities</b>	<b>(134)</b>	<b>(1,056)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents Held</b>	<b>(1,133)</b>	<b>1,365</b>
Cash and Cash Equivalents at Beginning of Financial Year	15,835	14,470
<b>Cash and Cash Equivalents at End of Year</b>	<b>14,702</b>	<b>15,835</b>

## Note 8.13: Financial information of Stawell Regional Health

### STAWELL REGIONAL HEALTH COMPREHENSIVE OPERATING STATEMENT FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021

	Note	Part Year 2022 \$000	Full Year 2021 \$000
<b>Revenue and Income from Transactions</b>			
Operating Activities	2.1	12,655	33,928
Non-Operating Activities	2.1	8	276
<b>Total Revenue and Income from Transactions</b>		<b>12,663</b>	<b>34,204</b>
<b>Expenses from Transactions</b>			
Employee Expenses	3.1	(8,596)	(23,895)
Supplies and Consumables	3.1	(1,831)	(5,955)
Finance Expenses	3.1	(6)	(55)
Other Administrative Expenses	3.1	(498)	(2,325)
Other Operating Expenses	3.1	(882)	(1,083)
Depreciation and Amortisation	3.1	(529)	(2,656)
<b>Total Expenses from Transactions</b>		<b>(12,342)</b>	<b>(35,976)</b>
<b>Net Result from Transactions - Net Operating Balance</b>		<b>321</b>	<b>(1,772)</b>
<b>Other Economic Flows Included in Net Result</b>			
Net Gain on Non-Financial Assets	3.2	4	(5)
Net Gain / (Loss) on Financial Instruments	3.2	-	(30)
Other Gain / (Loss) from Other Economic Flows	3.2	-	177
<b>Total Other Economic Flows Included in Net Result</b>		<b>4</b>	<b>142</b>
<b>Net Result for the Period</b>		<b>325</b>	<b>(1,630)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Net Result</b>			
Changes in Asset Revaluation Reserve Surplus	8.1(a)	-	368
<b>Comprehensive Result for the Period</b>		<b>325</b>	<b>(1,262)</b>

### STAWELL REGIONAL HEALTH BALANCE SHEET AS AT 31 OCTOBER 2021

	Note	Part Year 2022 \$000	Full Year 2021 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6.2	9,883	9,705
Receivables and Contract Assets	5.1	783	566
Inventory	4.6	131	163
Prepayments	5.2	606	637
Investments and Other Financial Assets	4.1	243	243
<b>Total Current Assets</b>		<b>11,646</b>	<b>11,314</b>
<b>Non-Current Assets</b>			
Receivables	5.1	249	249
Property, Plant and Equipment	4.2	38,169	38,537
Intangible Assets	4.5	217	496
<b>Total Non-Current Assets</b>		<b>38,635</b>	<b>39,282</b>
<b>Total Assets</b>		<b>50,281</b>	<b>50,596</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Employee Benefits	3.3	4,259	4,239
Payables and Contract Liabilities	5.4	4,323	5,033
Other Liabilities	5.3	1,323	1,308
<b>Total Current Liabilities</b>		<b>9,905</b>	<b>10,580</b>
<b>Non-Current Liabilities</b>			
Employee Benefits	3.3	691	658
<b>Total Non-Current Liabilities</b>		<b>691</b>	<b>658</b>
<b>Total Liabilities</b>		<b>10,596</b>	<b>11,238</b>
<b>Net Assets</b>		<b>39,685</b>	<b>39,358</b>
<b>EQUITY</b>			
Restricted Specific Purpose Reserve	8.1	2,831	2,831
Property, Plant and Equipment Revaluation Reserve	8.1	32,080	32,080
Contributed Capital	8.1	9,345	9,345
Accumulated Deficits		(4,573)	(4,898)
<b>Total Equity</b>		<b>39,685</b>	<b>39,358</b>

**Note 8.13: Financial information of Stawell Regional Health (Cont.)**

**STAWELL REGIONAL HEALTH**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED 1 JULY 2021 TO 31 OCTOBER 2021**

	Property, Plant and Equipment Revaluation Reserve \$000	Restricted Specific Purpose Reserve \$000	Contributed Capital \$000	Accumulated Deficits \$000	Total \$000
Balance as at 30 June 2020	31,712	2,831	9,345	(3,268)	40,620
Net Result for the Year	368	-	-	(1,630)	(1,262)
Balance as at 30 June 2021	32,080	2,831	9,345	(4,898)	39,358
Net Result for the Period	-	-	-	325	325
Balance as at 31 October 2021	32,080	2,831	9,345	(4,573)	39,685

**STAWELL REGIONAL HEALTH**

**CASH FLOW STATEMENT FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Grants from Government - State	8,131	22,714
Operating Grants from Government - Commonwealth	1,530	4,563
Capital Grants from Government - State	850	775
Proceeds from Donations	12	9
Capital Proceeds from Donations and Bequests	12	38
Patient & Resident Fees	1,539	6,319
Interest and Dividends Received	2	41
GST Received from ATO	469	145
Other	921	1,467
<b>Total Receipts</b>	<b>13,466</b>	<b>36,071</b>
<b>Payments</b>		
Employee Expenses Paid	(8,829)	(23,735)
Supplies & Consumables	(1,741)	(5,852)
Other Payments	(2,492)	(2,526)
<b>Total Payments</b>	<b>(13,062)</b>	<b>(32,113)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>404</b>	<b>3,958</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(226)	(620)
<b>Net Cash (Outflows) from Investing Activities</b>	<b>(226)</b>	<b>(620)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings	-	(100)
Repayment of Borrowings	-	305
Receipt of Accommodation Deposits	-	(100)
Repayment of Accommodation Deposits	-	(100)
<b>Net Cash Inflows / (Outflows) from Financing Activities</b>	<b>-</b>	<b>105</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents Held</b>	<b>178</b>	<b>3,443</b>
Cash and Cash Equivalents at Beginning of Reporting Period	9,705	6,262
<b>Cash and Cash Equivalents at End of Period</b>	<b>9,883</b>	<b>9,705</b>



**Note 8.14: Financial information of Edenhope and District Memorial Hospital**

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL  
COMPREHENSIVE OPERATING STATEMENT  
FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Revenue and Income from Transactions</b>		
Operating Activities	3,634	12,577
Non-Operating Activities	5	24
<b>Total Revenue and Income from Transactions</b>	<b>3,639</b>	<b>12,601</b>
<b>Expenses from Transactions</b>		
Employee Expenses	(2,815)	(8,294)
Supplies and Consumables	(153)	(593)
Finance Expenses	(2)	(3)
Other Administrative Expenses	(340)	(1,517)
Other Operating Expenses	(141)	(390)
Depreciation and Amortisation	(340)	(1,122)
<b>Total Expenses from Transactions</b>	<b>(3,791)</b>	<b>(11,919)</b>
<b>Net Result from Transactions - Net Operating Balance</b>	<b>(152)</b>	<b>682</b>
<b>Other Economic Flows Included in Net Result</b>		
Net Gain on Non-Financial Assets	-	(3)
<b>Total Other Economic Flows Included in Net Result</b>	<b>-</b>	<b>(3)</b>
<b>Net Result for the Year</b>	<b>(152)</b>	<b>679</b>
<b>Other Comprehensive Income</b>		
<b>Items that will not be reclassified to Net Result</b>		
Changes in Asset Revaluation Reserve Surplus	-	-
<b>Comprehensive Result for the Year</b>	<b>(152)</b>	<b>679</b>

**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL  
BALANCE SHEET  
AS AT 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	5,598	6,120
Receivables	383	237
Prepayments	192	166
<b>Total Current Assets</b>	<b>6,173</b>	<b>6,523</b>
<b>Non-Current Assets</b>		
Receivables	218	133
Property, Plant and Equipment	17,049	16,100
<b>Total Non-Current Assets</b>	<b>17,267</b>	<b>16,233</b>
<b>Total Assets</b>	<b>23,440</b>	<b>22,756</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Employee Benefits	1,801	1,763
Payables and Contract Liabilities	1,534	798
Borrowings	54	58
Other Liabilities	3,492	3,413
<b>Total Current Liabilities</b>	<b>6,881</b>	<b>6,032</b>
<b>Non-Current Liabilities</b>		
Employee Benefits	222	234
Borrowings	118	120
<b>Total Non-Current Liabilities</b>	<b>340</b>	<b>354</b>
<b>Total Liabilities</b>	<b>7,221</b>	<b>6,386</b>
<b>Net Assets</b>	<b>16,219</b>	<b>16,370</b>
<b>EQUITY</b>		
Restricted Specific Purpose Reserve	8,042	8,042
Property, Plant and Equipment Revaluation Reserve	276	276
Contributed Capital	3,982	3,982
Accumulated Deficits	3,918	4,070
<b>Total Equity</b>	<b>16,219</b>	<b>16,370</b>

**Note 8.14: Financial information of Edenhope and District Memorial Hospital**
**EDENHOPE AND DISTRICT MEMORIAL HOSPITAL**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD 1 JULY 2021 to 31 OCTOBER 2021**

	Property, Plant and Equipment Revaluation Reserve	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Deficits	Total
Note	\$000	\$000	\$000	\$000	\$000
Balance as at 30 June 2020	8,042	276	3,982	3,391	15,691
Net Result for the Year	-	-	-	679	679
Balance as at 30 June 2021	8,042	276	3,982	4,070	16,370
Net Result for the Period	-	-	-	(152)	(152)
Balance as at 31 October 2021	8,042	276	3,982	3,918	16,219

**BALLARAT HEALTH SERVICES****CASH FLOW STATEMENT FOR THE PERIOD 1 JULY 2021 TO 31 OCTOBER 2021**

	Part Year 2022 \$000	Full Year 2021 \$000
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Operating Grants from Government - State	2,733	6,857
Operating Grants from Government - Commonwealth	717	2,328
Capital Grants from Government - State	101	240
Patient & Resident Fees	320	702
Interest and Dividends Received	20	24
GST Received from ATO	163	349
Other	89	1,185
<b>Total Receipts</b>	<b>4,143</b>	<b>11,685</b>
<b>Payments</b>		
Employee Expenses Paid	(2,457)	(7,978)
Supplies & Consumables	(133)	(980)
Other Payments	(760)	(1,942)
<b>Total Payments</b>	<b>(3,350)</b>	<b>(10,900)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>793</b>	<b>785</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(1,341)	(2,232)
<b>Net Cash (Outflows) from Investing Activities</b>	<b>(1,341)</b>	<b>(2,232)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of Borrowings	(7)	(144)
Receipt of Accommodation Deposits	33	72
<b>Net Cash Inflows / (Outflows) from Financing Activities</b>	<b>26</b>	<b>(72)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents Held</b>	<b>(522)</b>	<b>(1,519)</b>
Cash and Cash Equivalents at Beginning of Financial Year	6,120	7,639
<b>Cash and Cash Equivalents at End of Year</b>	<b>5,598</b>	<b>6,120</b>







# Our Campuses

## **Ballarat**

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## **Horsham**

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