WWHS

ANNUAL REPORT

2020-21

OUR VISION

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

OUR MISSION

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

OUR VALUES

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

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

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

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

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

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RELEVANT MINISTERS

The relevant Ministers from 1 July 2020 to 26 September 2020- Jenny Mikakos, MP, Minister for Health and Minister for Ambulance Services. From 26 September 2020 to 30 June 2021 – Hon Martin Foley MP, Minister for Health, Minister for Ambulance Services and Minister for Equality.

From 1 July 2020 to 29 September 2020 - Hon Martin Foley MP, Minister for Mental Health, Minister for Equality. From 29 September 2020 to 30 June 2021 – Hon James Merlino MP, Minister for Mental Health

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MANNER OF ESTABLISHMENT

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

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

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

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

A JOINT MESSAGE FROM OUR BOARD CHAIR AND CHIEF EXECUTIVE OFFICER

The financial year under review (July 2020 – June 2021) will forever be defined by COVID-19 (the coronavirus).

The impact of COVID-19 on the working and home lives of our employees, volunteers, contractors, patients, residents, program participants and the communities we serve, was unprecedented and immense.

We have experienced lockdowns, service disruption, social distancing, home isolation, state border bubbles, visiting restrictions, face masks, face shields all with Victoria in a state of emergency throughout the year.

We have responded with telehealth, videoconferencing, pop-up testing, mass vaccinations, hand hygiene, outbreak management planning and our regular community newsletter. And with high vaccination rates for our residents and our frontline staff well on track to achieve full vaccination, we are well placed to continue the fight until COVID becomes a thing of the past.

The resilience of our staff in particular cannot be overstated and to them we once again say thank you.

THE RAY AND VIOLET MARSHMAN COMMUNITY REHABILITATION CENTRE

After a protracted and challenging build process we were finally able to open the Ray and Violet Marshman Community Rehabilitation Centre.

Located in Nhill, this facility incorporates a community gym and the Jreissati Family Hydrotherapy Pool and, in between lockdowns, has had great use since opening.

FARMER WANTS A HEALTHY LIFE PODCAST SERIES

The successful launch by our Health Promotion team of our inaugural podcast series, Farmer Wants a Healthy Life, is testament to the health related challenges faced by our rural communities, and the strength of character of the people so ably interviewed by Brigitte Muir OAM shines through in each of the eight episodes.

Topics covered in the series include mental health, suicide, cancer, self-care and zoonotic diseases (i.e. COVID-19) and the stories recounted by the interviewees are relatable to all walks of life. To listen simply search for it in your favourite podcast service or on our website.

GENDER EQUALITY

We commenced work towards attaining full compliance with the Gender Equality Act 2020 in keeping with our aim to treat everyone with fairness, compassion, dignity and respect regardless of their gender identity.

We are well on the way to ensuring that gender equality is considered and prioritised in the formulation and review of our policies and procedures, and the services we deliver.

EMPLOYEE SAFETY AND WELLBEING

Our ability to provide high quality and safe healthcare is dependent on the provision of physically and psychologically safe workplaces for all our employees.

We continued our long-term focus on the safety and wellbeing of our staff with the success of this endeavour evidenced by a 28% reduction in our annual Workcover Insurance premium compared to five years ago. By reducing our injury rate we have saved some $1 million in premiums over this period. And more importantly, fewer of our employees are suffering workplace injuries.

And in our latest internally conducted employee engagement survey fully 85% of respondents rated the Service as either a great or good place to work. An encouraging result in our aim to make West Wimmera Health Service a great place to work for everybody.

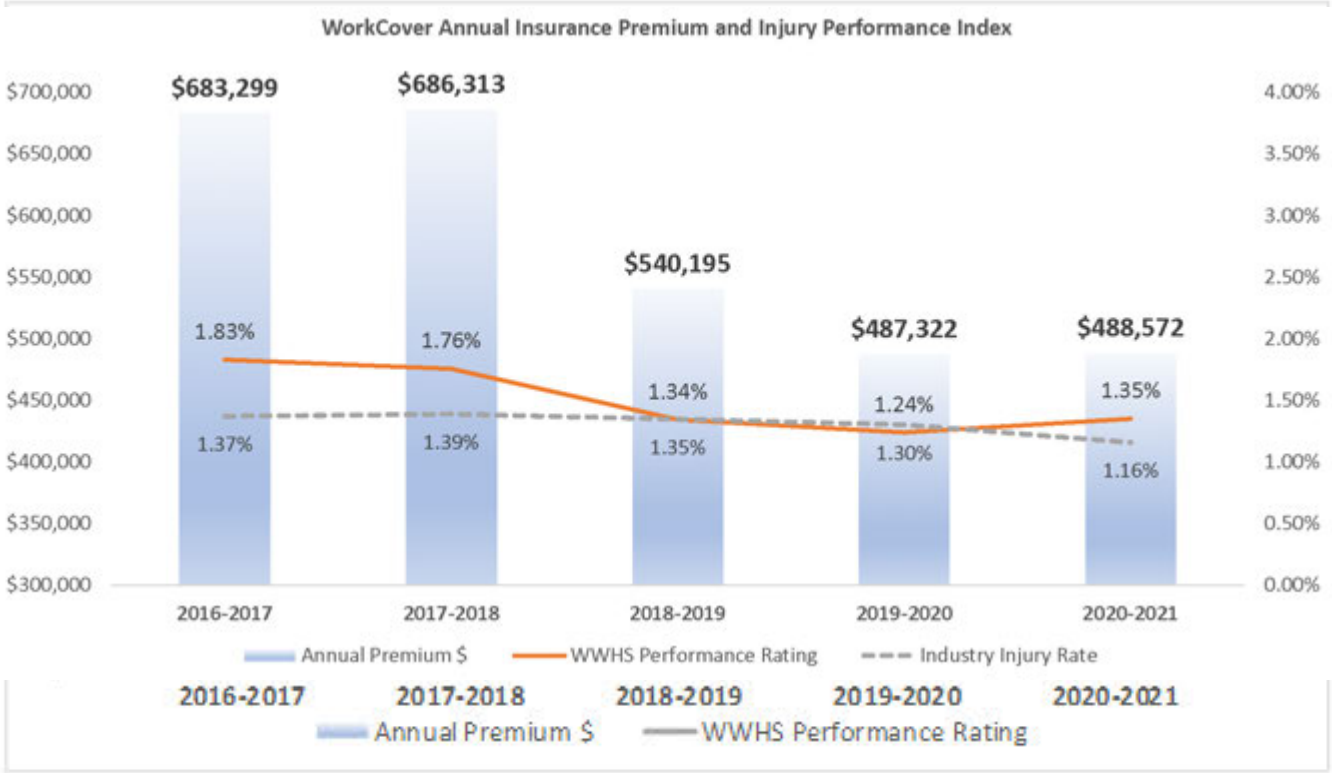
CAPITAL GRANT SUBMISSIONS

We successfully applied for a number of capital grant submissions through the Victorian Health Building Authority, a branch of the Victorian Department of Health.

Successful submissions included for the refurbishment of the Rupanyup Nursing Home ("Stonehaven"); upgrades to the Nhill Hospital kitchen precinct and water reticulation infrastructure; and a number of smaller COVID-19 grants including to help our aged care residents remain connected to the outside world and also to install kitchen gardens at each residential aged care facility. The total of these grants exceeded $6 million.

ANNUAL EQUIPMENT FUNDRAISER

Our inaugural annual equipment fundraising program was a success with $82k being raised to replace our ophthalmological surgical service's optical biometer (eye measuring machine). Thank you to everyone who contributed to make this much valued service even safer and help guarantee its provision well into the future.



OPERATION MEROO

The recommendations contained in a special report released by the Independent Broad-based Anti-corruption Commission (IBAC) into past governance related practices and behaviours at the Service were accepted and have been enacted in full.

The lessons learnt were many and under new leadership we have transformed our governance related policies and protocols and in particular those that relate to procurement and recruitment.

FINANCES

Our capacity to continue to live within our financial means was severely impacted by COVID-19. Many of our services were interrupted for large parts of the year and this inevitably meant there was little hope of being able to meet full year activity targets across the board.

We are grateful for the support of the Victorian Department of Health and the Australian Government's Department of Health, both of which provided substantial assistance to mitigate the substantial negative financial effects of the pandemic, such that ultimately we were able to report a small operating surplus and also to have on hand sufficient cash levels to meet our short to medium term operational and capital expenditure requirements.

CHALLENGES AHEAD

COVID-19 will be with us for some time yet; an Australia wide shortage of qualified nursing and allied health staff continues; we will continue to respond to the recommendations of the Royal Commission into Aged Care; and we will be thoroughly assessed for compliance against the eight National Safety and Quality Health Service Standards early in the new financial year.

We have every chance of successfully meeting these challenges, and whatever else might arise, if we continue where we left off in 2020-2021. That is, by working together and with our stakeholders, to put those we care for at the centre of everything we do.

THANK YOU

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

We said goodbye and thank you to Jim Fletcher, Delegate of the Minister for Health, for his much valued guidance and we welcomed new Board Directors Joanne Herbert, Carlee Kennedy, Christine Sheehan, Sharon Tooley and Felicity Walsh.

Our continued success is reliant on the ongoing dedication of all of us to our cause, as well as the mutual support of our many stakeholders, the importance of both of which has never been more evident in the year just passed.

Again, thank you, and we wish everyone a happy and COVID-safe 2021-2022.

In accordance with the Financial Management Act 1994, I am pleased to present the Report of Operations for West Wimmera Health Service for the year ending 30 June 2021.

Anne Rogers
Board Chair
Nhill,
19 October 2021

Ritchie Dodds
Chief Executive Officer
Nhill,
19 October 2021

OUR COMMUNITY

IS AT THE HEART OF ALL WE DO!

DID YOU KNOW WE COVER 25,000 SQUARE KILOMETRES!

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

- West Wimmera
- Hindmarsh
- Yarriambiack
- Horsham Rural City

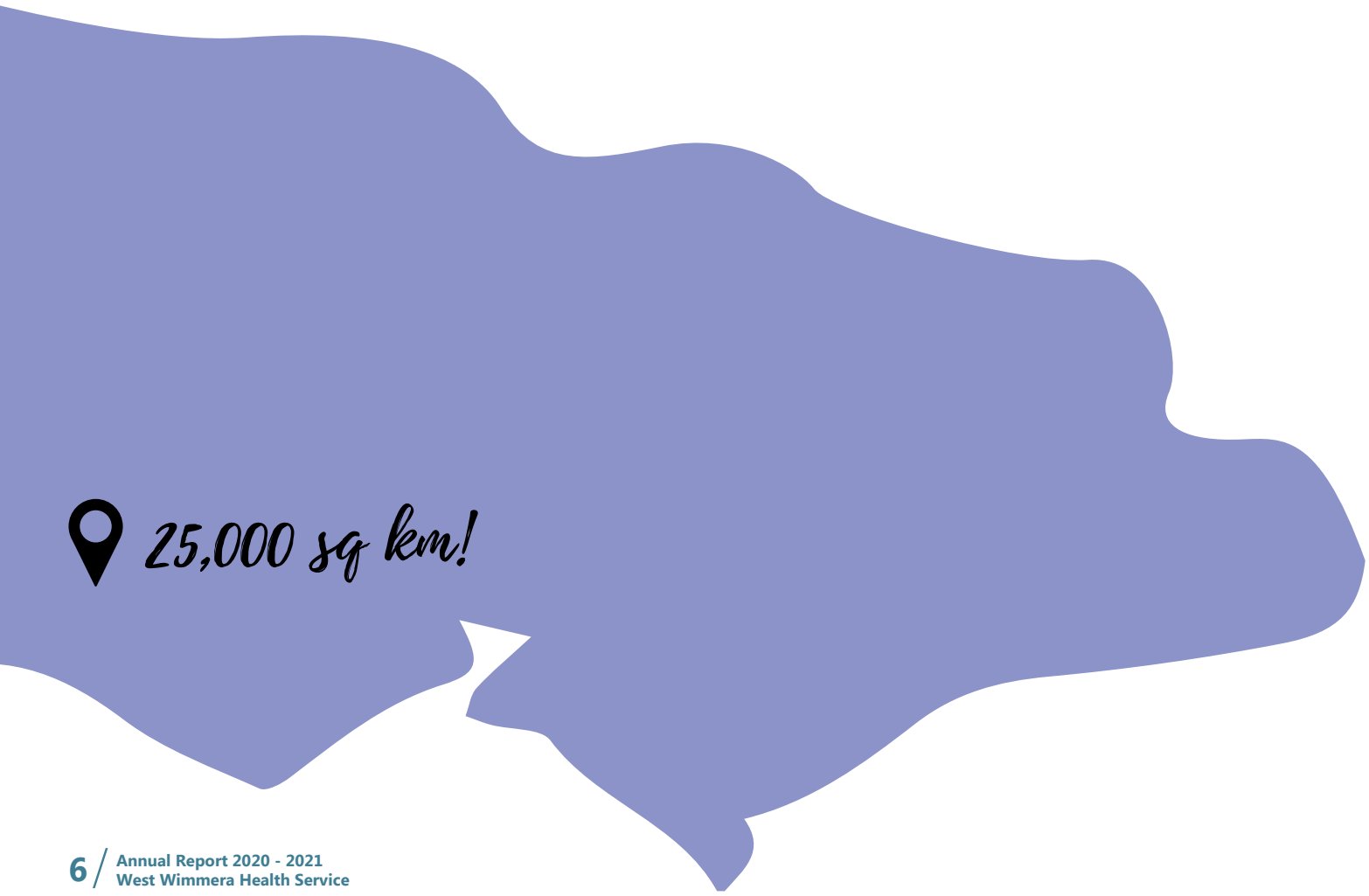
THE PEOPLE WE CARE FOR...

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

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

WE WELCOME AND SUPPORT ALL....

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



OUR SERVICES

AGED CARE SERVICES

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

DENTAL SERVICES

- General dentistry
- Mobile clinic
- Oral health education and promotion
- Oral health and hygiene therapy
- Oral surgery

COMMUNITY SERVICES

- Asthma Education
- Cancer Resource Nurse
- Cancer Support Group
- Cardiac Rehabilitation
- Centrelink
- Community Health
- Continence Education
- Diabetes Education
- Dietetics
- District Nursing
- Endocrinology telehealth clinics
- Falls and balance groups
- Gentle exercise groups
- Health Promotion
- Healthy Lifestyle groups
- Initial Needs Coordination
- Interpreting services (Karen)
- Maternal and Child Health
- Occupational Therapy
- Physiotherapy
- Podiatry
- Quit smoking education
- Refugee Health Nurse
- Social Work
- Social Support Groups
- Speech Pathology
- Well Women's Health Clinic

CLINICAL SERVICES

- Acute hospital care
- Audiology
- General Surgery
- Geriatrician
- Immunisations
- Infection control
- Medical imaging (CT scanning, X-ray, ultrasound,dental orthopantomogram)
- Ophthalmic surgery
- Optometry
- Oral surgery
- Orthopaedic surgery
- Palliative care
- Pathology
- Urgent care

COMMUNITY PROGRAMS

- Community and Women's Health Program (C&WH)
- GP Management Care Plan
- Domiciliary Care
- Home and Community Care (HACC)
- Hospital in the Home (HITH)
- National Disability Insurance Scheme (NDIS)
- Post-Acute Care (PAC)
- Chronic Conditions Models of Care
- Transport Accident Commission (TAC)
- WorkCover

OUR FACILITIES

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

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

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

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

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

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

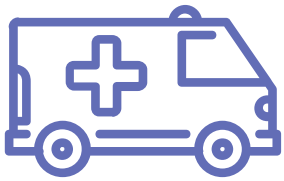
Natimuk
6 Schurmann Street
Natimuk Vic 3409
T (03) 5363 4400

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

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

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

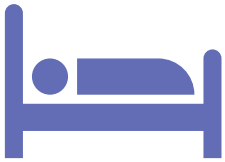
WEST WIMMERA HEALTH SERVICE AT A GLANCE...



1,507
Urgent Care Presentations

4,864
Diagnostic Imaging

195
Operations Preformed



44,775
Residential Aged Care Bed Days

174,809
Meals Prepared

558
Staff Head Count

6,049
Community Nursing Appointments

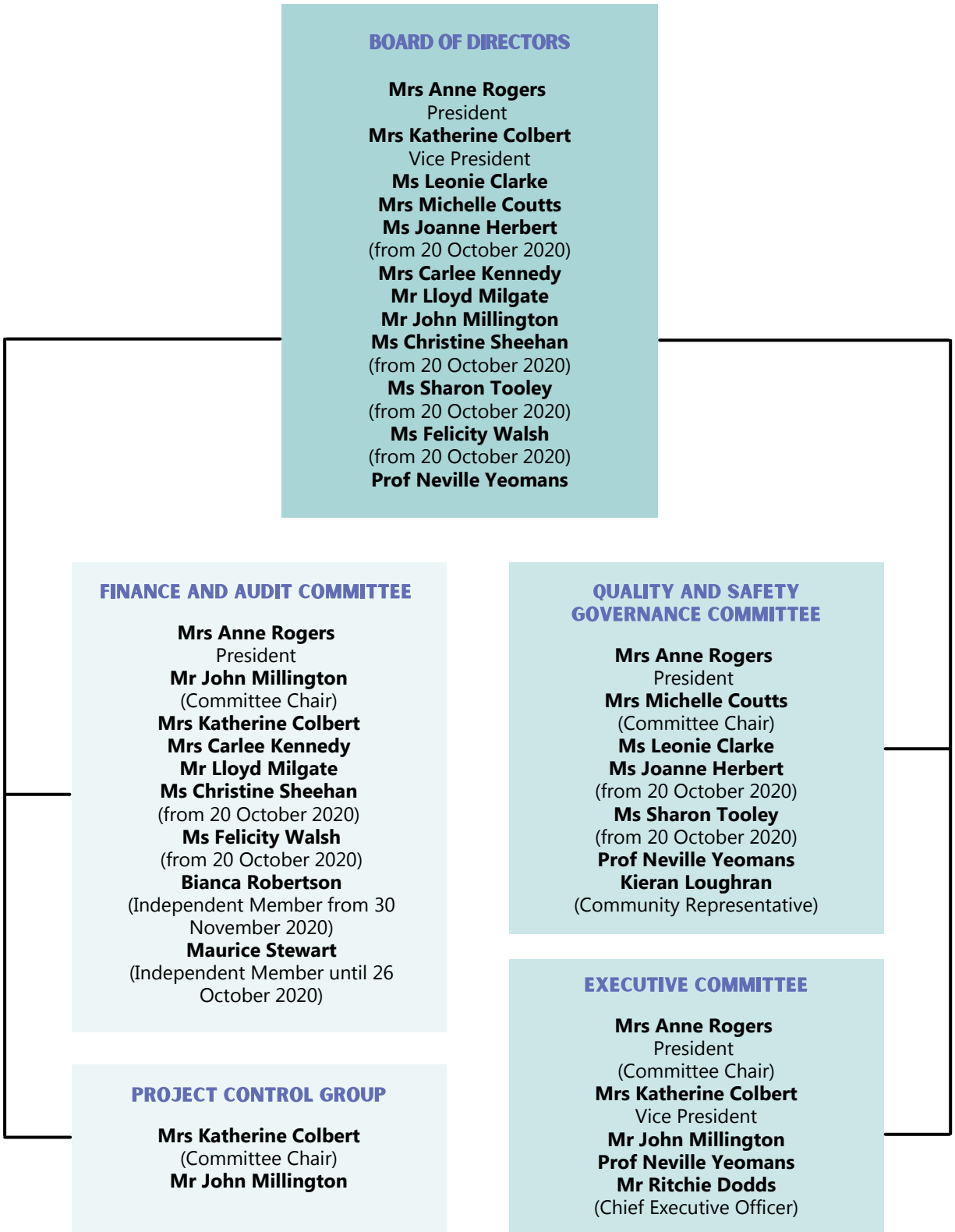
15,302
Allied Health Appointments

1,269
Acute Separations

BOARD OF DIRECTORS

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

As at 30 June 2021, the Service's Board was comprised of the following members:



OUR ORGANISATION

WEST WIMMERA HEALTH SERVICE BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER RITCHIE DODDS

EXECUTIVE DIRECTOR OF FINANCE & ADMINISTRATION

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

EXECUTIVE DIRECTOR OF CLINICAL SERVICES

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

EXECUTIVE DIRECTOR OF QUALITY & SAFETY

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

EXECUTIVE DIRECTOR OF COMMUNITY HEALTH

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

EXECUTIVE DIRECTOR OF BUSINESS & STRATEGY

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

EXECUTIVE DIRECTOR OF MEDICAL SERVICES

- Visiting Medical Practitioners
- Clinical Governance

CORPORATE GOVERNANCE

CHIEF EXECUTIVE OFFICER

Mr Ritchie Dodds

BCom, CA, GradDipAppFin, MBA, GAICD

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

FINANCE AND ADMINISTRATION

Ms Janette Lakin

CPA, Dip. VET, AFA, B. Comm

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

CLINICAL SERVICES

Ms Cheree Schneider

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

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

MEDICAL SERVICES

Dr Ian Graham

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

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

BUSINESS AND STRATEGY

Ms Melanie Albrecht

LLB, BIS, MHA, MBA, GAICD

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

QUALITY AND SAFETY

Mr Darren Welsh

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

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

COMMUNITY HEALTH

Ms Alex Hall

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

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

OUR STRATEGIC PRIORITIES

EMPOWER OUR COMMUNITIES TO LIVE THEIR BEST LIFE

INVEST IN POPULATION HEALTH

HARNESS TECHNOLOGY AND INNOVATION

STRENGTHEN OUR WORKFORCE CAPACITY

BUILD PARTNERSHIPS FOR HEALTHIER COMMUNITIES

EMPOWER OUR COMMUNITIES TO LIVE THEIR BEST LIFE

'IS IT REALLY URGENT?' CAMPAIGN

The Service was excited to launch our 'Is it really urgent?' campaign which was created in collaboration with Western Victoria Primary Health Network. This campaign aimed to provide the community with information about when to use our urgent care services as well as valuable health resources people can use in their own home. The promotional material included posters, cartoons and a booklet that highlighted common scenarios to assist the community to understand the urgency in responding to certain injuries or illnesses. The Service shared the material with Edenhope District Memorial Hospital and Rural Northwest Health to help further educate the broader community.

TRANSITIONAL CARE PROGRAM

West Wimmera Health Service was proud to partner with Ballarat Health Services through a Memorandum of Understanding to commence offering the Transitional Care Program (TCP) in late 2020. TCP provides short-term (12 weeks) support for a patient's recovery after discharge from hospital and assists with the efficient and effective transition of an individual between care types.

Types of care and services that can be provided include nursing support, personal care, domestic home care, allied health therapy, continence advice and support aids, provision of special equipment, case management and organisation of appointments and transport.

TCP can be based in the home or in our facilities and can improve patient outcomes, giving them more time to make decisions about their long-term care options and minimises instances of inappropriate or extended lengths of stay in acute hospital settings or being prematurely admitted to residential care.

Since offering this service we have supported patients, in their own home and in our facilities and have been amazed by their success stories of meeting their goals and returning to or remaining safely in their own home.

COMMUNITY NEWSLETTER

In 2020 we introduced our first Community Newsletter that was distributed to each household in our catchment.

Each edition includes information regarding our services and associated services, happenings within our facilities, a CEO report, meet the Board Directors and Directors of Nursing, a feel good article, brain teaser page and any relevant information at the time of publishing. We even included a Karen insert in sino-tibetan for our Karen community members.

The Community Newsletter is published bi-monthly and informs readers of key happenings around the Service. Our main objectives are to ensure the newsletters are informative, eye catching and fun and the feedback has been extremely positive!

SUCCESSFUL GRANT APPLICATIONS

ENHANCING TELEHEALTH AND RESIDENT COMMUNICATIONS

The Service was successful in its application for the Public Sector Residential Aged Care Services (PSRACS) – Enhancing Telehealth and Resident Communication grant round for all nine residential aged care facilities, to the value of $117,377.

This one-off funding enables us to purchase equipment that will strengthen our telehealth capacity for our residents, better support resident engagement with family and friends and enhance therapeutic approaches and lifestyle program options in our residential aged care facilities.

COMMUNITY KITCHEN GARDEN INITIATIVE

We were also successful in the PSRACS – Community Kitchen Garden Initiative grant round for Iona Nursing Home, Jeparit Nursing Home, Rainbow Nursing Home and Hostel, Natimuk Nursing Home, Lockwood Hostel, Rupanyup Nursing Home and Kaniva Nursing Home and Hostel. This one-off grant totalling $125,000 aims at providing opportunities to engage meaningfully with our residents, their families, and staff to start, refresh or further enhance an established kitchen garden.

NHILL HOSPITAL WATER INFRASTRUCTURE UPGRADE

The Service was also very grateful to be successful in receiving $507,000 through the 2020-21 High Value Statewide Replacement Fund – Engineering Infrastructure for the upgrade of our water infrastructure at the Nhill Hospital.

The upgrade will mitigate the constant issues, repairs and unreliability of the old infrastructure which consistently has reports of leaks, emergency water system capacity issues, high risk hot water leaking issues, mould growth and building damage.

IVY KING BEQUEST

West Wimmera Health Service was grateful to have been the recipient of a generous donation from Kaniva local, Ivy King. On Friday 4 June 2021, members of Ivy's family gathered outside the Kaniva Hospital to present Mr Ritchie Dodds – Chief Executive Officer with a major bequest of $228,633.

Ivy requested the funds be utilised to support the establishment of a dementia friendly unit in Kaniva or in the Nursing Home area of the Kaniva Campus. A short ceremony was held to celebrate Ivy King's generosity in life and her legacy to the Kaniva community she loved so much.

NHILL HOSPITAL KITCHEN REDEVELOPMENT – EXTRA FUNDING

We were successful in our request for additional support from the Victorian Health and Human Services Building Authority to the amount of $576,490 towards our Nhill Hospital Kitchen Redevelopment. This project had exceeded the original budget in the final design process with a Kitchen Design Consultant and after six months of considering alternative designs, construction options and staging options it was decided that the current design is the only appropriate response to the significant risks that present in the current Kitchen.

RUPANYUP NURSING HOME REFURBISHMENT

We are set to undertake a multimillion dollar refurbishment of the Rupanyup Nursing Home. We were thrilled to receive the news from the Victorian Health and Human Services Building Authority that our application to undertake redevelopment works at Rupanyup was successful to the tune of $2.592 million.

The successful funding grant is for stage one of the redevelopment project, which will incorporate a new extension to the nursing home with 14 new single resident rooms with private ensuites. These refurbishments will result in residents having larger private rooms and additional, modernised and comfortable living areas that will allow residents to socialise and undertake activities on offer.

This outcome is a deserved reward for our Rupanyup community, staff and residents who have 'put up' with an ageing facility for many years. We are looking forward to getting the project off the ground as soon as possible. The funding received was the largest single allocation made to 50 recipients and out of a total pool of approximately $27 million. We are very grateful to the State government for their support. This is an outstanding achievement for our community.

INVEST IN POPULATION HEALTH

HEALTH PROMOTION TEAM REACHES OUT ACROSS THE REGION

Our Health Promotion Team has continued to connect and make an impact throughout our communities by adapting their programs and engagement methods during a challenging year.

The team's primary focus has been to address the social determinants of health through empowering our communities.

Covid-19 presented both challenges and opportunities. Of particular note was a major community survey, which saw some 500 respondents from across the Wimmera and Southern Mallee.

Our Health Promotion team facilitated an informal community of practice model to help create and deliver the survey, learning about people's communication and connection in times of isolation. The outcomes of the survey helped to shape our response to Covid-19.

The team's deeper connections with each of our communities allowed their work to continue with remarkably little disruption during 2020/21. Their responsive and robust approach allowed them to focus on foundational activities and targeted projects in a flexible way.

The Health Promotion team's foundational activities are those projects that embed and support their work by creating frameworks, reference points, data collection opportunities and, most importantly, relationships and community champions.

These core campaigns included:

- the Community Health and Wellbeing Grants program, enabling local communities to be empowered to lead the delivery of projects from their own ideas, with both funds and ongoing support from our team;
- CAFÉ Health, which engages people in their own towns to discuss health and wellbeing needs outside of the health service walls;
- the '5 Things' community survey to create an annual `temperature check' on each community that identifies strengths to build on, and issues to address at the local level; and
- the 'Lead From Within' project that is developing a regional resource to raise awareness of the social determinants of health.

The team targeted projects to address the regional priorities of physical activity, healthy eating, and social connection.

These included more than 20 projects, with 10 arising directly from the community grants scheme.

Arguably the most innovative project delivered this year has been the Farmer Wants a Healthy Life podcast series. Data showed that farmers and farming families are over represented in several areas of burden of disease studies.

To address this, our Health Promotion team partnered with the National Centre for Farmer Health to form an advisory group of local people involved in primary production and service delivery. The group identified podcasts as an appropriate medium to influence behaviour amongst the farming community.

A local podcast producer was engaged to interview local farmers and experts on a range of topics, focusing on stories supporting taking care of yourself, whilst on the farm. The podcast series was launched in June 2021 and has already had a significant impact. A second series is now in production.

FARMER HEALTH

Supporting our agricultural sector, WWHS has partnered with the National Centre for Farmer Health to conduct health and lifestyle assessments.

The 20-minute health assessments include a lifestyle survey covering health behaviours, farm practices and social and emotional wellbeing. The assessment includes cholesterol, blood glucose and blood pressure readings along with diabetes risk, BMI, % body fat and eyesight testing.

Staff conducting these assessments have completed additional training with the National Centre for Farmer Health to understand the unique health challenges that face farmers.

The program is well received by a group of the population, predominately men, that have often prioritised the health of their livestock and crops over taking the time to check in on their own health. The program meets farmers in an environment outside the hospital and refers them on for further testing when required.

HARNESS TECHNOLOGY AND INNOVATION

STRENGTHEN OUR WORKFORCE CAPACITY

SPECIALIST TELEHEALTH WITH ROYAL FLYING DOCTOR SERVICE

The impacts of COVID-19 highlighted the importance of local access to specialist services through technology solutions.
The Service's expansion of the Royal Flying Doctor Service (RFDS) telehealth services that we offer, has allowed people to have online appointments with a specialist from their local community.

The expanded telehealth partnership now allows people in our communities to have free digital appointments with a:

- Paediatrician
- Cardiologist
- Endocrinologist
- Respiratory Physician
- Psychiatrist
- Geriatrician
- Pain Specialist
- Addiction Specialist

Appointments require a GP referral and can take place at any West Wimmera Health Service campus, where our trained team members can help to book the appointment and set up the technology in a private room. Alternatively, the appointment can be carried in the comfort of the patient's own home.

The opportunity to obtain specialists services locally without travel supports access barriers for many rural people and the option to have a WWHS staff member present supports an integrated health model, that can support our patients between specialist appointments.

SUNITAFE EMPLOYER OF THE YEAR

West Wimmera Health Service was pleased to be awarded SuniTAFE Employer of the Year for the Horsham Campus. This award recognises an enterprise which has achieved excellence in the provision of 'nationally recognised training' to its employees.

The Service believes in the importance of continuous professional development and education for all staff members. West Wimmera Health Service was proud to have 11 employees complete their Advanced Diploma of Leadership and Management in 2020.

The Service would also like to recognise Leanne Yew, Social Worker, on being a finalist for the Student of the Year Award (Diploma/Advanced Diploma). This award is presented to students for their outstanding achievements in the course of study. Well done Leanne on this tremendous achievement.

MEDAL OF THE ORDER OF AUSTRALIA (OAM)

We were proud to congratulate our Maternal and Child Health Nurse, Mandy Stephan for being the Wimmera's only Medal of the Order of Australia (OAM) recipient on Australia Day 2021. Being Nhill's dedicated maternal and child health nurse for the past 34 years, Mandy was awarded the medal in the General Division for recognition of her services to nursing and maternal and child health. This is an exceptional achievement and demonstrates her passion for her role and her care for our community.

Mandy hopes that this honour might boost her campaign to preserve and improve access to maternity services in rural areas. She believes that if communities support local services and service providers advocate for their community, services will remain strong and thrive.

BUILD PARTNERSHIPS FOR HEALTHIER COMMUNITIES

WORKING TOWARDS CULTURAL SAFETY

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

As a Service, we ensure that we provide high quality healthcare to all people in our communities. This includes providing culturally appropriate care to the Aboriginal community and maximising opportunities to improve indigenous health.

We have entered into a Memorandum of Understanding with Goolum Goolum Aboriginal Co-Operative to help us in our aim to provide services that are culturally, safe and meet the needs of our Aboriginal and Torres Strait Islander community members.

This Memorandum of Understanding will assist in improving our ability to serve our culturally diverse communities, in particular those of the traditional owners of the land on which we operate: the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk Peoples.

We recognise the importance of ensuring all members of the community feel welcome. We are actively working to identify and address barriers to using our services for Aboriginal and Torres Strait Islander people.

WORKFORCE INFORMATION

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE		AVERAGE MONTHLY FTE	
	2020	2021	2020	2021
Nursing	163.1	161.4	163.7	163.8
Administration and Clerical	63.9	70.6	63.7	67.2
Medical Support	1.8	2.5	2.1	2.2
Hotel and Allied Services	132.6	122.4	139.3	125.8
Medical Officers	0.4	0.4	0.4	0.4
Hospital Medical Officers	0.0	0.0	0.0	0.0
Sessional Clinicians	0.0	0.0	0.0	0.0
Ancillary Staff (Allied Health)	27.3	30.0	28.3	27.5

TABLE 1: WORKFORCE DATA

Note: FTE = Full Time Equivalent

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

OCCUPATIONAL HEALTH AND SAFETY

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

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2020-21	2019-20	2018-19
The number of reported hazards/incidents for the year per 100 FTE	76.48	59.38	51.53
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	2.58	2.57	1.79
The average cost per WorkCover claim for the year ('000)	$69,922	$136,742	$50,044

TABLE 2: OCCUPATIONAL HEALTH AND SAFETY DATA

The higher rate of OHS incidents per 100 EFT is partly attributed to a 50% increase in reported incidents (35 in 2019-20, compared to 71 in 2020-21) of Occupational Violence and Aggression against staff.

The average cost per claim has increased from the previous year. This can be attributed to an increase in claims, the injury type of accepted claims and nature of requirements of the claim combined with outstanding claims from the prior year.

OCCUPATIONAL VIOLENCE

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

Over the 12-month period an average of six occupational violence incidents occurred each month, with the events predominantly being caused by Residents with Dementia in Residential Aged Care Facilities occurring in residential aged care facilities.

West Wimmera Health Service had one WorkCover claim where the injury was caused by occupational violence.

The following table provides an overview of the Service's Occupational Violence outcomes for the 2020-21 financial year.

OCCUPATIONAL VIOLENCE STATISTICS	2020-21
Workcover accepted claims with an occupational violence cause per 100 FTE	0.26
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	15.52
Number of occupational violence incidents reported	71
Number of occupational violence incidents reported per 100 FTE	18.34
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	11.27%

TABLE 3: OCCUPATIONAL VIOLENCE STATISTICS

DEFINITIONS OF OCCUPATIONAL VIOLENCE

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

Lost time – is defined as greater than one day.

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

Accepted Workcover claims – accepted Workcover claims that were lodged in 2020-21.

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

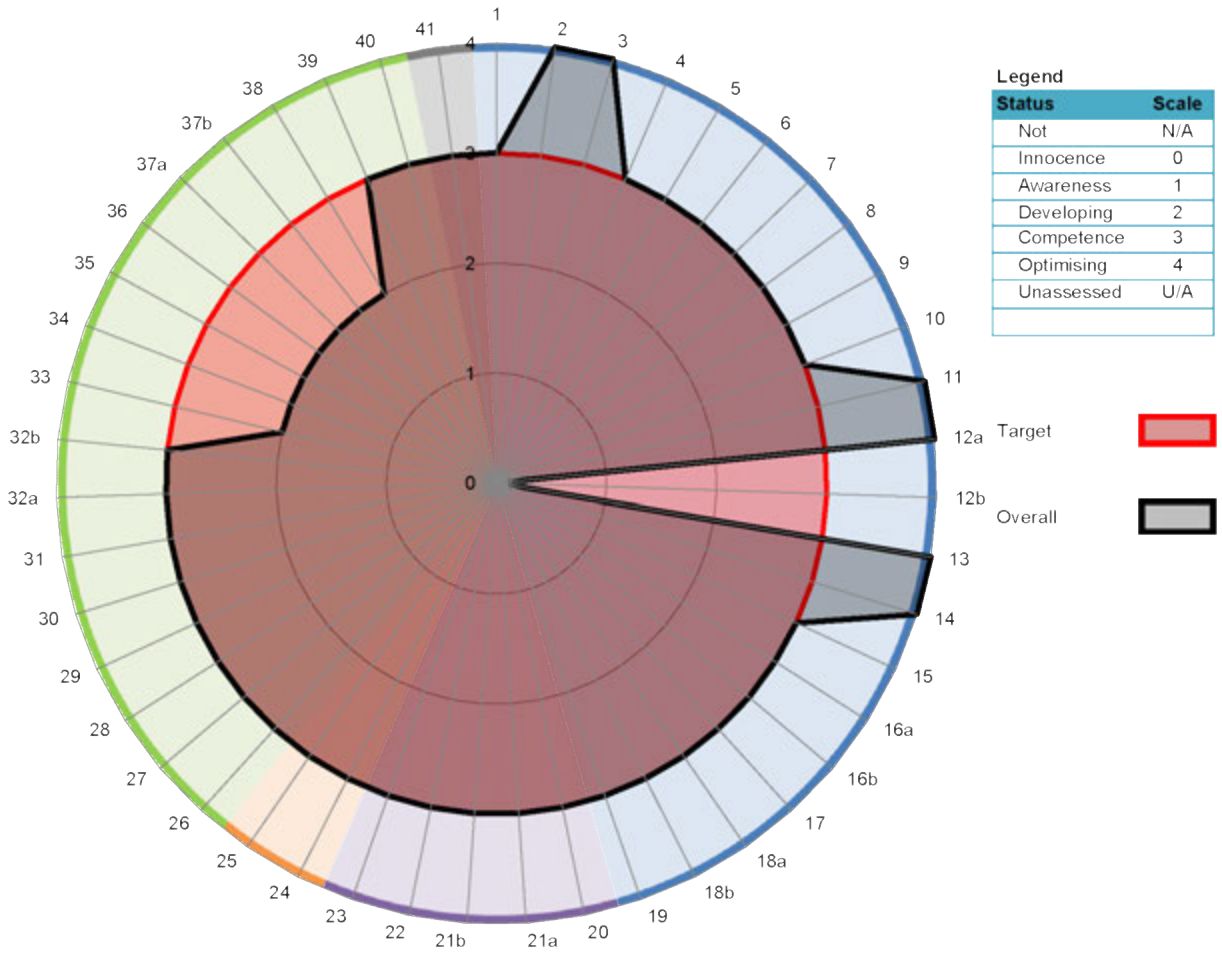
ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK (AMAF) MATURITY ASSESSMENT

The following sections summarise West Wimmera Health Service's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF).

The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.These requirements can be found on the Department of Treasure and Finance (DTF) website (https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework).

The Service's target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

RESULTS:



LEADERSHIP AND ACCOUNTABILITY (REQUIREMENTS 1-19)

West Wimmera Health Service has met its target maturity level for all requirements within this category.

West Wimmera Health Service does comply with the requirements in the areas of allocating asset management responsibility and other requirements. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the West Wimmera Health Service's maturity rating in the areas monitoring and asset management performance for continual efficiency opportunities.

PLANNING (REQUIREMENTS 20-23)

West Wimmera Health Service has met or exceeded its target maturity level in this category.

ACQUISITION (REQUIREMENTS 24 AND 25)

West Wimmera Health Service has met its target maturity level in this category.

OPERATION (REQUIREMENTS 26-40)

West Wimmera Health Service has met its target maturity level within this category. The Service did comply with requirements in the areas of monitoring and preventative action and information management.

West Wimmera Health Service is developing a plan for improvement to review processes to proactively identify potential asset performance failures and identify options for preventive action for continued compliance and development in this area.

DISPOSAL (REQUIREMENT 41)

West Wimmera Health Service has met its target maturity level in this category.

FINANCIAL RESULTS

West Wimmera Health Service achieved a net surplus operating result for 2020/2021 of $76,525, compared to the Statement of Priority target of $39,027.

Sustainability and COVID-19 funding was gratefully received from the Department of Health to support our residents, clients, patients and large team who deliver, support and work in the nine facilities across the region. Recruitment has been successful in attracting and retaining high calibre people into roles ranging from essential general services staff, clinical, allied health, management and executive roles.

Our economic contribution by way of salary and wage payments was greater than $37.5m for the year and is spread across four local government areas. Compared to the prior year, our total staffing hours decreased by 2.6% while salary costs increased in line with scheduled enterprise agreement increases.

The State of Emergency, pandemic and lockdown periods affected our services and facilities by implementing restricted non-essential visitors, reduced visitor hours, deferred elective surgery, assistance in COVID-19 cross border community testing and the implementation of work from home arrangements for non-clinical employees where appropriate.

Between the State lockdown periods, reintroduction of level 2 and 3 surgical services from the Nhill Hospital operating theatre commenced which included vital services such as ophthalmology, orthopaedics, dental and general surgery. Our communities have been generally supportive of service interruptions and in embracing new service delivery methods such as telehealth and various technology platforms for group activities.

In terms of the Service's operating cash flow compared to the prior year, there has been an improvement at year-end not including monies in trust. This improvement is a combination of capital project grants, improved aged care occupancy levels and various COVID-19 related grants received during the year.

Capital project delivery was interrupted by the pandemic and supplier impacts however we're looking forward spending some $2.5m to finalise various projects including upgrades to our security, nurse call and fire detections systems and implementation of solar power systems across the organisation. Commencing the three larger infrastructure programs such as the Nhill hospital and kitchen redevelopment phases 1 and 2, the Rupanyup Nursing home redevelopment and the Nhill Hospital theatre equipment replacement project will contribute over $10.2m to our region and improve our services and facility operations.

Residential age care occupancy has continued to improve despite relatively high discharge rates experienced during the summer period. Increasing respite hours provided access to a larger number of residents requiring assistance and improved the admissions to result in a year end vacancy level of one less than at the start of the year. This year a number of our Aged Care facilities prepared for and completed the Aged Care accreditation program as well as undergoing reviews from external consultants of care documentation processes and optimal ACFI claiming, helping to ensure our residents receive safe and effective care on an ongoing basis.

West Wimmera Health Service would like to acknowledge the local groups and community members that contributed to our fundraising projects and donations that supported our procurement of much needed medical equipment. West Wimmera Health Service is unaware of any events subsequent to balance date that may have a significant effect on the operations of the service in future years.

Janette Lakin
Chief Financial Officer

FINANCIAL OVERVIEW 2020-2021

TABLE 4: INCOME STATEMENT - FINANCIAL YEAR ENDING 30 JUNE 2021

	2021 $000	2020 $000	2019 $000	2018 $000	2017 $000
OPERATING RESULT*	77	68	24	128	4
Total revenue	47,631	45,984	45,448	43,941	44,788
Total expenses	(52,131)	(50,977)	(47,192)	(47,400)	(46,092)
Net result from transactions	**(4,500)**	**(4,993)**	**(1,744)**	**(3,459)**	**(1,304)**
Total other economic flows	552	(186)	(654)	(1)	223
Net result	**(3,948)**	**(5,179)**	**(2,398)**	**(3,460)**	**(1,081)**
Total assets	89,913	92,910	95,253	80,142	83,827
Total liabilities	(25,843)	(25,166)	(22,330)	(21,958)	(22,243)
Net assets/Total equity	**64,070**	**67,745**	**72,923**	**58,184**	**61,584**

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

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

	2020-21 $000
Net operating result *	**77**
Capital purpose income	2,175
Specific income	
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	249
State supply items consumed up to 30 June 2021	(249)
Assets provided free of charge	
Assets received free of charge	
Expenditure for capital purpose	(808)
Depreciation and amortisation	(5,887)
Impairment of non-financial assets	
Finance costs (other)	(56)
Net result from transactions	**(4,500)**

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

The Service's total Information and Communication Technology (ICT) expenditure incurred during 2020-21 is $1,653,224 (excluding GST) with the details shown below:

TABLE 6: ICT EXPENDITURE

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON-BUSINESS AS USUAL (NON-BAU) ICT EXPENDITURE		
Total (excluding GST)	**Total=Operational expenditure and Capital Expenditure (excluding GST)**	**Operational expenditure (excluding GST)**	**Capital expenditure (excluding GST)**
$1.505m	$0.148m	$0.00m	$0.148m

CONSULTANCIES

DETAILS OF CONSULTANCIES (UNDER $10,000)

In 2020-21, there were two consultants with expenditure less than $10,000. Total expenditure incurred during this year in relation to these consultants is $5,577 (GST exclusive). The services were relating to review of Services' claiming under the Aged Care Funding Instrument (ACFI) and TAC Team Development Review.

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

In 2020-21 there was no consultancy engaged for services over $10,000.

ENVIRONMENTAL PERFORMANCE AND SUSTAINABILITY

West Wimmera Health Service aims to efficiently use the scarce energy resources available to it whilst meeting the needs of the community it serves. The installation of solar panels across our four main hospital campuses was delayed due to Covid-19.

The Jeparit and Rainbow Hospitals systems were commissioned at the end of the financial year with Kaniva and Nhill expected to be installed early in the coming year.

The establishment of an Environmental and Sustainability working group will further assist us in considering energy innovations and continue the rollout of our recycling programs.

PUBLIC ENVIRONMENT REPORT
WEST WIMMERA HEALTH SERVICE 2020/2021

TOTAL GREENHOUSE GAS EMISSIONS (TONNES CO2E)	2018/19	2019/20	2020/21
Scope 1	229	210	256
Scope 2	2,847	2,881	2,882
Total	**3,076**	**3,091**	**3,138**

NORMALISED GREENHOUSE GAS EMISSIONS	2018/19	2019/20	2020/21
Emissions per unit of floor space (kgCO2e/m2)	128.63	129.28	131.24
Emissions per unit of Separations (kgCO2e/Separations)	2,054.57	2,000.75	2,355.96
Emissions per unit of bed-day (LOS+Aged Care OBD) (kgCO2e/OBD)	55.18	59.70	60.73

TOTAL STATIONARY ENERGY PURCHASED BY ENERGY TYPE (GJ)	2018/19	2019/20	2020/21
Electricity	9,577	10,167	10,587
Liquefied Petroleum Gas	3,780	3,473	4,225
Total	**13,358**	**13,640**	**14,812**

NORMALISED STATIONARY ENERGY CONSUMPTION	2018/19	2019/20	2020/21
Energy per unit of floor space (GJ/m2)	0.56	0.57	0.62
Energy per unit of Separations (GJ/Separations)	8.92	8.83	11.12
Energy per unit of bed-day (LOS+Aged Care OBD) (GJ/OBD)	0.24	0.26	0.29

TOTAL WATER CONSUMPTION BY TYPE (KL)	2018/19	2019/20	2020/21
Class A Recycled Water	N/A	N/A	N/A
Potable Water	29,200	28,451	29,439
Reclaimed Water	N/A	N/A	N/A
Total	**29,200**	**28,451**	**29,439**

NORMALISED WATER CONSUMPTION (POTABLE + CLASS A)	2018/19	2019/20	2020/21
Water per unit of floor space (kL/m2)	1.22	1.19	1.23
Water per unit of Separations (kL/Separations)	19.51	18.42	22.10
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	0.52	0.55	0.57

WASTE	2018/19	2019/20	2020/21
Total waste generated (kg clinical waste+kg general waste+kg recycling waste)	3,635	2,586	3,243
Total waste to landfill generated (kg clinical waste+kg general waste)	2,584	2,586	3,243
Total waste to landfill per patient treated ((kg clinical waste+kg general waste)/PPT)	0.05	0.05	0.06
Recycling rate % (kg recycling / (kg general waste+kg recycling))	100.00	N/A	N/A

NORMALISERS (FOR INFORMATION ONLY)	2018/19	2019/20	2020/21
Area M2	23,911	23,911	23,911
1000km (Corporate)	N/A	N/A	N/A
1000km (Non-emergency)	N/A	N/A	N/A
Aged Care OBD	47,580	45,703	45,300
ED Departures	0	0	0
FTE	401	383	395
LOS	8,163	6,073	6,373
OBD	55,743	51,776	51,673
PPT	57,240	53,321	53,005
Separations	1,497	1,545	1,332

COMPLIANCE WITH LEGISLATION

FREEDOM OF INFORMATION ACT 1982

The West Wimmera Health Service Freedom of Information Officer received 62 requests for information under the Freedom of Information Act (1982) during the 2020-21 financial year, an increase of 43 from the previous financial year.

62 requests were received:

- 49 cases were personal requests
- 13 cases were non-personal requests

Of the requests received:

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

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

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

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

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

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

The following fees apply:

- Application Fee - $30.60 (non-refundable unless the fee is waived);
- Search Fee - $22.21 per hour or part thereof;
- Photocopying - 20 cents per black and white A4 page.

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

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

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

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

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

BUILDING ACT 1993

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

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

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

Building Permits are obtained for all construction projects where required and Certificates of Occupancy are issued and displayed accordingly.

All builders and contractors involved in building construction are registered practitioners.

In 2020-21 there are no projects that were completed with a certificate of occupancy issued.

PUBLIC INTEREST DISCLOSURE ACT 2012

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

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

During 2020-21 the Service was not advised of any Public Interest Disclosures under the Act.

NATIONAL COMPETITION POLICY

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

LOCAL JOBS ACT 2003

There were no projects commenced or entered into during the year which required disclosure in accordance with the Local Jobs Act 2003 or the Victorian Industry Participation Policy (VIPP).

CARERS RECOGNITION ACT 2012

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

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

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

SAFE PATIENT CARE ACT 2015

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

GENDER EQUALITY ACT 2020

WWHS have commenced meeting their obligations towards the Gender Equality Act 2020. Data as of 30 June has begun being pulled so as the organisation can use the gap analysis along with People Matter Survey 2021 and other methods to create a Gender Equality Action Plan.

A working group is in the planning stages to assist in forming the Gender Equality Action Plan. This group will also play a pivotal role in ensuring WWHS conduct a meaningful consultation process with the key stakeholders.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

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

- Declarations of pecuniary interests have been duly completed by all relevant officers;
- Details of shares held by senior officers as nominee or held beneficially;
- Details of publications produced by the entity about itself, including annual Aboriginal cultural safety reports and plans, and how these can be obtained;
- Details of changes in prices, fees, charges, rates and levies charged by the Health Service;
- Details of any major external reviews carried out on the Health Service;
- 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;
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services;
- Details of assessments and measures undertaken to improve the occupational health and safety of employees;
- A general statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations;
- A list of major committees sponsored by the Health Service, including any Aboriginal advisory or governance committees, the purposes of each committee and the extent to which those purposes have been achieved;
- Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

KEY 2020-2021 HEALTH SERVICE PERFORMANCE PRIORITIES

HIGH QUALITY AND SAFE CARE

KEY PERFORMANCE MEASURE	TARGET	OUTCOME
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	83%	89%
Percentage of healthcare workers immunised for influenza	90%	100%
Patient experience		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95%	No Surveys conducted in 2020-2021
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75%	No Surveys conducted in 2020-2021

EFFECTIVE FINANCIAL MANAGEMENT

KEY PERFORMANCE MEASURE	TARGET	OUTCOME
Operating result ($m)	$0.04	$0.07
Average number of days to pay trade creditors	60 days	29
Average number of days to receive patient fee debtors	60 days	20
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.85
Actual number of days available cash, measured on the last day of each month.	14 days	7.4
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ $250,000	$1,380,000

The Victorian Health Services Performance monitoring framework outlines the Government's approach to overseeing the performance of Victorian health services.
Changes to the key performance measures in 2020–21 strengthen the focus on high quality and safe care, organisational culture, patient experience and access and timeliness in line with Ministerial and departmental priorities.
Further information is available at www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability

REPORTING AGAINST THE STATEMENT OF PRIORITIES

In 2020-2021 West Wimmera Health Service assisted with the following state-wide priorities to develop and implement important system reforms, including modernising our health system through redesigned governance; driving system reforms that deliver better population health, high quality care and improved patient outcomes and experiences; and reforming clinical services to ensure we are delivering our community the best value care.

STRATEGIC PRIORITIES

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

OUTCOMES:

West Wimmera Health Service has worked tirelessly over the year in conjunction with the Department of Health and Grampians region partnership to ensure our readiness for a potential COVID-19 outbreak in our community.

In conjunction with Ballarat Health Services, we have established an in-house contact tracing team as a provisional measure in case of a staff member or patient, resident or client testing positive to COVID-19. The contact tracing team is provisional in the sense that it will only be utilised if we are unable to obtain immediate tracing assistance through the Department of Health in which case our team would commence contact tracing until external assistance is provided.

The Service has been a strong advocate of the COVID-19 vaccine in local media, our community newsletter and through social media. Our active campaign has ensured that when the vaccine has been provided locally the community is informed and the uptake high. The internal vaccination roll out to our aged care residents and frontline staff continues with the vast majority of both cohorts having now received their second injection.

Engage with the community to address the needs of patients, especially vulnerable Victorians whose care has been delayed due to the pandemic and provide the necessary "catch-up" care to support them to get back on track.

OUTCOMES:

Our connection with our rural communities has enabled the Service to remain in contact with our vulnerable members of the population during the COVID-19 pandemic. It has been particularly challenging with restrictions on, for those members who are socially isolated and our community nursing and social support teams have ensured they remained in contact with people to provide them the care required, commonly via telehealth.

The Service has strengthened our community connections through our Community Advisory Committees which continued during lockdown and meeting restrictions via online platforms.

During the year we have also focused on acknowledging and educating about health needs for people who self-identify as a member of a diverse group. Celebration of International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) day was a highlight, with the Service proudly partnering with Wimmera Pride Project to demonstrate our support for the LGBTQIA+ community.

As providers of care, respond to the recommendations of the Royal Commission into Victoria's Mental Health system and the Royal Commission into Aged Care Quality and Safety.

OUTCOMES:

The Royal Commission into Aged Care Quality and Safety was released by the Commonwealth Government on 1 March 2021. The Commonwealth Government announced a budget package of support on 11 May 2021 and at the same time released their full response to the Royal Commission. As providers of Aged Care services, the Service commits to working collaboratively with the Victorian and Commonwealth Governments to respond to the broad range of recommendations to improve outcomes for older Victorians. As a priority, the Service will identify and prepare for and comply with changes that come into effect from 1 July 2021.

The Royal Commission into Victoria's Mental Health System delivered its final report on 3 February 2021. The Service will continue to review our service provision and policies and procedures in light of the Royal Commission's recommendations. We will participate in the Grampians Region partnership's response as and where it relates to our services given our role of referring into the mental health system.

Develop and foster local health partner relationships to continue delivering collaborative approaches to planning, procurement and service delivery at scale. Including prioritising innovative ways to deliver health care through shared expertise and workforce models, virtual care, co-commissioning services and surgical outpatient reform

OUTCOMES:

West Wimmera Health Service continues to be an active local health partner. Working collaboratively with our Wimmera and Southern Mallee based health service partners there has been a number of joint initiatives that have enabled the sharing of expertise to deliver outcomes. The Service was proud to provide financial services for Edenhope & District Memorial Hospital for the financial year. Also, the successful Grampians Better at Home grant project has commenced and we look forward to working with our partners to deliver a care model using virtual care, innovative workforce models, proactive and accessible practices.

ACTIVITY AND FUNDING

The performance and financial framework within which state government-funded organisations operate is described in 'Volume 2: Health operations 2020–21 of the Department of Health and Human Services Policy and funding guidelines 2020.

The Policy and funding guidelines are available at https://www2.health.vic.gov.au/about/policy-and-funding-guidelines

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

FUNDING TYPE	2020-2021 ACTIVITY ACHIEVEMENT	UNIT
MENTAL HEALTH AND DRUG SERVICES		
Mental Health Residential	2,154	Bed Days
SMALL RURAL		
Small Rural Acute (TAC and DVA)	43.36	WEIS Equivalents
Small Rural Primary Health & HACC		
• Initial Needs Identification	561	Service Hours
• Nursing	5,451	Service Hours
• Counselling/Casework	1,037	Service Hours
• Dietetics	914	Service Hours
• Occupational Therapy	1,225	Service Hours
• Physiotherapy	2,157	Service Hours
• Podiatry	1,911	Service Hours
• Speech Therapy	647	Service Hours
Small Rural Residential Care	42,621	Bed Days
Small Rural HACC		
• Initial Needs Identification	8	Service Hours
• Nursing	625	Service Hours
• Counselling/Casework	311	Service Hours
• Dietetics	24	Service Hours
• Occupational Therapy	121	Service Hours
• Physiotherapy	222	Service Hours
• Podiatry	46	Service Hours
• Speech Therapy	88	Service Hours

ATTESTATIONS

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION – STANDING DIRECTIONS 5.1.4

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

Anne Rogers
Responsible Officer
West Wimmera Health Service
19 October 2021

CONFLICT OF INTEREST

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

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

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
19 October 2021

DATA INTEGRITY

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

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
19 October 2021

INTEGRITY, FRAUD AND CORRUPTION

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

Ritchie Dodds
Chief Executive Officer
West Wimmera Health Service
19 October 2021

DISCLOSURE INDEX

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

LEGISLATION	REQUIREMENT	PAGE REF.
MINISTERIAL DIRECTIONS		
Report of Operations		
FRD 22I	Manner of establishment and the relevant Ministers	00
FRD 22I	Purpose, functions, powers and duties	01
FRD 22I	Nature and range of services provided	07
FRD 22I	Activities, programs and achievements for the reporting period	13-21
FRD 22I	Significant changes in key initiatives and expectations for the future	13-21
Management and structure		
FRD 22I	Organisational structure	11
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FRD 22I	Occupational Health and Safety	23
Financial information		
FRD 22I	Summary of the financial results for the year	28
FRD 22I	Significant changes in financial position during the year	27
FRD 22I	Operational and budgetary objectives and performance against objectives	27
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FRD 22I	Details of consultancies over $10,000	29
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Legislation		
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LEGISLATION	REQUIREMENT	PAGE REF.
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Other relevant reporting directives		
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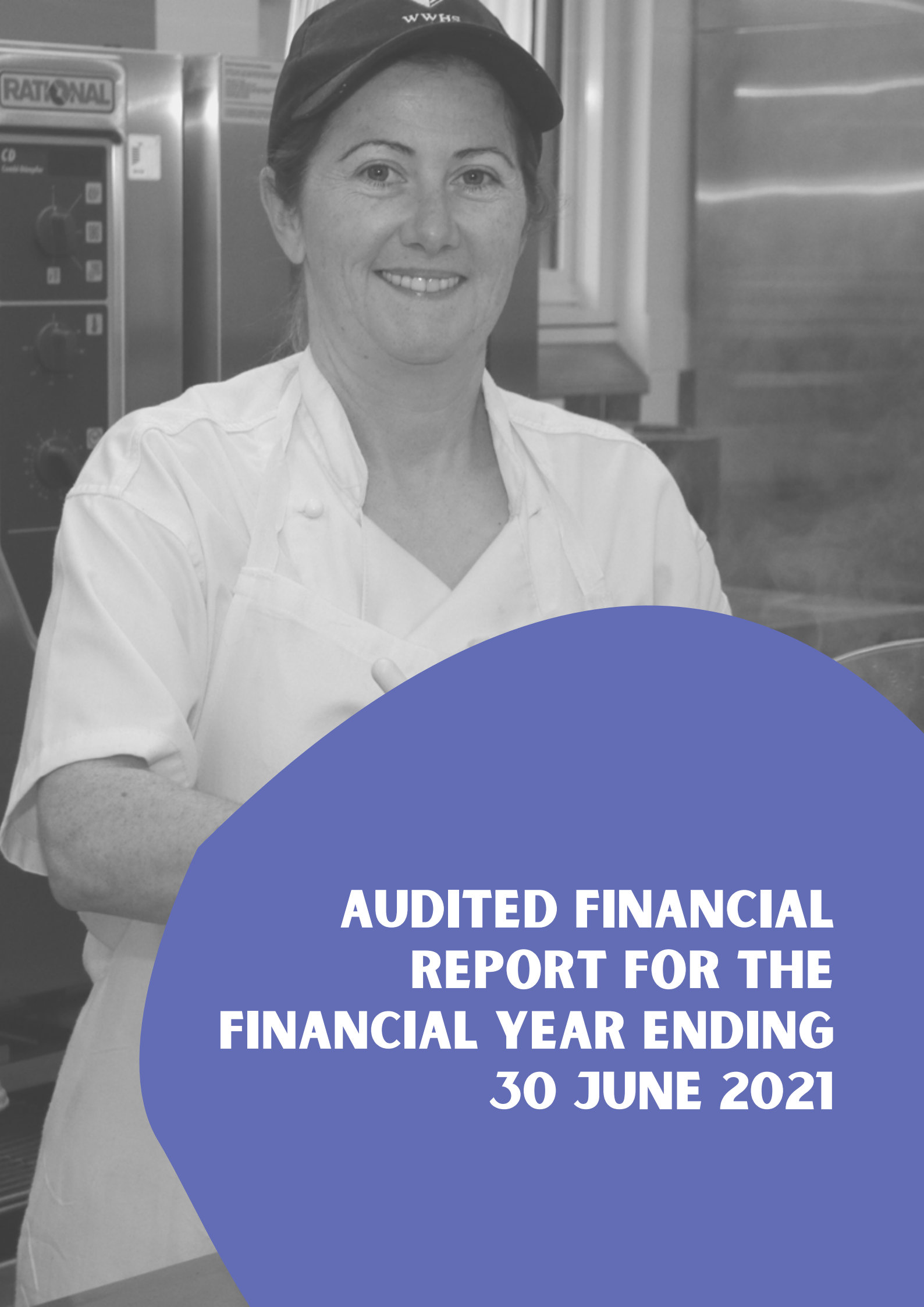

AUDITED FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

West Wimmera Health Service

Financial Report

How this report is structured

West Wimmera Health Service presents its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about West Wimmera Health Service's stewardship of the resources entrusted to it.

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Financial Statements

Financial Year ended 30 June 2021

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and the financial position of *West Wimmera Health Service* at 30 June 2021.

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

We authorise the attached financial statements for issue on 29 September 2021.

Board President	*Accountable Officer*	*Chief Finance & Accounting Officer*
		
Anne Rogers	Ritchie Dodds	Janette Lakin
Chair	Chief Executive Officer	Chief Finance and Accounting Officer
West Wimmera Health Service	*West Wimmera Health Service*	*West Wimmera Health Service*
29 September 2021	29 September 2021	29 September 2021

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of West Wimmera Health Service

Opinion	I have audited the financial report of West Wimmera Health Service (the health service) which comprises the: • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board director's, accountable officer's and chief finance & accounting officer's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
18 October 2021

Dominika Ryan
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

West Wimmera Health Service
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2021

	Note	2021 $'000	2020 $'000
Revenue and income from transactions			
Operating activities	2.1	47,580	45,859
Non-operating activities	2.1	51	120
Total revenue and income from transactions		**47,631**	**45,979**
Expenses from transactions			
Employee expenses	3.1	(37,521)	(36,601)
Supplies and consumables	3.1	(5,941)	(5,604)
Finance costs	3.1	(56)	(69)
Other administrative expenses	3.1	(414)	(510)
Depreciation	3.1	(5,887)	(5,942)
Other operating expenses	3.1	(2,305)	(2,246)
Other non-operating expenses	3.1	(7)	(32)
Total expenses from transactions		**(52,131)**	**(51,004)**
Net result from transactions - net operating balance		**(4,500)**	**(5,025)**
Other economic flows included in net result			
Net gain/(loss) on disposal of property plant and equipment	3.4	107	91
Net gain/(loss) on financial instruments	3.4	-	8
Share of other economic flows from joint arrangements	3.4	(54)	(46)
Other gains/(losses) from other economic flows	3.4	499	(207)
Total other economic flows included in net result		**552**	**(154)**
Net result for the year		**(3,948)**	**(5,179)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant & equipment revaluation surplus	4.1(b)	274	-
Total other comprehensive income		**274**	**-**
Comprehensive result for the year		**(3,674)**	**(5,179)**

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

Balance Sheet

West Wimmera Health Service
Balance Sheet
As at 30 June 2021

	Note	2021 $'000	2020 $'000
Current assets			
Cash and cash equivalents	6.2	14,470	13,047
Receivables and contract assets	5.1	1,386	1,806
Inventories	4.3	81	212
Prepayments		434	366
Total current assets		**16,371**	**15,431**
Non-current assets			
Receivables and contract assets	5.1	2,583	2,714
Property, plant and equipment	4.1	70,959	74,765
Total non-current assets		**73,542**	**77,479**
Total assets		**89,913**	**92,910**
Current liabilities			
Payables and contract liabilities	5.2	3,821	1,764
Borrowings	6.1	649	2,004
Provisions	3.2	8,231	8,584
Other liabilities	5.3	11,025	10,567
Total current liabilities		**23,726**	**22,919**
Non-current liabilities			
Borrowings	6.1	782	846
Provisions	3.2	1,335	1,401
Total non-current liabilities		**2,117**	**2,247**
Total liabilities		**25,843**	**25,166**
Net assets		**64,070**	**67,744**
Equity			
Property, plant and equipment revaluation surplus	4.1(f)	53,362	53,088
Contributed capital	SCE	27,808	27,808
Accumulated deficits	SCE	(17,100)	(13,152)
Total equity		**64,070**	**67,744**

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

Statement of Changes in Equity

West Wimmera Health Service
Statement of Changes in Equity
For the Financial Year Ended 30 June 2021

	Property, Plant & Equipment Revaluation Surplus	Contributed Capital	Accumulated Deficits	Total
	$'000	$'000	$'000	$'000
Balance at 1 July 2019	**53,088**	**27,808**	**(7,973)**	**72,923**
Other comprehensive income for the year	-	-	-	-
Net result for the year	-	-	(5,179)	(5,179)
Balance at 30 June 2020	**53,088**	**27,808**	**(13,152)**	**67,744**
Other comprehensive income for the year	274	-	-	274
Net result for the year	-	-	(3,948)	(3,948)
Balance at 30 June 2021	**53,362**	**27,808**	**(17,100)**	**64,070**

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

Cash Flow Statement

West Wimmera Health Service
Cash Flow Statement
For the Financial Year Ended 30 June 2021

	Note	2021 $'000	2020 $'000
Cash Flows from operating activities			
Operating grants from government - State		25,304	23,649
Operating grants from government - Commonwealth		2,841	2,709
Capital grants from government - State		1,133	471
Capital grants from government - Commonwealth		39	-
Patient and resident fees received		16,148	14,845
Donations and bequests received		249	98
Net GST received from ATO		604	934
Interest received		51	120
Other receipts		2,400	2,261
Total receipts		**48,769**	**45,087**
Employee expenses paid		(37,487)	(37,966)
Payments for supplies & consumables		(6,344)	(8,758)
Finance costs		(56)	(69)
Other payments		(1,151)	(160)
Total payments		**(45,038)**	**(46,953)**
Net cash flows from/(used in) operating activities	8.1	**3,731**	**(1,866)**
Cash Flows from investing activities			
Purchase of non-financial assets		(1,400)	(2,053)
Proceeds from disposal of non-financial assets		216	268
Net cash flows used in investing activities		**(1,184)**	**(1,785)**
Cash flows from financing activities			
Proceeds from borrowings		-	2,106
Repayment of borrowings		-	(150)
Repayment of advances		(1,583)	-
Receipt of accommodation deposits		4,589	5,330
Repayment of accommodation deposits		(4,130)	(3,291)
Net cash flows from/(used in) financing activities		**(1,124)**	**3,995**
Net increase in cash and cash equivalents held		**1,423**	**344**
Cash and cash equivalents at beginning of financial year		**13,047**	**12,703**
Cash and cash equivalents at end of year	6.1	**14,470**	**13,047**

This Statement should be read in conjunction with the accompanying notes

Notes to the Financial Statements

Note 1: Basis of preparation

Structure

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

Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for West Wimmera Health Service ('the Service') for the year ended 30 June 2021. The report provides users with information about West Wimmera Health Service's stewardship of the resources entrusted to it.

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

Note 1.1: Basis of preparation of the financial statements

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

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

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

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

The Service operates on a fund accounting basis and maintains two funds: Operating and Capital Funds. The West Wimmera Health Service's Capital Funds include:

Small Rural Health Services – Capital Projects Service Planning - Infrastructure Renewal Contribution

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

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

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of West Wimmera Health Service on 29 September 2021.

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. Since this date, to contain the spread of COVID-19 and prioritise the health and safety of our community, West Wimmera Health Service was required to comply with various directions announced by the Commonwealth and State Governments, which in turn, has continued to impact the way in which the Service operates.

West Wimmera Heath Service introduced a range of measures in both the prior and current year, including:

- introducing restrictions on non-essential visitors
- greater utilisation of telehealth services
- implementing reduced visitor hours
- deferring elective surgery and reducing activity
- performing COVID-19 testing
- administering COVID-19 vaccinations
- Implementing work from home arrangements where appropriate.

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

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

The financial impacts of the pandemic are disclosed at:

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

Note 1.3: Abbreviations and terminology used in the financial statements

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

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

Note 1.4: Joint arrangements

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

West Wimmera Health Service has the following joint arrangements:

- Grampians Regional Health Alliance (GRHA)–joint venture

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

Note 1.5: Key accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

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

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

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

Note 1.6: Accounting standards issued but not yet effective

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

Standard	Adoption Date	Impact
AASB 17: *Insurance Contracts*	Reporting periods on or after 1 January 2023	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-3: *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*	Reporting periods on or after 1 January 2022.	Adoption of this standard is not expected to have a material impact.
AASB 2020-8: *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*	Reporting periods on or after 1 January 2021.	Adoption of this standard is not expected to have a material impact.

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

Note 1.7: Goods and Services Tax (GST)

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

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

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

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

Note 1.8: Reporting Entity

The principal address of West Wimmera Health Service is:

47 Nelson Street

Nhill, Victoria 3418

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

Note 2: Funding delivery of our services

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

Structure

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

Telling the COVID-19 story

Revenue recognised to fund the delivery of our services decreased during the financial year which was partially attributable to the COVID-19 Coronavirus pandemic.

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

Funding provided included:

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

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 2.1: Revenue and income from transactions

	2021 $'000	2020 $'000
Operating activities		
Revenue from contracts with customers		
Government grants (State) - Operating	194	280
Government grants (Commonwealth) - Operating	2,897	2,652
Patient and resident fees	15,972	16,358
Commercial activities (i)	309	291
Total revenue from contracts with customers	**19,372**	**19,581**
Other sources of income		
Government grants (State) - Operating	25,338	23,499
Government grants (State) - Capital	298	558
Government grants (Commonwealth) - Capital	39	-
Other capital purpose Income	524	731
Assets received free of charge or for nominal consideration	249	97
Other revenue from operating activities (including non-capital donations)	1,760	1,393
Total other sources of income	**28,208**	**26,278**
Total revenue and income from operating activities	**47,580**	**45,859**
Non-operating activities		
Income from other sources		
Capital interest	34	87
Other interest	17	33
Total income from non-operating activities	**51**	**120**
Total revenue and income from transactions	**47,631**	**45,979**

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

How we recognise revenue and income from transactions

Government operating grants

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

When both these conditions are satisfied, the Service:

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

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

The types of government grants recognised under AASB 15: *Revenue from Contracts with Customers* includes:

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

Capital grants

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

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

Patient and resident fees

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

Commercial activities

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

Non-cash contributions from the Department of Health

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

Non Cash Contributions

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

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

	2021 $'000	2020 $'000
Cash donations and gifts	28	70
Assets received free of charge under State supply arrangements	221	27
Total income from transactions	**249**	**97**

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

Donations and bequests

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

Personal protective equipment

In order to meet the State of Victoria's health system supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment (PPE) and other essential plant and equipment 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. West Wimmera Health Service received these resources free of charge and recognised them as income.

Contributions

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

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

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

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

Voluntary Services

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. The Service does not depend on volunteers to deliver its services.

Note 3: The cost of delivering our services

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

Structure

Note 3.1: Expenses from transactions
Note 3.2: Employee benefits in the balance sheet
Note 3.3: Superannuation
Note 3.4: Other economic flows

Telling the COVID-19 story

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

Additional costs were incurred to deliver the following additional services:

- implement COVID safe practices throughout West Wimmera Health Service including increased cleaning, increased security, consumption of personal protective equipment provided as resources free of charge
- establish vaccination clinics to administer vaccines to staff and the community resulting in an increase in employee costs, additional equipment purchased
- Changes in salaries and wages due to greater demand for staff during the pandemic
- Changes in supplies and consumables required during the pandemic
- Changes in other operating expenses if any, including the impact of:
    - Fuel, light and power
    - Repairs and maintenance
    - Other administration expenses
    - Changes in employee benefits recorded in the balance sheet (i.e. if staff were unable to take as much leave due to heightened demand).

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring and classifying employee benefit liabilities	The Service applies significant judgment when measuring and classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if the Service does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if the Service has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category. The Service also applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the Service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value. All other entitlements are measured at their nominal value.

Note 3.1: Expenses from transactions

	2021 $'000	2020 $'000
Salaries and wages	35,661	34,419
Alliance salaries and wages	140	105
Agency expenses	72	210
Fee for service medical officer expenses	1,142	1,332
Workcover premium	506	535
Total employee expenses	**37,521**	**36,601**
Drug supplies	99	115
Medical and surgical supplies	1,449	1,007
Diagnostic and radiology supplies	18	27
Other supplies and consumables	4,375	4,455
Total supplies and consumables	**5,941**	**5,604**
Finance costs	56	69
Total finance costs	**56**	**69**
Other administrative expenses	414	510
Total other administrative costs	**414**	**510**
Fuel, light, power and water	811	818
Repairs and maintenance	646	531
Maintenance contracts	299	317
Medical indemnity insurance	195	195
Expenditure for capital purposes	354	385
Total other operating expenses	**2,305**	**2,246**
Total operating expenses	**46,237**	**45,030**
Depreciation (refer Note 4.2)	5,887	5,942
Total depreciation	**5,887**	**5,942**
Bad and doubtful debt expense	7	32
Total other non-operating expenses	**7**	**32**
Total non-operating expenses	**5,894**	**5,974**
Total expenses from transactions	**52,131**	**51,004**

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

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

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

Non-operating expenses

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

Note 3.2: Employee benefits in the balance sheet

	2021 $'000	2020 $'000
Current provisions		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months [i]	123	101
Annual leave		
Unconditional and expected to be settled wholly within 12 months [i]	2,271	2,030
Unconditional and expected to be settled wholly after 12 months [ii]	391	350
Long service leave		
Unconditional and expected to be settled wholly within 12 months [i]	695	445
Unconditional and expected to be settled wholly after 12 months [ii]	3,511	4,401
	6,991	**7,327**
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled within 12 months [i]	730	649
Unconditional and expected to be settled after 12 months [ii]	510	608
	1,240	**1,257**
Total current employee benefits	**8,231**	**8,584**
Non-current provisions		
Additional provisions recognised	1,199	1,257
Amounts incurred during the year	136	144
Total non-current employee benefits	**1,335**	**1,401**
Total employee benefits	**9,566**	**9,985**

[i] The amounts disclosed are nominal amounts.

[ii] The amounts disclosed are discounted to present values.

How we recognise employee benefits

Employee benefit recognition

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

Provisions

Provisions are recognised when the Service has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Annual leave and accrued days off

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

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

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

Long service leave

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

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

The components of this current LSL liability are measured at:

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

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

Termination benefits

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

On-costs related to employee benefits

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

Note 3.2 (a): Employee benefits and related on-costs

	2021 $'000	2020 $'000
Current employee benefits and related on-costs		
Unconditional annual leave entitlements	3,426	3,080
Unconditional accrued days off	123	102
Unconditional long service leave entitlement	4,682	5,402
Total current employee benefits and related on-costs	**8,231**	**8,584**
Non-current employee benefits		
Conditional long service leave entitlements	1,335	1,401
Total non-current employee benefits and related on-costs	**1,335**	**1,401**
Total employee benefits and related on-costs	**9,566**	**9,985**
Carrying amount at start of year	**9,985**	**10,150**
Additional provisions recognised	3,361	4,082
Amounts incurred during the year	(3,780)	(4,247)
Carrying amount at end of year	**9,566**	**9,985**

Note 3.3: Superannuation

	Paid contributions for the year		Contributions outstanding at year end	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Defined benefit plans (i) :				
First State Superannuation Fund	80	83	10	11
Total defined benefit plans	**80**	**83**	**10**	**11**
Defined contribution plans:				
First State Superannuation Fund	2,418	2,796	307	301
HESTA Superannuation Fund	232	247	30	37
Other	474	464	68	53
Total defined contribution plans	**3,124**	**3,507**	**405**	**391**
Total	**3,204**	**3,590**	**415**	**402**

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

How we recognise superannuation

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

Defined benefit superannuation plans

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

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

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

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

Defined contribution superannuation plans

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

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

Note 3.4: Other economic flows

	2021 $'000	2020 $'000
Net gain on disposal of property plant and equipment	107	91
Total net gain/(loss) on non-financial assets	**107**	**91**
Allowance for impairment losses of contractual receivables	-	8
Total net gain/(loss) on financial instruments	**-**	**8**
Share of net profits/(losses) of associates, excluding dividends	(54)	(46)
Total share of other economic flows from joint operations	**(54)**	**(46)**
Net gain/(loss) arising from revaluation of long service liability	499	(207)
Total other gains/(losses) from other economic flows	**499**	**(207)**
Total other gains/(losses) from other economic flows	**552**	**(154)**

How we recognise other economic flows

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

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

Net gain/(loss) on non-financial assets

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

- revaluation gains/(losses) of non-financial physical assets (Refer to Note 4.1 Property plant and equipment)
- net gain/(loss) on disposal of non-financial assets; and
- any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

Net gain/(loss) on financial instruments

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

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

Impairment of non-financial assets

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

Note 4: Key assets to support service delivery

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

Structure

Note 4.1: Property, plant and equipment
Note 4.2: Depreciation
Note 4.3: Inventories

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	The Service obtains independent valuations for its non-current assets at least once every five years. If an independent valuation has not been undertaken at balance date, the health service estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria indices. Managerial adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken.
Estimating useful life and residual value of property, plant and equipment	The Service assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset. The Service reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. The Service applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.

Identifying indicators of impairment	At the end of each year, the Service assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment. The Service considers a range of information when performing its assessment, including considering: ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way the health service uses an asset ▪ If an asset is obsolete or damaged ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset

Note 4.1: Property, plant and equipment

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

	2021 $'000	2020 $'000
Land		
Land at fair value	1,639	1,365
Total land	**1,639**	**1,365**
Buildings		
Buildings at fair value	70,811	70,861
Less acc'd depreciation	(8,992)	(4,523)
Total buildings	**61,819**	**66,338**
Plant and equipment		
Plant and equipment at fair value	4,860	5,416
Less acc'd depreciation	(2,667)	(3,023)
Total plant and equipment	**2,193**	**2,393**
Medical equipment		
Medical equipment at fair value	3,212	4,884
Less acc'd depreciation	(2,117)	(3,756)
Total medical equipment	**1,095**	**1,128**
Computers & communication equipment		
Computers & communication at fair value	2,317	2,300
Less acc'd depreciation	(1,889)	(1,762)
Total computers & communication equipment	**428**	**538**
Motor vehicles		
Motor vehicles at fair value	1,099	1,203
Less acc'd depreciation	(822)	(779)
Total motor vehicles	**277**	**424**
Furniture and fittings at fair value		
Furniture and fittings at fair value	1,228	2,181
Less acc'd depreciation	(860)	(1,782)
Total furniture and fittings	**368**	**399**
Right of use (RoU) assets - motor vehicles		
RoU assets at fair value	1,188	933
Less acc'd depreciation	(275)	(198)
Total RoU assets - motor vehicles	**913**	**735**
Assets under construction		
Assets under construction at cost	2,227	1,445
Total assets under construction	**2,227**	**1,445**
Total	**70,959**	**74,765**

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

	Land	Buildings	Plant & equipment	Medical equipment	Computers & communication equipment
	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2019	**1,365**	**65,746**	**1,875**	**1,293**	**700**
Additions	-	-	192	100	133
Additions / (disposals) - GRHA	-	-	311	-	-
Transfer to / from assets under construction	-	5,115	480	-	-
Disposals	-	-	-	-	-
Depreciation (refer Note 4.2)	-	(4,523)	(465)	(265)	(295)
Balance at 30 June 2020	**1,365**	**66,338**	**2,393**	**1,128**	**538**
Additions	-	-	146	243	148
Additions / (disposals) - GRHA	-	-	144	-	-
Disposals	-	(47)	(11)	(5)	-
Revaluation Increments/(decrements)	274	-	-	-	-
Depreciation (refer Note 4.2)	-	(4,472)	(479)	(271)	(258)
Balance at 30 June 2021	**1,639**	**61,819**	**2,193**	**1,095**	**428**

	Motor vehicles	Furniture & fittings	RoU assets motor vehicles	Assets under construction	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2019	**740**	**402**	**528**	**5,909**	**78,558**
Additions	3	34	359	1,444	**2,265**
Additions / (disposals) - GRHA	(2)	-	-	(261)	**48**
Transfer to / from assets under construction	-	52	-	(5,647)	**-**
Disposals	(169)	(1)	6	-	**(164)**
Depreciation (refer Note 4.2)	(148)	(88)	(158)	-	**(5,942)**
Balance at 30 June 2020	**424**	**399**	**735**	**1,445**	**74,765**
Additions	-	55	225	808	**1,625**
Additions / (disposals) - GRHA	-	-	166	(26)	**284**
Disposals	(37)	(2)	-	-	**(102)**
Revaluation Increments/(decrements)	-	-	-	-	**274**
Depreciation (refer Note 4.2)	(110)	(84)	(213)	-	**(5,887)**
Balance at 30 June 2021	**277**	**368**	**913**	**2,227**	**70,959**

How we recognise property, plant and equipment

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

Initial recognition

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

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

Subsequent measurement

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

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

Further information regarding fair value measurement is disclosed below.

Revaluation

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

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

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

An independent valuation of the Service's property, plant and equipment was performed by the VGV May 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The managerial assessment performed at 30 June 2021 indicated an overall:

- Increase in fair value of land of 20.07%, $273,883 and
- Increase of 3% which has been deemed immaterial.

As the cumulative movement was more than 10% for land since the last revaluation a managerial revaluation adjustment has been made with an increase in fair value of $273,883 as at 30 June 2021.

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.

Impairment

At the end of each financial year, the Service assesses if there is any indication that an item of property, plant and equipment may be impaired by considering internal and external sources of information. If an indication exists, the Service estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. An impairment loss of a revalued asset is treated as a revaluation decrease as noted above.

The Service has concluded that the recoverable amount of property, plant and equipment which are regularly revalued is expected to be materially consistent with the current fair value. As such, there were no indications of property, plant and equipment being impaired at balance date.

How we recognise right-of-use assets

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

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

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

Presentation of right-of-use assets

The Service presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet.

Initial recognition

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

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at 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).

Impairment

At the end of each financial year, the Service assesses if there is any indication that a right-of-use asset may be impaired by considering internal and external sources of information. If an indication exists, the Service estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised.

The Service performed an impairment assessment and noted there were no indications of its right-of-use assets being impaired at balance date.

Note 4.1 (c): Fair value measurement hierarchy for assets

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

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

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

Note 4.1 (c): Fair value measurement hierarchy for assets continued

Carrying amount as at 30 June 2020	Note	Carrying amount as at 30 June 2020 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Land at fair value					
Non-specialised land		423	-	423	-
Specialised land		942	-	-	942
Total of land at fair value	4.1 a	1,365	-	423	942
Buildings at fair value					
Non-specialised buildings		2,035	-	2,035	-
Specialised buildings		64,303	-	-	64,303
Total of building at fair value	4.1 a	66,338	-	2,035	64,303
Plant and equipment at fair value					
Plant and equipment		2,393	-	-	2,393
Total of plant and equipment at fair value	4.1 a	2,393	-	-	2,393
Medical equipment at fair value					
General medical equipment		1,128	-	-	1,128
Total medical equipment at fair value	4.1 a	1,128	-	-	1,128
Computers and communications at fair value					
Computers and communications equipment		538	-	-	538
Total computers and commication equipment at fair valu	4.1 a	538	-	-	538
Motor vehicles at fair value					
Motor vehicles		424	-	-	424
Total Motor vehicles at fair value	4.1 a	424	-	-	424
Furniture and Fittings at fair value					
Furniture and fittings		399	-	-	399
Total furniture and fittings at fair value	4.1 a	399	-	-	399
Right of use (RoU) assets - Motor vehicles					
RoU assets at fair value		735	-	-	735
Total RoU assets - motor vehicles	4.1 a	735	-	-	735
Total property, plant and equipment		**73,320**	**-**	**2,458**	**70,862**

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

Note 4.1 (d): Reconciliation of level 3 fair value measurement continued*

	Land $'000	Buildings $'000	Plant & equipment $'000	Medical equipment $'000	Computers & communication equipment $'000
Balance at 1 July 2019	**942**	**63,654**	**1,875**	**1,293**	**700**
Additions/(disposals)	-	5,115	990	100	132
Depreciation	-	(4,466)	(472)	(265)	(294)
Revaluation	-	-	-	-	-
Closing balance at 30 June 2020	**942**	**64,303**	**2,393**	**1,128**	**538**
Additions/(disposals)	-	-	279	238	148
Depreciation	-	(4,331)	(479)	(271)	(258)
Revaluations	206	-	-	-	-
Balance at 30 June 2021	**1,148**	**59,972**	**2,193**	**1,095**	**428**

	Motor vehicles $'000	Furniture & fittings $'000	RoU - Motor vehicles $'000	Totals $'000
Balance at 1 July 2019	**740**	**402**	**528**	**70,134**
Additions/(disposals)	(168)	85	365	**6,619**
Depreciation	(148)	(88)	(158)	**(5,891)**
Revaluation	-	-	-	-
Closing balance at 30 June 2020	**424**	**399**	**735**	**70,862**
Additions/(disposals)	(37)	53	391	**1,072**
Depreciation	(110)	(84)	(213)	**(5,746)**
Revaluations	-	-	-	**206**
Balance at 30 June 2021	**277**	**368**	**913**	**66,394**

*Classified in accordance with the fair value hierarchy, refer Note 4.1(c).

Note 4.1 (e): Fair value determination

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

How we measure fair value

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

For the purpose of fair value disclosures, the Service has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

In addition, the Service determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There have been no transfers between levels during the period.

The Valuer-General Victoria (VGV) is the Service's independent valuation agency.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Valuation hierarchy

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

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

Identifying unobservable inputs (level 3) fair value measurements

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

Unobservable inputs 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.

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

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

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

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

Non-specialised land and non-specialised buildings

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

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

Specialised land and specialised buildings

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

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

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

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

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

The Valuer-General Victoria performed an independent valuation of the Service's specialised land and specialised buildings. The effective date of the valuation is 30 June 2019.

Vehicles

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

Furniture, fittings, plant and equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2021.

Note 4.1 (f): Property, plant and equipment revaluation surplus

	2021 $'000	2020 $'000
Property, plant and equipment revaluation reserve		
Balance at the beginning of the reporting period	53,088	53,088
- Land	274	-
- Buildings	-	-
Balance at the end of the reporting period*	**53,362**	**53,088**
*** Represented by:**		
- Land	1,060	786
- Buildings	52,302	52,302
	53,362	**53,088**

Note 4.2: Depreciation

	2021 $'000	2020 $'000
Depreciation		
Buildings	4,472	4,523
Plant & equipment	479	465
Medical equipment	271	265
Computers & communication	258	295
Motor vehicles	110	148
Furniture & fittings	84	88
ROU assets-motor vehicles	213	158
Total depreciation	**5,887**	**5,942**

How we recognise depreciation

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

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

	2021	2020
Buildings	5 to 47 years	5 to 47 years
Plant & equipment	5 to 10 years	5 to 10 years
Medical equipment	5 to 10 years	5 to 10 years
Computers & communication	4 to 10 years	4 to 10 years
Motor vehicles	5 to 10 years	5 to 10 years
Furniture & fittings	5 to 10 years	5 to 10 years

Note 4.3 Inventories

	2021	2020
	$'000	$'000
General store supplies	45	57
Pharmacy and surgical consumables at cost	36	155
Total inventory	**81**	**212**

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 5: Other assets and liabilities

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

Structure

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

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 5.1: Receivables and contract assets

	2021	2020
Current receivables and contract assets	**$'000**	**$'000**
Contractual		
Inter hospital debtors	81	28
Trade debtors	633	315
Sundry debtors - GRHA	76	1
Patient fees	230	406
Tenant bond monies held	3	4
Accrued revenue - other	176	299
Amounts receivable from governments and agencies	78	714
Less: Allowance for impairment losses of contractual receivables		
- Trade debtors	(5)	(5)
- Patient fees	(2)	(2)
Total contractual receivables	**1,270**	**1,760**
Statutory		
GST receivable	116	46
Total statutory receivables	**116**	**46**
Total current receivables and contract assets	**1,386**	**1,806**
Non-current receivables and contract assets		
Contractual		
Long service leave - Department of Health	2,583	2,714
Total non-current contractual receivables assets	**2,583**	**2,714**
Total receivables and contract assets	**3,969**	**4,520**
(i) Financial assets classified as receivables and contract assets (Note 7.1(a))		
Total receivables and contract assets	**3,969**	**4,520**
Provision for impairment	7	7
GST receivable	(116)	(46)
Total financial assets	**3,860**	**4,481**

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

	2021	2020
	$'000	**$'000**
Balance at beginning of year	7	15
Reversal of unused allowance recognised in the net result	-	(8)
Balance at end of year	**7**	**7**

How we recognise receivables

Receivables consist of:

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

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

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

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

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

Impairment losses of contractual receivables

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

Note 5.2: Payables and contract liabilities

		2021	2020
Current	Note	**$'000**	**$'000**
Contractual			
Trade creditors (i)		167	247
Trade creditors - GRHA		238	53
Deferred grant income	5.2. a	835	-
Contract liabilities	5.2. b	1,119	579
Accrued expenses		363	200
Accrued salaries and wages		1,036	575
Inter- hospital creditors		63	110
Total payables - current		**3,821**	**1,764**
Total payables and contract liabilities		3,821	1,764
Deferred grant income		(835)	-
Contract liabilities		(1,119)	(579)
Total financial liabilties		**1,867**	**1,185**

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

How we recognise payables and contract liabilities

Payables consist of:

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

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

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

Note 5.2 (a) Deferred capital grant revenue

	2021 $'000	2020 $'000
Opening balance of deferred grant income	-	-
Grant consideration for capital works received during the year	1,172	558
Deferred grant revenue recognised as revenue due to completion of capital works	(337)	(558)
Closing balance of deferred grant income	**835**	**-**

How we recognise deferred capital grant revenue

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

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

Note 5.2 (b) Contract liabilities

	2021 $'000	2020 $'000
Opening balance of contract liabilities	579	399
Payments received for performance obligations not yet filled	3,631	3,111
Revenue recognised for the completion of a performance obligation	(3,091)	(2,931)
Total contract liabilities	**1,119**	**579**
Represented by		
Current contract liabilities	1,119	579
Non-current contract liabilities	-	-
	1,119	**579**

How we recognise contract liabilities

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

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

Maturity analysis of payables

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

Note 5.3: Other liabilities

	2021 $'000	2020 $'000
Current monies held it trust		
Patients monies	9	7
Refundable accommodation deposits	11,012	10,557
Residential tenancy bonds	4	3
Total current monies held in trust	**11,025**	**10,567**
*** Represented by:**		
Cash assets	11,025	10,567
Total	**11,025**	**10,567**

How we recognise other liabilities

Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities

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

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

Note 6: How we finance our operations

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

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

Structure

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

Telling the COVID-19 story

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

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	The Service applies significant judgement to determine if a contract is or contains a lease by considering if the health service: ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease
Determining if a lease meets the short-term or low value asset lease exemption	The Service applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. The Service estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, the health service applies the low-value lease exemption. The Service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the Service applies the short-term lease exemption.
Discount rate applied to future lease payments	The Service discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the Service's lease arrangements, the Service uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if the Service is reasonably certain to exercise such options. The Service determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: ▪ If there are significant penalties to terminate (or not extend), the Service is typically reasonably certain to extend (or not terminate) the lease. ▪ If any leasehold improvements are expected to have a significant remaining value, the Service is typically reasonably certain to extend (or not terminate) the lease. ▪ The Service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1: Borrowings

	2021 $'000	2020 $'000
Current borrowings		
Lease liability (i)	546	404
Advances from government (ii)	102	1,600
Total current borrowings	**648**	**2,004**
Non-current borrowings		
Lease liability (i)	369	334
Advances from government (ii)	414	512
Total non-current borrowings	**783**	**846**
Total borrowings	**1,431**	**2,850**

(i) Secured by the assets leased.

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

How we recognise borrowings

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

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1 (a) Lease liabilities

The Services' lease liabilities are summarised below:

	2021 $'000	2020 $'000
Total undiscounted lease liabilities	934	761
Less unexpired finance expenses	(19)	(23)
Net lease liabilities	**915**	**738**

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

	2021 $'000	2020 $'000
Not longer than one year	560	427
Longer than 1 year and not longer than 5 years	374	334
Minimum future lease liability	**934**	**761**
Less unexpired finance expenses	(19)	(23)
Present value of lease liability	**915**	**738**
*** Represented by:**		
Current borrowings - lease liability	546	404
Non-current borrowings - lease liability	369	334
Total	**915**	**738**

How we recognise lease liabilities

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

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

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

The Service's lease arrangements consist of the following:

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

Separation of lease and non-lease components

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

Initial measurement

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

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

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

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

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

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

Subsequent measurement

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

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

Note 6.2: Cash and cash equivalents

	2021 $'000	2020 $'000
Cash on hand (excluding monies held in trust)	3	3
Cash at bank (excluding monies held in trust)	206	1,398
Cash - GRHA (excluding monies held in trust)	467	357
Deposits at call (excluding monies held in trust)	2,769	722
Total cash held for operations	**3,445**	**2,480**
Deposits at call - CBS (monies held in trust)	11,025	10,567
Total cash held as monies in trust	**11,025**	**10,567**
Total cash and cash equivalents	**14,470**	**13,047**

How we recognise cash and cash equivalents

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

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

Note 6.3: Commitments for expenditure

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	2021 $'000	2020 $'000
Capital expenditure commitments		
Not later than one year	955	1,580
Total capital expenditure commitments	**955**	**1,580**
Total commitments for expenditure (inclusive of GST)	**955**	**1,580**
Less GST recoverable from the Australian Tax Office	(87)	(144)
Total commitments for expenditure (exclusive of GST)	**868**	**1,436**

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

How we disclose our commitments

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

Expenditure commitments

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

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

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

Note 7.1: Financial instruments

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

Note 7.1 (a) Categorisation of financial instruments

2021	Note	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total $'000
Contractual financial assets				
Cash and cash equivalents	6.2	14,470	-	14,470
Receivables				
- Trade debtors	5.1	3,629	-	3,629
- Patient fees	5.1	230	-	230
Total financial assets		**18,330**	-	**18,330**
Financial Liabilities				
Payables	5.2	-	1,867	1,867
Lease - motor vehicles	6.1	-	915	915
Advances from government	6.1	-	516	516
Other financial liabilities (refundable accommodation deposits)	5.3	-	11,012	11,012
Other financial liabilities	5.3	-	13	13
Total Financial Liabilities		**-**	**14,323**	**14,323**

2020	Note	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total $'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	13,047	-	13,047
Receivables			-	
- Trade debtors	5.1	4,075	-	4,075
- Patient fees	5.1	406	-	406
Total Financial Assets		**17,528**	**-**	**17,528**
Financial Liabilities				
Payables	5.2	-	1,185	1,185
Lease - motor vehicles	6.1	-	738	738
Advances from government	6.1	-	2,112	2,112
Other financial liabilities (refundable accommodation deposits)	5.3	-	10,557	10,557
Other financial liabilities	5.3	-	10	10
Total Financial Liabilities		**-**	**14,602**	**14,602**

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

How we categorise financial instruments

Categories of financial assets

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

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

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

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

Financial assets at amortised cost

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

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

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

The Service recognises the following assets in this category:

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

Categories of financial liabilities

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

Financial liabilities at amortised cost

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

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

The Service recognises the following liabilities in this category:

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

Derecognition of financial assets

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

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

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2: Financial risk management objectives and policies

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

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

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

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

Note 7.2 (a) Credit risk

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

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

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

Note 7.2 (a) Credit risk continued

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

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

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

There has been no material change to the Service's credit risk profile in 2020-21.

Impairment of financial assets under AASB 9

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

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

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

Contractual receivables at amortised cost

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

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

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

30-Jun-20		*Current*	*Less than 1 month*	*1–3 months*	*3 months –1 year*	*1–5 years*	*Total*
Expected loss rate		0%	0%	1%	1%	7%	
Gross carrying amount of contractual receivables	$,000	1,330	70	128	191	48	**1,767**
Loss allowance	**$,000**	**0**	**0**	**1**	**2**	**4**	**7**

30-Jun-21		*Current*	*Less than 1 month*	*1–3 months*	*3 months –1 year*	*1–5 years*	*Total*
Expected loss rate		0%	0%	2%	4%	8%	
Gross carrying amount of contractual receivables	$,000	687	476	25	28	62	**1,277**
Loss allowance	**$,000**	**0**	**0**	**1**	**1**	**5**	**7**

Statutory receivables at amortised cost

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

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

Note 7.2 (b) Liquidity risk

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

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

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

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

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

Note 7.2 (c) Market risk

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

				Maturity Dates			
2021	Note	Carrying amount $'000	Nominal amount $'000	Less than 1 Month $'000	1-3 Months $'000	3 months - 1 Year $'000	1-5 Years $'000
Financial liabilities							
At amortised cost							
Payables	5.2	1,867	1,867	303	4	1,507	53
Borrowings	6.1	1,431	1,431	293	68	288	782
Other financial liabilities (i)							
- Accommodation deposits	5.3	11,012	11,012	-	-	1,575	9,437
- Other financial liabilities	5.3	13	13	-	-	13	-
Total Financial liabilities		**14,323**	**14,323**	**596**	**72**	**3,383**	**10,272**
2020							
Financial Liabilities							
Payables	5.2	1,185	1,185	482	57	63	512
Borrowings	6.1	2,850	2,850	545	67	1,904	334
Other Financial liabilities (i)							
- Accommodation deposits	5.3	10,557	10,557	-	-	1,900	8,657
- Other Financial liabilities	5.3	10	10	-	-	10	-
Total Financial liabilities		**14,602**	**14,602**	**1,027**	**124**	**3,877**	**9,503**

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

Note 7.3: Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

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

	2021	2020
Contingent liabilities	**$'000**	**$'000**
Quantifiable		
Caveat over property - Kaniva hostel units	200	200
Mortgage over property - Kaniva hostel units	265	265
Total quantifiable contingent liabilities	**465**	**465**

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

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

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

Contingent liabilities

Contingent liabilities are:

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

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

Note 8: Other disclosures

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

Structure

Note 8.1: Reconciliation of net result for the year to net cash inflow / (outflow) from operating activities
Note 8.2: Responsible persons disclosures
Note 8.3: Remuneration of executives
Note 8.4: Related parties
Note 8.5: Remuneration of auditors
Note 8.6: Events occurring after the balance sheet date
Note 8.7: Joint arrangements
Note 8.8: Equity
Note 8.9: Economic dependency

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 inflow / (outflow) from operating activities

		2021	2020
		$'000	$'000
Net result for the period		(3,948)	(5,179)
Non-cash movements:			
Depreciation of non-current assets	3.1	5,887	5,942
Bad and doubtful debts expense	3.1	(7)	(8)
Assets and services received free of charge	2.2	(249)	(97)
Other non-cash movements		(30)	-
Net result for the year - GRHA	3.4	(54)	(46)
Discount (interest) / expense on loan - DH		(3)	-
(Gain)/Loss on sale or disposal of non-financial assets	3.4	(117)	(91)
Movements in assets and liabilities:			
(Increase)/decrease in receivables and contract assets		550	(510)
(Increase)/decrease in prepaid expenses		(68)	(62)
Increase/(decrease) in payables and contract liabilities		2,057	(1,319)
Increase/(decrease) in employee benefits		(418)	(373)
(Increase)/decrease in inventories		131	(123)
Net cash inflow from operating activities		**3,731**	**(1,866)**

Note 8.2: Responsible persons disclosures

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

		Period
Responsible Ministers:		
The Honourable Martin Foley:		
Minister for Mental Health		1 Jul 2020 - 29 Sep 2020
Minister for Health		26 Sep 2020 - 30 Jun 2021
Minister for Ambulance Services		26 Sep 2020 - 30 Jun 2021
Minister for the Coordination of Health and Human Services: COVID-19		26 Sep 2020 - 9 Nov 2020
The Honourable Jenny Mikakos:		
Minister for Health		1 Jul 2020 - 26 Sep 2020
Minister for Ambulance Services		1 Jul 2020 - 26 Sep 2020
Minister for the Coordination of Health and Human Services: COVID-19		1 Jul 2020 - 26 Sep 2020
The Honourable Luke Donnellan:		
Minister for Child Protection		1 Jul 2020 - 30 Jun 2021
Minister for Disability, Ageing and Carers		1 Jul 2020 - 30 Jun 2021
The Honourable James Merlino:		
Minister for Mental Health		29 Sep 2020 - 30 Jun 2021
Governing Board Directors:		
Mrs Anne Rogers	Board President	1 Jul 2020 - 30 Jun 2021
Ms Leonie Clarke	Board Director	1 Jul 2020 - 30 Jun 2021
Mr John Millington	Board Director	1 Jul 2020 - 30 Jun 2021
Mr Lloyd Milgate	Board Director	1 Jul 2020 - 30 Jun 2021
Mrs Katherine Colbert	Board Director	1 Jul 2020 - 30 Jun 2021
Mrs Michelle Coutts	Board Director	1 Jul 2020 - 30 Jun 2021
Prof. Neville Yeomans	Board Director	1 Jul 2020 - 30 Jun 2021
Mrs Carlee Kennedy	Board Director	1 Jul 2020 - 30 Jun 2021
Ms Christine Sheehan	Board Director	20 Oct 2020 - 30 Jun 2021
Ms Sharon Tooley	Board Director	20 Oct 2020 - 30 Jun 2021
Ms Felicity Walsh	Board Director	20 Oct 2020 - 30 Jun 2021
Ms Joanne Herbert	Board Director	20 Oct 2020 - 30 Jun 2021
Accountable Officers		
Mr Ritchie Dodds	Chief Executive Officer	1 Jul 2020 - 30 Jun 2021

Remuneration of Responsible Persons

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

Income Band	2021 $'000	2020 $'000
$0 - $9,999	12	9
$230,000 - $239,999	-	1
$260,000 - $269,999	1	-
Total Numbers	**13**	**10**

	2021 $'000	2020 $'000
Total remuneration received, due and receivable by responsible persons from the service amounted to:	**301**	**272**

Amounts relating to Responsible Ministers are reported within the Department of Parliamentary Services' Financial Report.

Note 8.3: Remuneration of executives

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

Remuneration of executive officers (including Key Management Personnel Disclosed in Note 8.2)	2021 $'000	2020 $'000
Short-term employee benefits	967	938
Post-employment benefits	90	80
Other long-term benefits	35	5
Total remuneration (i)	**1,092**	**1,023**
Total number of executive officers	6	5
Total annualised employee equivalent (AEE)	5.0	4.8

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

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

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

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

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Note 8.4: Related parties

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

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

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

Key management personnel

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

Entity	KMPs	Position Title
West Wimmera Health Service	Mrs Anne Rogers	Board President
West Wimmera Health Service	Mrs Leonie Clarke	Board Director
West Wimmera Health Service	Ms Michelle Coutts	Board Director
West Wimmera Health Service	Mrs Katherine Colbert	Board Director
West Wimmera Health Service	Mrs Joanne Herbert	Board Director
West Wimmera Health Service	Mrs Christine Sheehan	Board Director
West Wimmera Health Service	Mrs Sharon Tooley	Board Director
West Wimmera Health Service	Mrs Felicity Walsh	Board Director
West Wimmera Health Service	Mr John Millington	Board Director
West Wimmera Health Service	Mr Neville Yeomans	Board Director
West Wimmera Health Service	Mr Lloyd Milgate	Board Director
West Wimmera Health Service	Mr Ritchie Dodds	Chief Executive Officer
West Wimmera Health Service	Mrs Janette Lakin	Executive Director Finance & Administration
West Wimmera Health Service	Mrs Melanie Albrecht	Executive Director Business & Strategy
West Wimmera Health Service	Mrs Cheree Schneider	Executive Director Clinical Services
West Wimmera Health Service	Mrs Alex Hall	Executive Director Community Health
West Wimmera Health Service	Mr Darren Welsh	Executive Director Quality & Safety

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 Department of Parliamentary Services' Financial Report.

Compensation - KMPs	**2021**	**2020**
	$'000	**$'000**
Short-term employee benefits	1,248	1,180
Post-employment benefits	111	99
Other long-term benefits	35	16
Total*	**1,393**	**1,295**

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

Significant transactions with government related entities

The Service received funding from the Department of Health of $25m (2020: $24.37m) and indirect contributions of $.7m (2020: $1.6m). Balances outstanding as at 30 June 2021 are $36k (2020 $1.6m)

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

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

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

Transactions with KMPs and other related parties

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

Outside of normal citizen type transactions with the Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2021 (2020: none).

There were no related party transactions required to be disclosed for the Service Board of Directors, Chief Executive Officer and Executive Directors in 2021 (2020: none).

Note 8.5: Remuneration of auditors

	2021 $'000	2020 $'000
Victorian Auditor-General's Office		
Audit of financial statements	27	27
	27	**27**

Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.7: Joint arrangements

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

Summarised balance sheet:	2021 $'000	2020 $'000
Current assets		
Cash and cash equivalents	467	357
Receivables	83	8
Other current assets	99	14
Total current assets	**649**	**379**
Non-current assets		
Property, plant & equipment	106	377
Total non-current assets	**106**	**377**
Total assets	**755**	**756**
Current liabilities		
Payables	216	175
Total current liabilities	**216**	**175**
Total liabilities	**216**	**175**
Equity		
Accumulated surpluses	**539**	**581**
Total equity	**539**	**581**

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

Summarised operating statement:	2021 $'000	2020 $'000
Revenue		
Revenue from operating activities	650	571
Capital revenue	103	141
Total revenue	**753**	**712**
Expenses		
Info. tech. and administrative expenses	508	521
Employee expenses	130	105
Effect of change in share of JVA	18	34
Depreciation & amortisation	151	98
Total expenses	**807**	**758**
Net result	**(54)**	**(46)**

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

Contingent Liabilities and Capital Commitments

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

Note 8.8: Equity

Contributed capital

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

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

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

Note 8.9: Economic dependency

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

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corporate@wwhs.net.au
Goroke, Jeparit, Kaniva, Minyip, Murtoa,
Natimuk, Nhill, Rainbow and Rupanyup.

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