



**Moyne  
Health**  
Services

# Annual Report

2020//2021



# Welcome

## Acknowledgement:

Moyne Health Services would like to acknowledge the Traditional Owners of the land in which we reside and pay our respects to the Elders, both past, present and emerging.

We acknowledge all Aboriginal people who reside in the Moyne Shire and wish to make it a priority to work with them and alongside them to ensure that our organisation is culturally competent, and a place where everyone feels welcome and supported.

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## Our Purpose

The purpose of Moyne Health Services is to provide the *Best Care – Every person, every time.*

## Our Values (C.A.R.E.)

### Collaboration

Less me, more we

### Accountability

Own it Do it

### Respect

Everyone matters

### Excellence

Better, best, brilliant



# Introduction

It is with pleasure, on behalf of Moyne Health Services Board of Directors, employees, volunteers, residents and patients that we present the 2020 / 2021 Annual Report. This report has been prepared in accordance with the *Health Services Act 1988*, *Financial Management Act 1994*, and the *Standing Directions of the Assistant Treasurer and Financial Reporting Directions*, (specifically FRD 221) *Standard Disclosures* released in May 2018.

**“We are proud to present our 2020-21 Annual Report which reflects on our achievements of the year. We look forward to future challenges of further evolving Moyne Health Services into an outstanding small rural health service in 2021 and beyond.”**

■ Brian Densem, Chair,  
■ Board of Directors

## JOINT MESSAGE FROM OUR **BOARD CHAIR AND CHIEF EXECUTIVE OFFICER**

We acknowledge the traditional owners of the land on which we work, and we pay our respects to their Elders, past, present and emerging. We acknowledge all Aboriginal people who reside in the Moyne Shire and note our genuine wish to make it a priority to work with and alongside them to ensure that our organisation is culturally competent and a place where everyone feels welcome and supported.

Welcome to the 2020-2021 Annual Report of Moyne Health Services. This report provides an account of our performance over the past twelve months.

### //Year in review

What an unusual year it has been! The COVID-19 pandemic dominated the attention and resources of health systems around the globe, however it is important we do not let it eclipse the other outstanding work undertaken by our health service in 2020-2021.

Caring and resilient. As we look back on 2020, these words defined our staff, our community and health service. Australia witnessed the first positive case of COVID-19 on Australian soil in late January 2020, and the world health as we knew it was about to change dramatically. The coronavirus pandemic is the greatest health challenge in the past century, in terms of gravity and length of impact.

As the global pandemic spread, so too did our influence and support of our residents, carers, staff and community as we carried out our role to ensure a patient centred response to COVID-19. Here at Moyne Health Services, we responded promptly to all requirements relating to the imminent

threat of COVID-19. An Internal Response team was established and continues to meet regularly to ensure we continue to protect our community and keep staff up to date with current advice and planning. As the pandemic continues to evolve, the Internal Response Team oversees the development (and continued review) of new clinical and organisational guidelines.

The rapid onset and unknowns of COVID-19 have meant we have relied on the resilience and agility of our workforce more than ever before in our history, trusting them to continue putting the safety and the wellbeing of our residents, patients and community first. At every phase of this pandemic, the scale and impact to our health service has been rapidly evolving. Nonetheless, our highly skilled workforce has united to overcome the challenges of COVID-19 while delivering outstanding levels of care to our community and each other, every day. Without this commitment to community and each other, the outcomes for the communities we serve may have been so very different.

We have also made a considerable contribution to the Victorian Government's broader response to COVID-19. This includes offering drive-through COVID swabbing clinics to the community, as well as COVID vaccination clinics. Overall, it has been an incredible effort from everyone at MHS!

We have been overwhelmed by the generosity of so many individuals and groups within our community. From donating support packages for our staff and residents, supplying furnishings for our refurbishment projects to the wonderful new visitors' room Yoluuk Wallawar, kindly donated by MM Hearn's construction. What a wonderful and giving community we have!

## //Our people at their best

Today, MHS supports a workforce of 220+ staff, adding to the diversity of services we provide to our community. To our staff, volunteers and the many groups and individuals who provide significant support in many different ways to our health service – thank you. The dedication, skill and resilience you exhibit on a daily basis makes you the bedrock of our organisation. In many ways our capacity to provide safe, quality and sustainable care to our residents, patients and community starts and ends with you.

Staff wellbeing has been a key focus during the past year. This has been a difficult time for staff, characterised by increased pressure, uncertainty and worry. We have implemented a range of initiatives to support our staff, including increased availability to our Employee Assistance Program (EAP), wellbeing support packages and ‘thank you’ days where staff come together and celebrate the wonderful work they are all doing at keeping our residents, patients, colleagues and community safe.

During the past year, we have experienced sound financial growth. MHS was committed to maintaining financial sustainability, which was successfully achieved with an end of year surplus result. A number of strategies were implemented to focus on our financial performance and to ensure that the health needs of our community were met. The safety of our patients, residents and staff remains our number one priority as we continue to give due regard to improving efficiencies and organisational practices.

Our relationship with our regional health services, agencies and all levels of government remains extremely important. Our healthcare is rapidly changing and becoming a more cohesive system and collaborative planning in the delivery of services is becoming the norm. We share experiences and gain knowledge which contributes to the broader network than just our local catchment area.

## //Staying connected

The need to establish and maintain clear and regular communications with our communities during the pandemic led to

the commencement of the MHS Community Connect newsletter and increased opportunities on digital platforms. We recalibrated our priorities and introduced a multi message media platform which enabled us to send text messages to our staff, volunteers and resident Next of Kin ensuring direct broadcasting of key information. The feedback has been extremely positive and we look forward to continuing this innovation as part of our normal business processes.

Unprecedented growth in demand for web and mobile based videoconferencing software and associated support was a feature of this year, with the introduction of virtual platforms as an alternate way to run our business and connect with colleagues. Connecting our residents with their loved ones virtually has proven a great success and we continue to utilise a range of social media platforms, like FaceTime and Skype.

The coronavirus pandemic has brought about a number of changes to the way MHS does business, specifically on how we conduct meetings. We initially started virtual meetings with the introduction of staged restrictions and have now entertained live streaming of events, like our 2020 AGM. This event saw a good level of engagement from our community.

The uptake of the virtual meetings has seen a level of engagement and efficiency gains with participants being able to attend meetings from the comfort of their own settings, either within the workplace or in their homes. These new systems have greatly enhanced our capability to connect to our community and we are looking at continuing with a number of similar platforms in the future.

A key change in communicating with our community was the introduction of a whole new vocabulary – ‘social distancing’, ‘zero cases’, ‘attestations’, ‘lock down’ and ‘QR Code’, for example. We’ve had to change the way we message with our audience to ensure clear and succinct messaging. Locally the response to these changes has been outstanding and we thank our community for their understanding and adoption of the new vocabulary.

## //Our new brand

At our 2020 AGM we launched our new brand and new website. The evolution of our new brand was a culmination of 18 months of research and focus groups, including employees, residents, volunteers and community representation. Working in collaboration with Jody Miller and Amy Creek from Mr Walter Design Studio, groups came together to discuss and provide input into how MHS could reinforce its position as a premium leading aged care provider within the South West.

Moving away from the clipper in the old MHS logo, which served our business well, our new logo speaks to more than just the nautical part of the community. Incorporating abstract visuals of geographical and social icons in the MHS area, including - water, industry, community, farming/crops, the Griffith Island lighthouse, music and sea-life. The new logo was rolled out over the summer months both within the facility and throughout the community.

We also launched our new website which is focussed on taking our fantastic facility and service offering into the future in a way that really connects with the community. We think it really reflects the needs of our community and is something that will grow and change as our people and business grow and change.

## //Strategic focus

A key element of our business and underpinned by our strategic direction, is the development of our Service Plan 2020 - 2025. The plan was developed following extensive consultation with relevant stakeholders including, staff, residents, community and business groups, local industry, state and local government. The plan serves as a blueprint for growth for MHS going forward and will also be used as a tool for review and assessment. It provides us with our roadmap for the next five years and we believe the plan provides the foundation and focus for us to deliver on our Purpose and provide outstanding healthcare and community services to the communities we serve.

We have identified and prioritised a range of initiatives that sit behind each of the pillars and enablers and work is already underway. Our focus in 2021 will be on;

deepening our understanding of Safe Care and improving patient and personnel care, connecting through collaboration and working with our visiting medical officers to further improve clinical outcomes. We will also focus on growing our Home Care Packages, developing our Allied Health Services and expanding our services to the Koroit community. These pillars are all about bringing people a *sense of home* and working together to support the community members who need us the most.

In addition, we also have a number of initiatives in place to continue with our Fearless Leadership training. Formation and staff engagement and a range of technology projects planned to optimise our resident journey and increase organisational efficiency.

We are also focused on gender equity and ensuring we have an inclusive culture where individuals can reach their full potential. In 2021 we look forward to continuing work in this critical area as we implement key initiatives as part of our workforce inclusion policy consistent with the *Gender Equality Act 2020*.

There were a number of changes at executive level this year as well as the operating structure of our organisation designed to ensure decision making is highly inclusive of those running our health service.

The Board of Directors continues its commitment to providing services that meet the needs of our community now and into the future. Our immense gratitude is extended to Directors, Lucy Doherty and Julieanne Crow whose term ended on 30 June this year. Lucy and Julieanne's health care knowledge, governance and legal experience was of great benefit to MHS. We also thank Director Karen Foster who retired as Board Chair in February 2021.

## //Journey to Reconciliation

At MHS, we are proud of our achievements to partner with the local Aboriginal and Torres Strait Islander (Aboriginal) communities through the development and subsequent endorsement of our Reconciliation Action Plan (RAP). Over the past year, we have commenced implementing a number of deliverables



identified in the RAP, including partnering with Gunditjmara Aboriginal Corporation to work and support each other in the development of a culturally competent Health Service. This includes the inclusion of cultural training and development as a key tenant in our People and Culture Strategy. Additionally, we have moved towards modifying our advertising messaging as part of our employment opportunities.

In January 2021, we celebrated the opening of our new visitors' room and an Aboriginal name has been gifted for the room. The name is Yoluuk Wallawar, meaning Griffiths Island Glow in language.

### **//Providing the right care in the right place at the right time**

It has been inspiring and uplifting to witness the way our staff across our health service have managed enormous challenges throughout the year, while continuing to improve care for our residents, patients and communities across the Moyne Shire.

During the reporting period, our Spring Park campus was temporarily closed due to an Engineer's Structural Integrity report identifying the site as unfit for purpose. This led to the opening of an additional site situated within the township of Koroit allowing us to continue offering support services to the Koroit community. Our priority is to make it as easy as possible for people to access our services, so securing a location within the township was a welcome outcome. Special thanks to the Koroit community for all your support as we continue with this important task.

The most important people in our community are those who have placed their trust in us, either by receiving care, by working with us as part of our paid or unpaid workforce, or as members of our auxiliary groups. Every person is important, contributing to the unique way that is the fabric of Moyne Health Services.

Our investment into contemporary, innovative infrastructure has been hallmarked with the completion of our Moyneyana House refurbishment. The additional wing has allowed for improved and new resident rooms, a café setting plus a social lounge area where residents, family and friends can meet and connect.

We acknowledge and thank the Friends of Moyneyana who provided funds towards the project to support both state and federal government grants.

Demand for residential aged care accommodation was steady during the year with great emphasis placed on occupancy levels across our aged care facilities. The constant demand for residential aged care services in all forms reflects our ongoing commitment to person centred care and demonstrates areas of market growth outside the traditional forms.

One of the key challenges still facing our services is the growing and ageing population in the region. The Board is committed to providing services for this increased demand, including a focus on organisational performance and sustainability going forward into 2021-22 and beyond.

To address some of the challenges facing our service, it was important to incorporate local innovative solutions that would overcome barriers including; attracting and retaining a skilled clinical workforce, financial security and providing a multidisciplinary range of services to meet the needs across a dispersed population. Fundamental to the challenge of ensuring a skilled workforce, we are currently developing a Workforce Strategy and a capability framework which outlines the organisation's commitment to ensuring the retention and recruitment of a suitably qualified workforce.

On the Home Care Packages home front, we have increased our service offering to over 100 packages. Our packages allow for clients to remain living at home for longer periods of time and also offer a level of independence for individuals. This is something that our Home Care Packages team continually aspires to deliver.

We sincerely thank the Port Fairy Medical Clinic for their involvement and support of our patients, residents and staff. We also thank the doctors for their commitment to continuous improvement throughout the year, through participation in Quality initiatives and COVID-19 vaccination clinics.

## //Our Future Focus

As we embark on 2021-2022, the first year of our Service Plan, we also begin our planning process to implement our Strategic Plan 2021-2025. We will use this time to engage with our staff, residents, consumers, partners and our community to reflect on where we've been and what we've achieved, and together deliver the pillars in the plan.

Thank you to all MHS staff for their unwavering commitment, dedication, compassion and kindness that they show every day to our residents, patients and each other as they continue to provide, the Best Care – Every person, every time to our community.

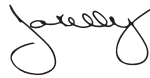
2020 - 2021 has been a big year with many challenges but also successes. On behalf of the Board of Directors, I would like to reassure our community that the Board's desire is to deliver a health service of which we can continue to be proud. Together we can continue to deliver on our purpose, Best Care – Every person, every time.

Personally, as CEO of Moyne Health Services, I would like to thank the Board for their unfailing support and constructive leadership in developing a long-term energised strategic vision for Moyne Health Services. The past year has seen our staff rise above the challenges and there is a genuine enthusiasm within our organisation as we embark on a renewal and revitalisation of our Health Service. It is with pleasure that we present the Moyne Health Services 2020 -2021 Annual Report.



### **Brian Densem**

Chair  
Moyne Health Services  
Board of Directors  
30th June 2021



### **Jacqueline Kelly**

Chief Executive Officer  
Moyne Health Services  
30th June 2021

## **Providing the right care in the right place at the right time**

**It has been inspiring and uplifting to witness the way our staff across our health service have managed enormous challenges throughout the year, while continuing to improve care for our residents, patients and communities across the Moyne Shire.**

A vertical strip on the right side of the page shows a close-up of a woman's face smiling and a pumpkin. The background of the entire page is a dark green color with a pattern of lighter green circles of varying sizes on the left side.

# Performance at a Glance

## Performance at a glance

### Financial Information

	2021 \$000	2020 \$000	2019 \$000	2018 \$000	2017 \$000
<b>OPERATING RESULT *</b>	<b>597</b>	<b>132</b>	<b>-179</b>	<b>62</b>	<b>495</b>
Total Revenue	20560	20332	21076	17362	17743
Total Expenses	21851	20575	19327	17907	16645
<b>Net Result from transactions</b>	<b>-1291</b>	<b>-243</b>	<b>1749</b>	<b>-545</b>	<b>1098</b>
Total other economic flows	274	-90	-76	37	-92
<b>Net Result</b>	<b>-1017</b>	<b>-333</b>	<b>1673</b>	<b>-508</b>	<b>1006</b>
Total Assets	52280	52750	51417	43161	44001
Total Liabilities	23706	23704	20291	20461	20794
<b>Net Assets/Total Equity</b>	<b>28574</b>	<b>29046</b>	<b>31126</b>	<b>22700</b>	<b>23207</b>

\* Operating Result is the result for which MHS is monitored in its Statement of Priorities

### Reconciliation Summary

Reconciliation between the Net result from transactions reported in Annual Financial Statements to the Operating result, as agreed in the Statement of Priorities (SoP).

	2021 \$000
<b>Net operating result *</b>	<b>597</b>
Capital purpose income	428
Specific income	
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	133
State supply items consumed up to 30 June 2021	(133)
Assets provided free of charge	0
Assets received free of charge	47
Expenditure for capital purpose	
Depreciation and amortisation	(2364)
Impairment of non-financial assets	
Finance costs (other)	
<b>Net result from transactions</b>	<b>(1291)</b>

\* The Net operating result is the result which MHS is monitored against in its Statement of Priorities (SoP).

## Service Indicators

Separations	2021	2020	2019	2018	2017
Same day	71	48	70	85	119
Multi day	190	217	336	266	310
Total separations	263	265	406	351	429
Public separations	201	202	237	262	251
Total WEIS	365.91	351.79	417.02	390.02	417.53
Separations per available bed	21.75	22.08	27.07	N/A	28.6
<b>Total bed days</b>	<b>2,220</b>	<b>2,126</b>	<b>2,220</b>	<b>2,098</b>	<b>2,195</b>

## Service Activity

Small Rural	2020-21 Activity achievement	Units
Small Rural Acute	365.91	WIES equivalents
Small Rural Primary Health & HAAC	60 (Primary) 1383 (HACC)	Hours
Nursing (including Continence a& Diabetes Education)	3337	Service Hours
Allied Health (total of disciplines below)	5182	Hours
Counselling	0	Hours
Dietetics	281	Hours
Occupational Therapy	665	Hours
Physiotherapy	3215	Hours
Podiatry	828	Hours
Speech Therapy	193	Hours
Small Rural Residential Care	28 573	Bed days
Health Workforce (student placements)	39	Number of students
Urgent Care presentations	1556	Presentations
Residential Care bed days		Occupied bed days
<ul style="list-style-type: none"> <li>• Moyneyana House</li> <li>• Belfast House</li> </ul>	17,777 10,796	

## Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, we are pleased to present the Report of Operations for Moyne Health Services for the year ending 30<sup>th</sup> June 2021.



**Brian Densem**  
Chair  
Moyne Health Services  
Board of Directors  
30th June 2021



**Jacqueline Kelly**  
Chief Executive Officer  
Moyne Health Services  
30th June 2021

# About Moyne Health Services

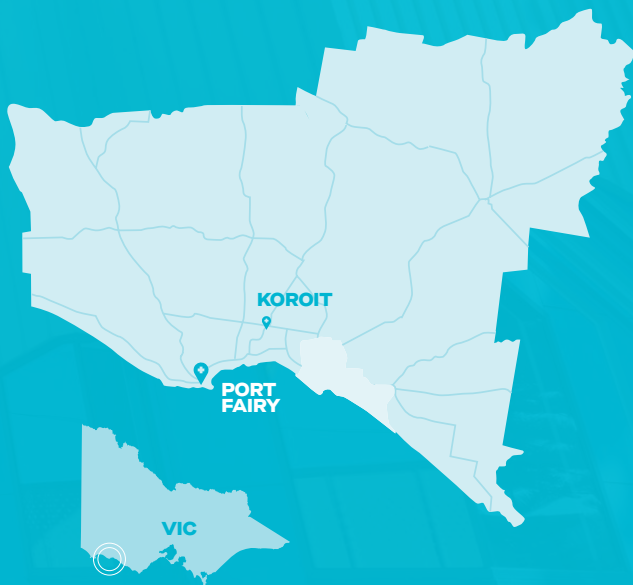


Moyne Health Services (MHS) is a multi-million dollar rural health service incorporated under Schedule 1 of the *Health Services Act 1988*. Our Health Service helps meet community healthcare needs in Port Fairy, Koroit and surrounding areas in the Moyne Shire.

Established in 1849 and regarded as Victoria's oldest hospital, MHS has a unique level of partnership and engagement with the local community spanning over 170 years. We employ 220+ staff, making us one of the largest employers in the region. We have 160+ dedicated volunteers who have donated over 25,000 volunteer hours. We continue our tradition of excellence through

the provision of flexible, relevant and holistic services in consultation with community needs.

The community centres are the major townships of Port Fairy and Koroit, however over 60% of Moyne residents live outside major townships, in towns and communities dotted along the rugged coastline and pastoral countryside.



## Our Community Profile

### //PORT FAIRY

- Located approximately 290 km west of Melbourne.
- Most populous community in the Moyne catchment, with a population of 3,339 as per 2016 census.
- Primary industries are tourism, farming, fishing, and the arts.
- Port Fairy was established in 1843.

### //KOROIT

- Located approximately 18 kilometres west of Warrnambool.
- Second most populous community in the Moyne catchment with a population of 1,930 as per 2016 census.
- Koroit was originally settled primarily by Irish immigrants during the 1840s and 1850s.
- The township is still hailed as one of Australia's most complete examples of an early Irish settlement.
- The area is an important service centre for the surrounding dairy industry.

## History of our growth

For more than 170 years Moyne Health Services (MHS) has been meeting the health needs of the local community. Our organisation is Victoria's oldest Health Service - dating back to 1849, when a four-room cottage was established to provide health care. We have a notable history of services to our community, enjoying a unique level of cross generational support, which is the fabric of our community. Today, MHS continues to expand its services to ensure our community has access to high quality, person centred care.

### //1855

Allotment of the current facility was built with a special grant.

### //1875

Main building expanded through public appeal donations.

### //1887

Father Maurice Stack bequeathed funds that were used to build the Stack Fever Ward that operated until 1939.

Due to diminished condition of the Ward, it was demolished in 1992 and a new dementia centre was built on the site in 1998.

### //1891

Portion of the 1855 building converted to nurses' quarters.

### //1934

Lord and Lady Huntingfield opened new additions to the hospital.

### //1959

The Governor of Victoria, Sir Dallas Brookes, opened a new maternity wing. Today, this wing forms part of the Belfast House Nursing Home (established 1996).

### //1965

Sir Rohan Delacombe, Governor of Victoria opened the Nurses' Home, which is now known as the Community Health Building.

### //1976

The Prime Minister of Australia, the Right Hon. Malcolm Fraser MP, opened a new outpatient and casualty department, together with the new hospital ward block.

### //1988

The Minister for Health and Aged Care, Rob Knowles MLC opened Belfast House.

Moyne Health Services established the Port Fairy Medical Clinic in partnership with the Sackville Clinic Medical Practitioners.

### //2000

The Port Fairy Hospital, Belfast House and Moyneyana House merged to become Moyne Health Services.

### //2004

MHS refurbishment of the Day Centre building, resulting in the relaunch of the building known today as Community Health.

### //2005

Completion of a 17-bed extension to Moyneyana House.

### //2006

Sir Ninian Stephen opened Moyneyana House.

### //2010

MHS conducted its last operating theatre list and extended the Port Fairy Medical Clinic to accommodate additional GPs.

### //2012

MHS endorsed by the Department of Health as the Committee of Management for the Koroit Health Services land and buildings.

### //2018

Opening of the New Community Health building and Urgent Care Centre.

### //2020

MHS launches new brand and logo.



## Our Services

As a rural health service, every day Moyne Health Services shares the lives, aspirations, experience and wisdom of our community. We work together, supporting each other to ensure high quality care, tailored to individual needs. We offer our community a range of services; from health education, literacy and promotion, social support, to delivering direct preventative, curative and supportive services. Our focus is on promoting and maintaining strength, wellbeing, independence and individuality with dignity, through offering services tailored to each person and their families.

As an important part of the fabric of our community, our service profile continues to diversify. We provide a wide range of specialist programs and services delivered from both our Port Fairy and Koroit sites. We recognise the challenges faced by many in navigating the health system and aim to reduce the anxiety associated through a 'no wrong door' approach to delivery. The optimisation of wellbeing for all community members remains our priority as we continue working with our community to create a positive enriched caring environment.

### //ACUTE HOSPITAL CARE

Moyne Health Services currently provides 12 acute beds dedicated to supporting restoration of an individual's health. We provide Urgent Care, general medicine and palliative care.

### //AGED CARE - Residential and home-based services

- *Belfast House* – a purpose built 30-bed home offering permanent and respite care services for our residents.
- *Moyneyana House* - a purpose built 52-bed hostel offering permanent care services.

### //COMMUNITY HEALTH SERVICES

Our Community Health team provide a range of allied health, community nursing and support services at the Port Fairy and Koroit sites in the following areas:

- Occupational Therapy
- Physiotherapy
- Audiology
- Continence consulting
- Diabetes Education
- Dietetics and Nutrition
- Drug and Alcohol counselling
- Pathology
- Podiatry
- Radiology
- Speech Pathology
- District and Community Nursing
- Community Home Care Packages
- Short-term Restorative Care Program

### //AUXILIARY SUPPORT SERVICES

Moyne Health Services also provides a range of additional services to assist them in maintaining their independence and improve their health and wellbeing. These services include:

- Planned Activity Group programs.
- Primary school health and wellbeing education programs.
- Physical Activity classes.
- Integrated Health Promotion programs in the Moyne Shire.
- Health Education and chronic disease management.
- Coordination of Moyne Shire Council's School Immunisation and Workplace Flu Vaccination programs.

## Significant Highlights of the Year

- Developed MHS Service Plan 2020 – 2025
- Introduced new community newsletter – MHS Community Connect
- Introduced new Multimedia Messaging Services (MMS) – provides consistent direct broadcasting to residents, carers and staff
- Launched MHS new brand
- Launched MHS new website
- Graduates – Rural & Isolated Practice Endorsed Registered Nurse (RIPERN)
- Implementation Reconciliation Action Plan (RAP) deliverables
- Opening of new Visitors' Room – *Yoluuk Wallawar*
- Development and implementation - COVID – 19 Response Plan
- Completion of Moyneyana House – Phase 2
- Secured a grant to upgrade Nurse on-call and supporting IT infrastructure. (State level, High Value State-wide Replacement Fund – Engineering Infrastructure scheme)
- RHIF 4 – funding secured to improve emergency access for ramp into Belfast House and fire compliance works within organisation

## Future Priorities

- Continue to implement Service Plan 2020-2025
- Regional collaboration – Health Information Support Service Agreement
- Development of MHS - Workforce Strategy
- Implementation of actions outlined in Disability Action Plan
- Implement priority actions identified through MHS Towards Zero Waste Working Group
- Expansion of services in Koroit
- Implementation of RHIF funding projects
- Implementation CAMMS business software reporting system

**“Being in the presence of other diverse people and being cared for by interesting and supportive staff are some of the best things I love about the services I receive from MHS”.**

 Community Health client survey respondent.

## Strategic Directions

Moyne Health Services Statement of Priorities incorporates our strategic directions and objectives for the future. It is our intention to develop and implement several important system reforms, including modernising our health service delivery of care models through redesign governance, drive system reforms that deliver better community health, high quality and improved patient outcomes and experiences. We will also undertake a reforming of our clinical services to ensure we are delivering our community the best value care. Our Service Plan 2020-2025 will be the catalyst to drive these directions.

Our focus on the following immediate and ongoing priorities to support this intention is detailed below:

1. Maintain our robust COVID-19 readiness and response plan.
2. Engage with our community to address the needs of residents, patients and community members whose care may be delayed due to the pandemic.
3. Respond to the recommendations of the Royal Commission into Victoria's Mental Health system and Royal Commission into Aged Care Quality and Safety.
4. Develop and foster our local health partner relationships, which have been strengthened during the pandemic response, to continue delivery of collaborative approaches to planning, procurement and service delivery at scale. This extends to prioritising innovative ways to deliver health care through shared expertise and workforce models, virtual care co-commissioning services to deliver improved patient care through great collaboration.

**“Exceptional care comes down to exceptional people coming together across our organisation, and uniting for a common cause – to deliver on our purpose, Best Care – Every person, every time”**

 Jackie Kelly  
CEO



# Governance Statement

## //Board of Directors

During the reporting period, the Board consisted of 10 directors responsible for overseeing the governance of the organisation, and ensuring all services comply with the requirements of the *Health Services Act 1988* and strategic direction for the organisation, as well as general oversight of operations and financial control.

Members of the Board of Directors are appointed by the Governor - in - Council on the recommendation of the Minister for Health. Appointments are for the usual term of three years, with members able to seek re-appointment.

## //Pecuniary and Conflict of Interest

At the commencement of each Board meeting, Directors are asked to declare pecuniary and conflicts of interest. Declarations or otherwise are recorded in the Board meeting minutes.

## //Board Meetings

The Department of Health requires members to attend 75% of Board meetings during the reporting period. MHS's Board of Directors holds its business meeting on the 4<sup>th</sup> Thursday of each calendar month and is supported by a number of principle committees, listed as follows:

## //Finance Committee

This committee is responsible for assisting the Board in the effective discharge of its responsibilities for financial reporting, internal controls and compliance with statutory requirements. The Committee meets monthly and is supported by MHS officers and members of the Board.

## //Audit and Risk Committee

This committee is responsible for monitoring the adequacy and risk management, accounting procedures, financial reporting and compliance with statutory requirements. This committee meets quarterly and was chaired by independent community member Kevin Leddin (Term expired 16 February 2021). MHS welcomed new community member Michael Gunn on 1 June 2021 for the ensuing year. The Committee is also supported by MHS officers and members of the Board.

## //Quality and Safety Committee

This committee is responsible for ensuring the organisation provides effective clinical governance and meets monthly. The Committee is supported by MHS officers and members of the Board.

## //Consumer Advisory Committee (CAC)

This committee is responsible for informing the Board's decision making on issues of strategic relevance to consumers. The committee may consider matters including key capital projects impacting on levels of service, review of consumer information material (both written and verbal) and community consultation and engagement programs. The committee meets monthly and is supported by MHS officers and members of the Board.

## //CEO and Board Performance Committee

This committee's role is to assist the Board of Directors in corporate governance oversight of Moyne Health Services, the appointment, remuneration and performance management of the Chief Executive Officer, the appointment of Board Directors and Board performance, generally. The committee meets quarterly and is supported by members of the Board.

## //Credentialing and Clinical Appointments Committee

This committee is responsible for making recommendations regarding the appointment, suspension or scope of practice for visiting Medical Officers at Moyne Health Services to the Board. The committee is supported by MHS officers and members of the Board.



### **Brian Densem**

Chair  
Moyne Health Services  
Board of Directors  
30th June 2021

# Board Of Directors

## Board Chair

### Brian Densem

Appointed: 1 July 2018

Term Expires: 30 June 2024

#### Committee

- CEO and Board Performance Committee

## Director – Deputy Chair

### Alistair McCosh

Appointed: 1 July 2016

Term Expires: 30 June 2024

#### Committee

- Finance Committee

## Director – Deputy Chair

### Sophie O’Keeffe

Appointed: 31 October 2017

Term Expires: 30 June 2023

#### Committees

- Quality and Safety Committee
- Consumer Advisory Committee
- CEO and Board Performance Committee

## Director

### Julianne Crow

Appointed: 1 July 2016

Term Expired: 30 June 2021

#### Committee

- Consumer Advisory Committee

## Director

### Dr David Leembruggen

Appointed: 1 July 2017

Terms Expires: 30 June 2023

#### Committee

- Quality and Safety Committee

## Director

### Lucy Doherty

Appointed: 8 March 2016

Term Expired: 30 June 2021

#### Committees

- CEO and Board Performance Committee
- Consumer Advisory Committee

## Director

### Karen Foster

Appointed: 1 July 2014

Term Expires: 30 June 2023

#### Committees

- CEO and Board Performance Committee
- Credentialing and Clinical Appointments Committee

## Director

### Trevor Carr

Appointed: 1 July 2019

Term Expires: 30 June 2022

#### Committees

- Audit and Risk Committee
- CEO and Board Performance Committee
- Board representative – Project Control Group

## Director

### Jennie Stinson

Appointed: 1 April 2020

Term Expires: 30 June 2022

#### Committees

- Finance Committee
- Audit and Risk Committee

## Director

### David Knight

Appointed: 1 April 2020

Term Expires: 30 June 2022

#### Committees

- Finance Committee
- Credentialing and Clinical Appointments Committee

## 2020-21 Board Meeting Attendance

Brian Densem	10/10
Alistair McCosh	10/10
Sophie O’Keeffe	10/10
Julianne Crow	8/10
Dr David Leembruggen	8/10
Lucy Doherty	9/10
Karen Foster	10/10
Trevor Carr	10/10
Jennie Stinson	9/10
David Knight	10/10

## Executive Team

### Jacqueline (Jackie) Kelly

#### Chief Executive Officer

Jackie is responsible for executing Moyne Health Services - Strategic Plan and the day-to-day management of the organisation by way of delegated authority from the Board of Directors.

### Katharina Redford

#### General Manager Support Services

Katharina is responsible for the management of Finance, Information Technology and Support Services.

### Ingrid Wynd

#### General Manager Care Services

Ingrid is responsible for leading a professional team to ensure the provision of high quality outcomes in the areas of Acute and Urgent Care, Residential Aged Care and Community based services.

### Sue Denney

#### General Manager Quality and Risk

Sue is responsible for the management of Accreditation, Quality and Risk Management systems, the Community Advisory Committee, Infection Control and Health Information.

## MANNER OF ESTABLISHMENT AND RESPONSIBLE MINISTERS

### Minister for Health; and

### Minister for Ambulance Services

Jenny Mikakos MP (from 1 July to 26 September 2020)

### Minister for Health; and

### Minister for Ambulance Services; and Minister for Equality

The Hon Martin Foley MP (from 26 September 2020 to

30 June 2021)

### Minister for Mental Health

The Hon Martin Foley MP

(from 1 July to 29 September 2020)

The Hon James Merlino MP

(from 29 September to 30 June 2021)

### //External Auditors

Victorian Auditor General's Office (VAGO)

Agent: McLaren Hunt Financial Group

### //Accountants

Accounting and Audit Solutions Bendigo (AASB)

### //Bank

National Australia Bank (NAB)

Westpac Banking Corporation

Bendigo Bank

**I would like to express my gratitude for being able to attend the Fearless Leadership Programme. This program has given me the opportunity to learn and grow as a leader, which has allowed me to better manage every day work challenges. To be able assist our internal teams, residents, clients and community for a better tomorrow is very rewarding"**

- Kevan McNamara (Home Care Packages Manager)
- Fearless Leadership Program participant

## VISITING MEDICAL STAFF

### **Dr A Gault**

MBBS, FRACGP  
Grad. Dip. Family Med.

### **Dr J Carson**

MBBS, Dip RANZCOG  
Mast. Gen Prac Psych

### **Dr I Sutherland**

MBBS, FRACGP, Dip.RANZCOG

### **Dr E Donelan**

MBBS, FRACGP, BA DipMusPrac

### **Dr X Pham**

MBBS (Hons), B. Med Sc., DCH, DRANZCOG,  
FRACGP

### **Dr Dae Kwon**

MD. DCH

### **Dr Robert Reynolds**

MBBS, DCH, EMC B. Pharm (Hons)

### **Dr Johanna Borgelt**

MBBS (Hons), FRACGP

### **Dr V Cheng**

MBBS, B.Med Sc., DCH, DRANZCOG,  
FRACGP

### **Dr R Mudarikwa**

MBBS (Hons), B. Biomed Sc., MA,  
DRANZCOG, DCH

### **Dr T Majer**

MBBS, B.Biomed Sc.

### **Dr J Parsons**

MBBS, DRANZCOG, FRACGP

### **Dr Kinson Lao**

MBBS (Hons)

### **Dr Rowena Mortimer**

Ba Bsc.MD

## MAJOR PUBLICATIONS

The following main publications are available at Moyne Health Services:

- Moyne Health Services By-laws
- Moyne Health Services, Policies and Procedures, which are stored electronically on PROMPT (Protocol Management Tool).

## MERIT AND EQUITY

Moyne Health Services is subject to the *Equal Opportunity Act 1995*

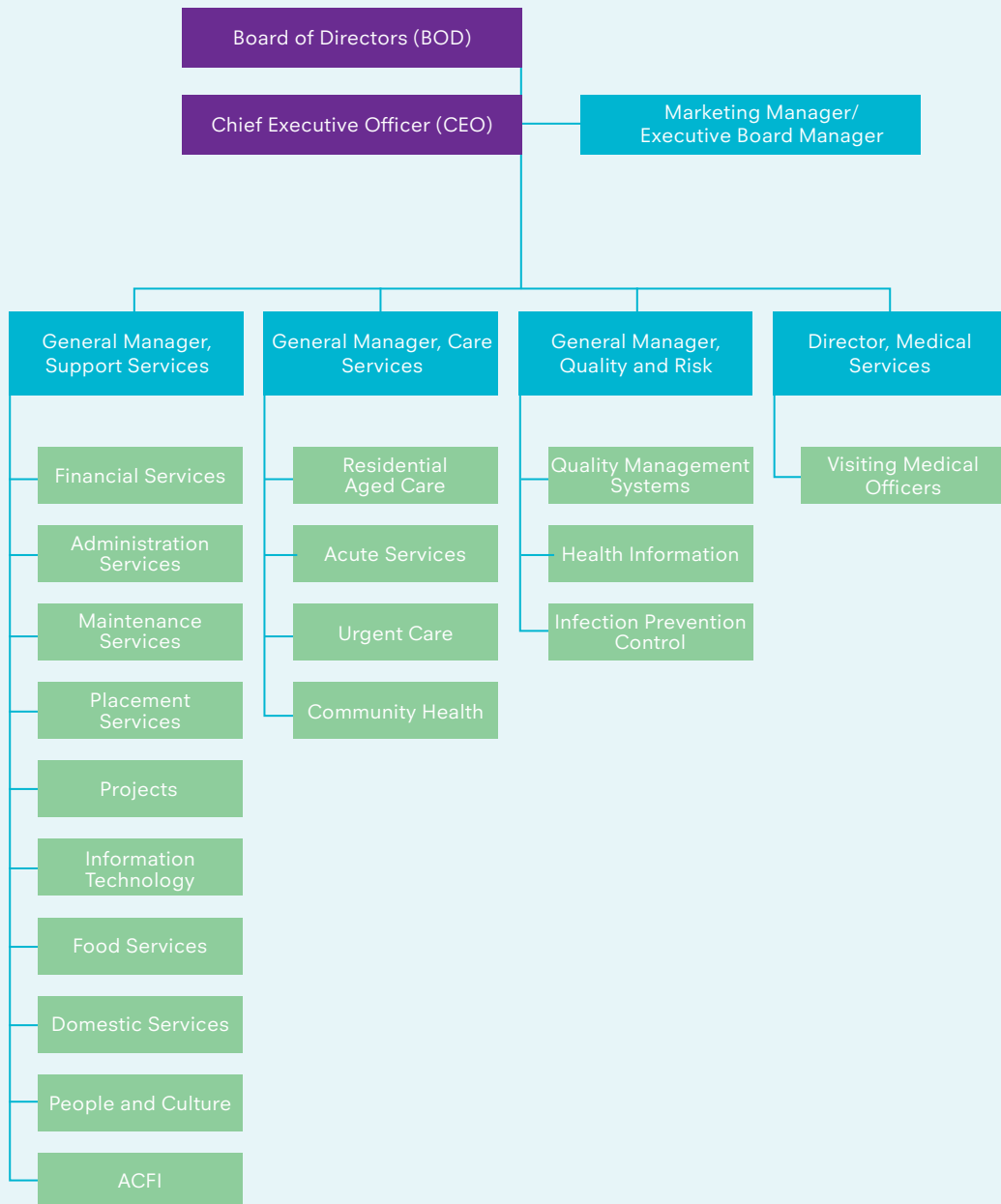
The Purpose of the Act is:

- to provide for equal employment opportunity programs in Public Authorities;
- to establish reporting requirements in relation to these programs; and
- to require Public Authorities to observe personnel management principles in employment matters.

Moyne Health Services has adopted principles and procedures to ensure that recruitment, promotion and advancement is determined on the basis of fair and open competition between qualified individuals. Decisions to recruit, promote and advance are made solely on the basis of relative ability, knowledge and skills in relation to the promotion involved.

Moyne Health Services is further committed to ensuring that all employees will receive fair and equitable treatment in all aspects of personnel management, regardless of political affiliation, race, colour, religion, national origin, sex, marital status or physical disability. Moyne Health Services has training and policies in place to support this position.

# Organisation Chart





# Recognising Our Employees

## Staff Years of Service

### 5 Years +

Ballard	Rosalie	5
Worden	Lisa	5
Kelly	Louise	5
Barber	Sherryn	5
Nally	Mary	5
Ross	Rebecca	5
Wiederman	Robyn	5
McCallum	Valerie	5
O'Shannessy	Susan	5
Firth	Cherie	6
Weston	Helena	6
Carmichael	Suzanne	6
Hearn	Margaret	6
Weir	Jane	6
Douéal	Jacqueline	7
De Kok	Lisa	7
Owens-Brownbill	James	7
O'Leary	Toni	7
Carter	Suzanne	7
Jenkins	Kylie	7
Sharkey	Donna	7
Cornett	Marian	7
Sack	Stephen	8
Dumesny	Jodi	8
Plant	Ayesha	8
Smith	Maria	8
Sharp	Rebecca	8
Cowland	Stacey	8
Coutts	Jennifer	8
Leutton	Maggie	8
Lenehan	Sharon	8
Ross	David	8
Lane	Cynthia	8
Hoey	Joanne	8
McElgunn	Julian	8

Guthrie	Joanne	9
O'Brien	Janette	9
Coomber	Joanne	9
Barton	Vicki	9
Astbury	Judith	9
Harrison	Sally	9

### 10 Years +

Elliott	Sally	10
Covey	Michelle	10
Dean	Glynis	10
Huisman	Jillian	10
Finnigan	Lucia	10
Riddle	Sharon	10
Keane	Johanna	11
O'Brien	Loretta	11
Tanner	Karen	11
Henderson	Holly	12
Coffey	Harry	12
Stevens	Carolyn	12
Sheehan	Debbie	12
Dobson	Maria	12
Glennen	Oriel	12
Kearney	Amanda	12
Crothers	Tatiana	13
McCarthy	Maureen	13
Carson	Ilona	13
Polson	Suzanne	13
Hull	Vikki	14
Parsons	Donna	14
Smith	Marilyn	14
Dempsey	Mary	14

**15 Years +**

Keane	Rebecca	15
Pulham	Melinda	15
Patterson	Christine	15
Keegan	Paula	15
Sproal	Sandra	15
Serong	Lillian	15
Lee	Robbie	15
Leddin	Lyn	15
Rees	Rosemary	15
Sutcliffe	Jacqui	16
Ryan	Julie	16
Fitzgibbon	Tracey	16
Bankier	Deanna	16
Atkinson	Cassie	17
Murray	Glynis	17
Lynch	Helen	17
Peterson	Virginia	18
Gibson	Sonya	18
Howard	Julie	18
Ward	Anita	19
Joosen	Noelene	19

**20 Years +**

Hawke	Kathryn	21
Quinn	Colleen	21
Jenkins	Heather	21
Coffey	Shelley	21
Mason	Lynette	21
Van Der Aa	Clare	22
Duncan	Carole	2
Haas	Sue	23
Gloury	Tricia	24
Winnen	Beverley	24
Harman	Carol	24

**30 Years +**

Lane	Susan	30
Cumming	Leanne	32
Ewen	Mary	32
McNamara	Kevan	34
Phillips	Joanne	34
Solomon	Josephine	34

**35 Years +**

Wright	Debbie	36
Martin	Michelle	37
Winnen	Sandra	38

**40 Years +**

Lovell	Victoria	42
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**Our heartfelt thanks goes to our team of dedicated staff. Their resilience, flexibility and passion ensured our organisation was able to provide person centred care to our residents, patients and community at the most important time in our healthcare system's history.**

## Recognising Our Life Governors

Adamson, Mr N	Finnigan, Mrs J	Lewis, Mrs P	Watts, Mr F
Allan, Mrs V	Finnigan, Mrs M	Lockett, Mr G	Watts, Mrs H
Arnold, Mrs L	Finnigan, Mr T	Maloney, Mrs B	Watts, Mrs J
Arnold, Mrs M	Fitzwilliam, Mr J	Mason, Mr I	Watts, Mrs S
Barnes, Mrs M	Foster, Mrs M C	Mason, Mrs H	Wentworth, Mr M
Bartlett, Mrs J	Fry, Mrs M	Matthews, Ms J	Whitehead, Mrs J C
Bartlett, Mrs K	Furmedge, Mrs I	May, Mr J W	Whitehead, Mrs M
Bartlett, Mrs T	Gault, Dr A	Miller, Mrs K	Wiggins, Mr T
Bartlett, Mrs M	Gavin, Mr G	Moutray, Mrs E	Woodrup, Mr J
Baulch, Mrs R	Glover, Mr P	Murdoch, Mr L	Woodrup, Mrs H
Baulch, Mrs L	Goldie, Mrs V	McDonald, Mr G	Woodrup, Mrs M
Blackmore, Mrs J	Gorry, Mrs S	McDonald, Mr R	Wright, Mrs A
Bourke, Mr E	Grist, Mr H W	McLean, Mr J	Wright, Mrs D
Bourke, Mr J N	Grace, Mrs J	McLean, Mrs J	Youl, Mr G
Bourke, Mrs P	Gaynor, Mr N	McLean, Mrs M	
Bradley, Mr N	Harry, Mrs J	McLean, Mrs N	<b>//Koroit Health Services Inc.</b>
Brophy, Mrs B	Harry, Mr R	O'Dwyer, Mrs J	Anscombe, Mr J
Brophy, Mr J S	Heard, Mrs H V	O'Dwyer, Mr P J	Amarant, Mr W P
Byron, Mr F A	Hearn, Mr M L	O'Keefe, Mr P	Beard, Mr D G
Carroll, Mrs M	Heaney, Mrs A	Ploenges, Mr J W	Carter, Mr R J
Carroll, Mr K	Hedditch, Mr J	Ransley, Mrs B	Dennis, Mr W J
Chapman, Mrs M	Hocking, Mrs G	Reed, Mrs B	Duncan, Mrs M
Clark, Mrs W	Hodgeson, Mrs G	Rendell, Mrs B	Freeman, Mr K
Crow, Mr R	Hohmuth, Mrs D	Ridout, Mrs S	Glare, Mr H V
Crow, Mr T	Hughes, Mrs C	Roberts, Mrs J	Haberfield, Miss M
Crow, Mrs V	Irving, Mrs N	Robertson, Mr L W	Jacobs, Mr T C
Crowe, Mrs M	Johnson, Mr H	Robertson Mr S	Kelly, Mrs B
Cykner, Mrs Z	Jones, Mr D	Ryan, Mrs C	Mackay, Mrs M
Comber, Mr WS	Keates, Mrs B	Ryan, Mrs H	Madden, Mr P W
Dalton, Mrs N	Keates, Mrs L	Smith, Mrs C	Madden, Mr P W
De Vries, Mr G	Kelly, Mr W	Smith, Mrs M	Marney, Mr V D
Dean, Miss L	Kent, Mrs B	Spence, Mrs D	Morris, Mr G
Dempsey, Mrs J	Kinniry, Rev Fr T	Sproal, Mrs V	McCosh, Mrs S
Dodson, Ms A	Koci, Mrs J	Stevens, Mr R	McNally, Mrs E R
Dowell, Mrs D	Lawson, Mrs G	Stevens, Mrs K	Paton, Mrs F
Dwyer, Mr G	Leddin, Mr J	Tennant, Mrs V	Quinlan, Mr T
Dwyer, Mrs V	Leddin, Mrs M	Terjeson, Mr S	Stokes, Mrs D
Dyson, Miss J	Leishman, Mrs A	Thomas, Mrs E	Warnock, Mrs B
Dyson, Mrs S	Lemke, Mr K	Thurbon, Mrs J	Waterson, Mr A R
Elliot, Mrs C	Lemke, Mr D	Veitch, Mr A	Walker, Mr I J
Feeney, Ms E	Lemke, Mrs F	Veitch, Mrs S	
		Walter, Miss J	

## Recognising Our Donors

Amount Received	From / Contact
\$1,000.00	Judy & Ray Naylor
\$10.00	Mr Carey
\$0.00	The Estate of Hilary Reardon
\$100,000.00	Friends of Moyneyana
\$1,200.00	MH Craft Stall Committee
\$100.00	Bridget and Tom Farley
\$100.00	John Ray
\$50.00	Brian Sloan
\$50.00	Lyn Carr
\$100.00	Glynis Dean
\$1,300.00	Michael Hearn
\$400.00	Robbie Lee
\$70.00	Codrington Nursery
\$300.00	Ronald & Beverly Woff
\$0.00	Estate of Noreen Dalton
\$500.00	Guenter & Jackie Herrmann
\$700.00	Port Fairy Community House
\$0.00	Leskes Jewellers
\$0.00	Helen Dupleix
\$20.00	Jenny Page
\$100.00	Mr & Mrs Woff
\$0.00	Gaye Hine
\$3,828.96	Moyneyana Craft Stall

\*The \$0 amount reflects *in-kind* donations.

## Occupational Health, Safety and Wellbeing

Moyne Health Services (MHS) is committed to providing a safe environment for our employees, residents, patients, visitors and volunteers. We demonstrate our commitment to excellence in Occupational Health and Safety management through the provision and maintenance of a safe working environment and active promotion of the health wellbeing of our staff.

MHS has an active Workplace Safety, Wellbeing & Environment Committee. The committee meets bi-monthly and works collaboratively to ensure compliance obligations under the *Occupational Health and Safety Act 2004* (Vic) (the Act). Committee members comprise trained Health & Safety representatives and department managers, all working together in supporting workplace safety across the organisation. Risk assessments, audits

and workplace inspections are conducted regularly to ensure our employees, residents, patients, visitors and volunteers are provided a safe environment.

### //Industrial Relations

No time was lost to industrial action during 2020 -2021.

### //Number of Registered WorkCover Claims

Moyne Health Services registered 5 new registered WorkCover claims during 2020 – 2021 and 7 active claims.

### //Workforce Data

Labour Award by Category	JUNE current month FTE*		Average Monthly FTE*	
	2020	2021	2020	2021
Nursing	54.04	51.96	53.07	53.47
Administration & clerical	13.98	15.93	13.55	15.91
Medical support	4.15	0.71	0.73	0.72
Hotel and Allied Services	51.36	51.76	51.43	52.68
Ancillary staff (Allied Health)	6.34	12.03	8.97	10.41
<b>TOTAL</b>	<b>129.87</b>	<b>132.39</b>	<b>127.75</b>	<b>133.19</b>

\*The FTE figures required in the table are those excluding overtime. These do not include contracted staff (e.g. Agency nurses, Fee-for-Service Visiting Medical Officers) who are not regarded as employees)

### //Occupational Violence Statistics

<b>Occupational Violence Statistics</b>	<b>2020-21</b>	<b>2019-2020</b>
WorkCover-accepted claims with an occupational violence cause per 100 FTE	0	0
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0	0
Number of occupational violence incidents reported	6	26
Number of occupational violence incidents reported per 100 FTE	4.87	20.02
Percentage of occupational violence incidents resulting in staff injury, illness or condition	0	15.38%

### //Occupational Health and Safety Data

<b>Occupational Health and Safety Statistics</b>	<b>2020-2021</b>	<b>2019-2020</b>	<b>2018-19</b>
The number of reported hazards/incidents for the year per 100 FTE	48.78	77.77	56.25
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	4.06	7.7	3.85
The average cost per WorkCover claim for the year ('000)	\$3,262	\$8,829	\$6,037

## Our Sustainability

Moyne Health Services is committed to maintaining and improving the health and wellbeing of our people and the communities we service. To that end, we recognise the need to use our resources wisely and effectively without compromising our standards of care. We also acknowledge our responsibility to provide a leadership role to ensure the environmental, social and economic sustainability of our organisation.

### //Economic Sustainability

Moyne Health Services is one of the largest employers in Port Fairy. We employ 220+ personnel and purchase goods and services locally, including dairy, bakery products, plumbing and electrical services.

### //Environmental Sustainability

Utility	2021	2020	2019	2018	2017	% change (2020/21)
Electricity	549	493	669	700	703	% .8
Natural gas	186	336	289	281	231	% 55 <i>Reduction due to not using natural gas throughout facility</i>
Diesel (L)	NA	NA	NA	N/A	56,363	NA
Water (ML)	9600	9689	9,016	8,896	9,420	\$.01

Moyne Health Services is committed to implementing sound environmental practices to ensure a reduction in its environmental imprint. We are continually reviewing and implementing sound environmental practices in all areas of our operations to minimize both the impact on the environment, as well as cost.

We also recognise it is our responsibility to develop the skills and attitudes of our staff that will result in a long-term commitment to sustainability of environmental strategies that ultimately lead to improved quality of life for our community.

Our key highlights for 2020/21 include:

- ✓ Rolling changeover of fleet vehicles to more efficient vehicles.
- ✓ Implementation of sustainable business practices during the concept phase of our major / minor capital works.
- ✓ Introduction of a new four-bin kerbside collection service, including a food organic and garden organics (FOGO) service and a *glass only* bin.
- ✓ Supporting the elimination of single use plastics for catering.
- ✓ Replacement of single use plastic clinical equipment (including kidney dishes, dental pots & instrument trays) with recycled compostable cardboard items.
- ✓ Developing our Environmental Sustainability Management Plan.

### //Information Technology

Moyne Health Services continues to ensure our information technology continues to develop to support efficient and effective operational programs required to support our organisation's commitment to ensuring the delivery of appropriate and safe care. This is achieved through our partnership with South West Alliance of Rural Health (SWARH), and Moyne Health Services Information Technology Group.

# Social Sustainability

## //Our people at their best!

Our people are the key to our success! Here at Moyne Health Services we are committed to creating a sound understanding of what success looks like to our people, showcasing their strengths and supporting opportunities for personal growth and development. Our Purpose; Best Care – Every person, every time and Values; Collaboration, Accountability, Respect, Excellence have been incorporated into MHS' leadership and employment orientation programs. These principles have been incorporated into our recruitment and selection training programs to ensure that all employment decisions are based on merit and equity. MHS is an Equal Opportunity Employer.

We have a number of long serving staff whose years of dedication and commitment span 15, 20, 30+ years. Without these employees' service and loyalty to their patients, colleagues and community, Moyne Health Services would not be the organisation it is today. It is our belief that these long serving staff members offer a uniqueness that no-one else can offer. They willingly shared their extensive knowledge and expertise and we extend our gratitude and thanks to them.

## //Our volunteers

The support we continue to receive from our volunteers is outstanding. Our 160+ volunteers generously donate their time, energy and expertise to assist in a number of programs at Moyne Health Services. These include, but are not limited to Meals on Wheels, Koroit Social Support Group, Lighthouse Café, as well as assisting with our Aged Care Activities programs. Our volunteers are a vital part of our team and we commend their endless abundance of support and enthusiasm as they continue to support our staff, residents and community.

## //Education Scholarship

Our Hilary Education Scholarship continues to support a number of staff to actively pursue their professional and career development through educational opportunities. During the reporting period three staff were awarded the Hilary Hamilton Education Scholarship; Daniel Carr (Bachelor of Nursing Degree - Deakin University), Sonya Gibson (Certificate IV in Clinical Classification (Coding) - Victoria University) and Nadine Pritchard (Leadership Mindset Masterclass - Australian College of Nursing).

## //Port Fairy Medical Clinic (PTFMC)

The PTFMC is an independent medical practice co-located with Moyne Health Services. General Practitioners operate from this practice, providing a comprehensive range of services to the Port Fairy community.

## //Infrastructure

We have again experienced an extremely busy year with a number of simultaneous infrastructure projects as our service continues to deliver on priority areas of our Master Plan. These include:

- A project of significant refurbishment works to 25 resident rooms in Moyneyana House continues and is due for completion in the new Financial Year.
- The construction of the new front entrance, common area and café area in Moyneyana House.
- Storage Shed/Service yard redesign project, including upgraded generator and switchboard capacity across Moyne Health Services.

**“The mark of an exceptional team lies in their ability to empathise with those in their care and each other. That’s the Care Services team to a tee”.**

 Ingrid Wynd  
General Manager, Care Services



## Attestations

### Legislative Compliance

#### Data Integrity

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

#### Conflict of Interest Declaration

I, Jacqueline Kelly, certify that Moyne Health Services 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.

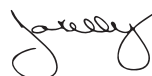
Declaration of private interest forms have been completed by all executive staff within Moyne Health Services and members of the Board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive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

#### Integrity, Fraud and Corruption

I, Jacqueline Kelly, certify that Moyne Health Services has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and address at Moyne Health Services during the year.

#### Attestation on Statistical Data Accuracy

I, Jacqueline Kelly certify that Moyne Health Services has put in place appropriate internal controls and processes to ensure that the Department of Health is provided with data that reflects the actual performance. Moyne Health Services has critically reviewed these controls and processes.



#### Jacqueline Kelly

Chief Executive Officer  
Moyne Health Services  
30th June 2021

#### Financial Management Compliance Attestation

I, Brian Densem, on behalf of the Responsible Body, certify that Moyne Health Services has complied with the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



#### Brian Densem

Chair  
Moyne Health Services  
Board of Directors  
30th June 2021

## Compliance Requirements

### //Building Act 1993

Moyne Health complies with the provisions of the *Building Act (1993)* Guidelines issued by the Minister for Finance for publicly owned buildings. Projects undertaken by Moyne Health Services have involved the 10-year liability cap under the building permit process by use of registered building practitioners. During the reporting period, the following works and maintenance were undertaken to ensure conformity with the relevant standards:

Building Works	Number
Works in construction and subject to mandatory inspection	8
Occupancy permits	13
Maintenance	Number
Notices issued for rectification of sub-standard buildings requiring urgent attention	1 (Koroit)
Involving major expenditure and urgent attention	1
Conformity	Number
Number of buildings conforming with standards brought into conformity this year	4

### //Freedom of Information Act 1982

The *Freedom of Information Act 1982* provides the right to obtain information held by Moyne Health Services (MHS). In the year ended 30 June 2020, MHS received one application for access to documents under the Act.

### //Public Interest Disclosure Act 2012

Moyne Health Services has in place appropriate procedures for disclosures in accordance with the *Public Interest Disclosure Act 2012*. There are no public interest disclosures to reflect the changes in the name of the legislation.

### //Safe Patient Act 2015

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

### //Carers Recognition Act 2012

The *Carers Recognition Act 2012* recognises, promotes and values the role of people in care relationships. Moyne Health Services understands the different needs of persons in care relationships and that care relationships bring benefits to the patients, their carers and to the community.

Moyne Health Services takes all practicable measures to ensure that its employees, agents and carers have awareness and understanding of the care relationship principles and this is reflected in our commitment to a model of patient and family centred care and to involving carers in the development and delivery of our services.

### //Environment Performance Reporting

Moyne Health Services is working with our staff and community to actively reduce our environmental impact. We have installed a significant bank of Solar panels and have replaced capacity hot water heaters to instantaneous ones. Lights and heaters in offices turn off after 2 hours of inactivity. We have replaced our 3 gas boilers with individual climate controlled split system devices in residents' rooms. Refurbished rooms have energy efficient windows to reduce heat transfer.

We have established a 'towards zero' waste working group within the organisation to separate our rubbish to support better levels of recycling. Our clinical waste output has been significantly reduced.

We are also partnering with our local community and businesses on establishing an 'energy precinct' within the town.

Environmental impacts & energy use			
	2018-19	2019-20	2020-21
<b>Energy use</b>			
Electricity (MWh)	625	545	557
Natural Gas (gigajoules)	7,290	6,330	7,591
<b>Carbon emissions (thousand tonnes of CO<sub>2</sub>e)</b>			
Electricity	1	1	0.55
Natural Gas	0	0	0.39
<b>Total emissions</b>	<b>1</b>	<b>1</b>	<b>0.94</b>
<b>Water use (millions litres)</b>			
Potable Water	9	11	10.57

Factors influencing environmental impacts			
	2018-19	2019-20	2020-21
Floor area (m <sup>2</sup> )	8,027	8,027	8,440
Separations	336	265	263
In-Patient Bed Days	2,220	2,126	2,220
Aged Care Bed Nights	28,588	28,957	28,573

Benchmarks   2020-21			
	Average for peer group	Your value	% above/below ave.
<b>Carbon emissions</b>			
CO <sub>2</sub> e(t) per m <sup>2</sup>	0.17	0.11	-33%
CO <sub>2</sub> e(t) per OBD	0.07	0.03	-56%
CO <sub>2</sub> e(t) per Seps	0.43	3.56	723%
<b>Water use</b>			
kL per m <sup>2</sup>	1.27	1.25	-1%
kL per OBD	0.53	0.34	-36%
kL per Seps	3.33	40.20	1109%
<b>Expenditure rates</b>			
Total utility spend (\$/m <sup>2</sup> )	41	34.26	-16.4%
Elec(\$/kWh)	0	0.22	7.5%
Gas(\$/gigajoules)	13	15.47	18.9%
Potable Water(\$/kL)	4	4.81	28.8%
LPG(\$/kL)	496	-	-100.0%
<i>Additional measures (not included in benchmarking chart)</i>			
Total utility spend (\$/Separations)		1,099.46	
Total utility spend (\$/In-Patient Bed Days)		130.25	
Total utility spend (\$/Aged Care Bed Nights)		10.12	

### //Local Jobs Act 2003

There were 4 contracts in 2020/2021 to which the *Local Jobs Act* applied. The number and percentage of 'local content' committed under contracts that commenced in the reporting period where a VIPP Plan was not required (due to nil or limited contestability) was 96% local content by nature. There were 14 local firms of small and medium sized businesses engaged as either the principal contractor or as part of the supply chain. There were 4 local contracts that commenced and/or completed in the reporting period to which a VIPP Plan was required split by projects were regionally based.

During the reporting period during which these contracts commenced, 3 new local jobs and 2 new local apprentices were engaged. For contracts completed, 2 new local jobs and 2 local apprentices were engaged as a result of these contracts. There were NIL conversations

with the Industry Capability Network that correspond with the registration and issue of an Interaction Reference Number.

### //Victorian Disability Act 2006

Moyne Health Services has policies and procedures which align with the applicable principles of the *Victorian Disability Act 2006*.

### //National Competition Policy

Moyne Health Services supports National and State Competition policies and the Victorian Government Competitive neutrality policies (as applicable). There were no disclosures during the year under review.

### //Merit and Equity

Moyne Health Services is subject to the *Equal Opportunity Act 1995*. All staff appointments are based on the principles of merit and equity.

### //Compliance with DataVic Access Policy

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

### //Gender Equity Act 2020

With the introduction of the *Gender Equality Act 2020* coming into effect from the end of March 2021, Moyne Health Services has implemented an extensive training program in preparation for implementation of the *Act*.

Training consisted of Gender Impact Assessment, Gender Equality Audit training and Gender Equality Action Planning. Training comprises of both the Commission based training programs as well as training facilitated by regional partners, Women's Health & Wellbeing Barwon South West.

Monthly Gender Impact Network Meetings are being held with Women's Health & Wellbeing Barwon South West to help support the health services in the region to better understand our responsibilities and requirements around the *Act*.

A Gender Equality Audit commenced in June with an estimate of 16 to 20 days to

complete the audit and analyse data in readiness for the next phase - consultation. The Audit and consultation will lead into the development of our Gender Equality Action Plan, which is due for submission to the Commission by 1st December 2021.

Moyne Health Services will roll out Gender Equality 101 workshops to all staff with specific training for senior management groups to enable a broader understanding of the requirements of the *Act*. Following on from these workshops, Gender Equality Impact Assessments will be developed, requiring all outward facing interactions, including development and disseminating of policies, projects and programs. Further training will be provided to key staff late August and September.

### //Asset Management Accountability Framework (AMAF) maturity assessment

[FRD 221]

The following sections summarise Moyne Health Services' 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.

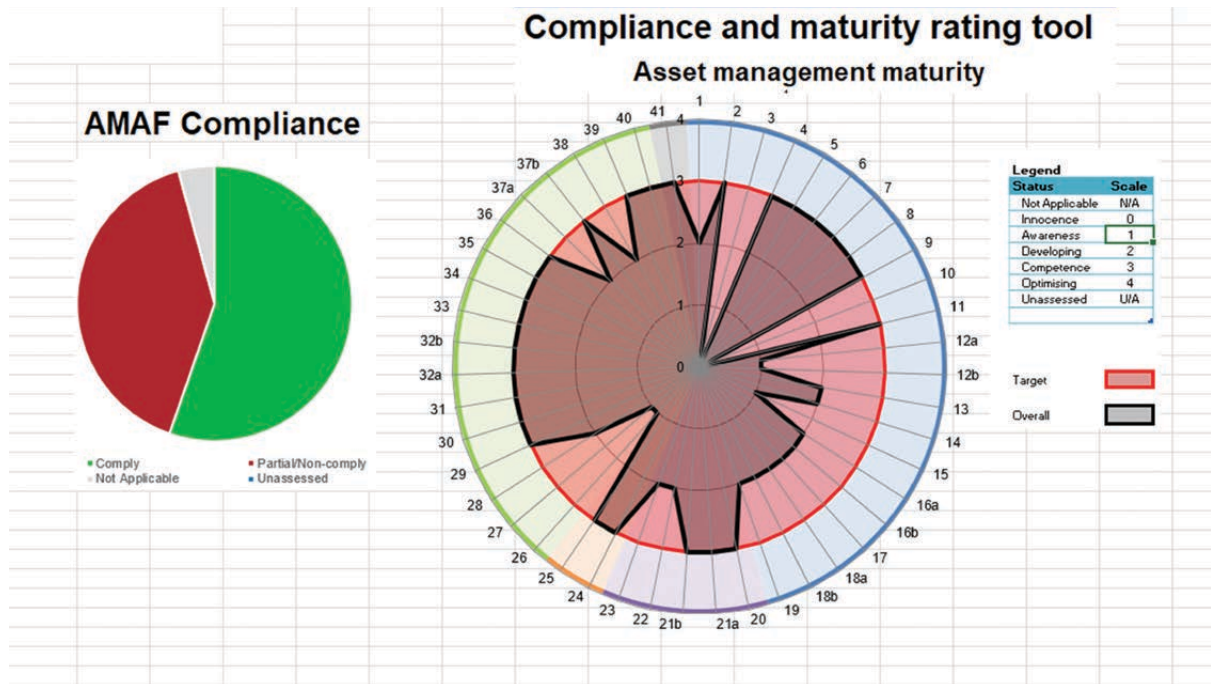
Our target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

### //Leadership and Accountability (requirements 1-19)

MHS has met its target maturity level under most requirements within this category.

Asset Performance (requirements 12a – 19)

All areas have partial compliance. MHS has not met its target maturity level in this category. A plan for improvement is in place to improve the MHS maturity rating in the areas below target.



#### //Planning (requirements 20-23)

MHS has met its target maturity level in 50% of this category.

Risk Management (requirements 22 and 23)

All areas have partial compliance. MHS has not met its target maturity level in this category. A plan for improvement is in place to improve the MHS maturity rating in the areas below target.

#### //Operation (requirements 26-40)

MHS has met or exceeded its target maturity level under most requirements within this category.

Risk Management (requirements 26, 27 and 28)

All areas have partial compliance. MHS has not met its target maturity level in this category. A plan for improvement is in place to improve the MHS maturity rating in the areas below target.

Information Management (requirements 37a and 38)

All areas have partial compliance. MHS has not met its target maturity level in this category. A plan for improvement is in place to improve the MHS' maturity rating in the areas below target.

#### //Disposal (requirement 41)

MHS has met its target maturity level in this category.

#### //Directions of the Minister for Finance

Moyne Health Services is responsive to the *Financial Management Act 1994*. The Act required all public bodies, such as Moyne Health Services to prepare an Annual Report, which is submitted to the Minister prior to tabling in Parliament.

The information in this report addresses the requirements for an accountable business practice and acts as an information tool for the Government and community. Additional information as specified in FRD 2I is retained by the Accountable Officer and is available on request, subject to the provision of the *Freedom of Information Act 1982*.

#### Contact details:

Chief Executive Officer  
Moyne Health Services  
PO Box 93, Port Fairy VIC 3284  
Phone (03) 5568 0100  
Email [reception@moynehealth.vic.gov.au](mailto:reception@moynehealth.vic.gov.au)

### //Additional Information available on Request

This report acknowledges that the items listed below are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

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

## Consultancy Disclosure

### //Consultancies valued under \$10,000

In 2020-21, there were **no** consultancies where the total fees payable to the consultants were less than \$10,000.

### //Consultancies valued at \$10,000 or greater

In 2020-21, there were **no** consultancies where the total fees payable to the consultant was \$10,000 or greater.

### Revenue Indicators / Debtors Outstanding

Outstanding Debtors as at 30 June 2021	2018 - 19	2019 - 2020	2020-2021
Under 30 days	323,901	265,978	312,629
31 to 60 days	16,097	4,059	42,976
61 to 90 days	4,945	10,831	11,215
Over 90 days	25,886	29,538	10,038
<b>TOTAL</b>	<b>370,829</b>	<b>310,406</b>	<b>360,152</b>

### Information and Communication Technology (Ict) Expenditure

The total ICT expenditure incurred during 2020 – 21 is \$1,039,427 (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure		
<b>Total (excluding GST)</b>	Total = Operational expenditure and Capital Expenditure (excluding GST) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
<b>1.016</b>	<b>\$0.023</b>	<b>\$0.023</b>	<b>\$0</b>

# Statutory Requirements

## Statement of Priorities

### Part A: Overarching Strategic Priorities

For financial year 2020-21 there have been no individual deliverables that constitutes SoP Part A due to the COVID-19 pandemic. However, there are a number of overarching strategic priorities pertaining to Moyne Health Services (MHS) readiness and response to the pandemic, community engagement, response to the Mental Health / Aged Care Royal Commissions, and fostering local partnerships including Aboriginal community controlled health organisations and communities more broadly.

In 2020, MHS embarked on a Service Planning Exercise to determine the direction and focus required to address the health needs of our community now and into the future. The plan was developed in three phases and is underpinned by a review of MHS' service and demographic data, and extensive consultation with MHS staff, clinical staff, and the community.

Phase One – data diagnoses involved a review of challenges to service delivery, including consideration of the changing population and health status. Phase Two – included site visits, staff and community consultation sessions, online surveys and targeted consultation with key stakeholders and community partners. Phase Three – included summarising the findings of phase one and two, resulting in a set of service priorities to address the identified gaps and needs.

The Service Plan presents a set of strategic priorities and actions that will have a significant impact on the health outcomes of our community. The priority areas of the Plan identify opportunities to target core health needs and improve the accessibility and coordination of healthcare services for the Moyne community. These are in addition to the continuance of existing services.

Based on the demographic and service data, and consultation insights, six service

needs and issues were identified in addition maintaining current service delivery. These priorities are focussed on facilitating access to the wellbeing, clinical and support services needed by our changing population, and improving the health and wellbeing of our Moyne community. The priority areas are summarised below:

**//Priority One:** Wellness, health promotion and self-management services for our community.

**//Priority Two:** Integration and partnership across services and service providers.

**//Priority Three:** Improved equity of access and target service delivery based on need.

**//Priority Four:** Healthy aging and end-of-life care.

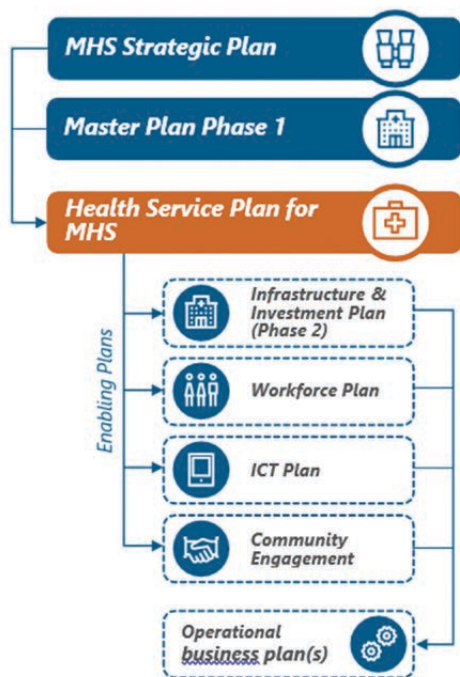
**//Priority Five:** Workforce development and sustainability; and

**//Priority Six:** Enabling our future health services – digitally enabled health.

The Service Plan 2020-2025 sets a strategic direction and service priorities for the delivery of health services unique to the changing needs and health status of the Moyne community over the next five years. The Plan for MHS has been developed in the context of factors and changes, particularly recognising that in order to genuinely respond to the health needs of the community, the service needs to reconsider what, where and how health services are delivered. The Plan sits within a planning framework and is supported by enabling plans which build out and operationalise the priorities outlined in the plan. Planning framework and context for the Service Plan outline in the figure below.

Our community have told us that our services are critical to their needs, as well as increased access to additional services that support health, aging, young families and mental health.





**Enabling people in our community to receive a suite of health services required.**

Increasingly, our community require care provided by a number of service providers including MHS, general practice, specialist care and tertiary hospital, private provider and community groups. To this end we work in partnership with our patients, residents and other healthcare providers to facilitate a healthcare experience that is coordinated and integrated around our patients, carers and families.

We have developed a number of deliverables to enable our community to have access to key resources, maximising health outcomes and quality of life for our patients. Deliverables include expanding care coordination services to include services provided by other providers and partners and regional leadership in digital systems navigations services. Telehealth and video conferencing provides our community with more easily accessible important health and specialist services that would otherwise have required extensive travel. Our ‘no wrong door’ ethos enables our community to access, coordinate and maximise the outcomes of health services, regardless of the care needed. We are also identifying funding opportunities for

care coordination and service enablement functions.

The health service needs and issues identified in the Service Plan, as well as the actions identified to address them identify an overarching ambition for MHS to aspire to. Our ambition are defined as:

1. To improve health outcomes for the MHS population.
2. To improve local access to a comprehensive and coordinated health care experience.
3. To achieve the above in particular by embracing new technology and ways of working – through different workforce models, embedding telehealth as a core part of our models of care, seeking opportunities for partnership in care provision and identifying funding streams that ensure access for the whole community.

**Moyne Health Services – Covid-19 Readiness And Response Framework**

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

**//Priority 1: COVID-19 Readiness and Response**

Maintain robust COVID-19 readiness and response, working with the Department of Health 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:

Moyne Health Services implemented a four pronged approach in response to the COVID-19 pandemic; (1) education and communication, (2) prevention, (3) early detection, and (4) caring for people with symptoms or disease.

1. Education & communication
  - Staff competencies in hand hygiene, donning and doffing PPE
  - Regular communication with our staff to ensure everyone is abreast of current process and precautions
  - Community awareness through social media, advertising and other media platforms
2. Prevention
  - Staff and visitor attestation
  - Vaccination of staff and residents
  - Management of people: visitors, contractors, staff working at multiple organisations, staff zoning within the organisation
  - Standard and transmission based precautions
  - PPE and hand hygiene, cough etiquette
3. Early detection
  - Daily health screening of residents and patients
  - Recognising and responding to clinical deterioration
  - Swabbing for staff, residents and community
4. Caring for people with symptoms or disease
  - Isolation, PPE, 5-moments of hand hygiene, cleaning
  - Social distancing and working from home
  - Responsible use of antimicrobials

## //Priority 2: Community Engagement

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:

The need to establish and maintain clear and regular communications with our communities during the pandemic led to the commencement of the MHS Community Connect newsletter and increased opportunities on digital platforms, for example the social media platform Facebook. We recalibrated our priorities and introduced a multi message media platform which enabled us to send text messages to our staff, volunteers, resident Next of Kin and clients, ensuring direct broadcasting of key information. We have also introduced a dedicated page on our new website, specifically targeting COVID-19 updates to the wider community: <https://moynehealth.vic.gov.au/covid-update/>. The feedback has been extremely positive and we look forward to continuing this innovation as part of our normal business processes.

Unprecedented growth in demand for web and mobile based videoconferencing software and associated support was a feature of this year, with the introduction of virtual platforms as an alternate way to run our business and connect with colleagues and members of our community. Connecting our residents with their loved ones virtually has also proven a great success and we continue to utilise a range of social media platforms, like FaceTime and Skype.

The uptake of the virtual meetings has seen a level of engagement and work efficiency gains. Participants have the option to attend meetings from the comfort of their own settings, either within the workplace or in their homes. These new systems have greatly enhanced our capability to connect to our community and we are looking at continuing with a number of similar platforms in the future.

**//Priority 3: Response – Royal Commission, Victoria’s Mental Health system and Royal Commission into Aged Care Quality and Safety.**

As providers of care we 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, Moyne Health Services 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, Moyne Health Services identified and prepared for those changes that come into effect from 1 July 2021.

**//Priority 4: Develop and foster local health partner relationships, which have been strengthened during the pandemic response, to continue delivering collaborative approaches to planning, procurement and service delivery at scale.**

This extends to prioritising innovative ways to deliver health care through shared expertise and workforce models, virtual care, co-commissioning services and surgical outpatient reform to deliver improved patient care through greater integration.

**Outcomes:**

Moyne Health Services has partnered with regional and local health partners to deliver on a suite of service delivery to scale, including shared expertise and workforce models for Urgent Care presentations.

During the last 18 months of the Covid 19 pandemic, Moyne Health Services has developed and strengthened a number of important partnerships which have supported and guided us through this

pandemic as detailed in the following summary:

- Consumers, families and community have been the cornerstone of our journey. Their understanding and care has helped us enormously by being flexible, continually pivoting to ensure the safety of our staff and consumers and the support of our organisation.
- Our partnership with our builders and contractors who generously built a visitors room so our consumers had the option of seeing their families and loved ones when it mattered.
- Our health service partners have provided support to our work force, supporting our Covid clinics, swabbing clinics, our infection control and our fit testing. This has set up a great framework for further collaboration.
- The weekly catch up with the other health services in the South West Region keeps us informed and supports us through the ever changing environment. Partnerships really do make a difference when we are all in it together!
- Our GPs who were unwavering in their support and care for our shared clients and residents over this time. Working in partnership with them to support our community to be vaccinated and to keep them safe. Ensuring we had telehealth appointments and specialist support to ensure continuity of care to our consumers through the pandemic.
- Our ability to access Mental Health care via telehealth for our residents as isolation and lack of family support weighed heavily on some.
- Our work with our regional partners to ensure we supported them by transferring our community members to our hospital freeing up space for more acute patients.
- And finally, our staff who were the backbone of our success in keeping our health service Covid free while they dealt with their own journeys during this time. We applaud them and thank them for the wonderful partnership they have with our consumers and with each other.

## Statement of Priorities Part B: Performance Priorities

### High Quality and Safe Care

Key Performance measure	Target	2020 – 2021 Actuals
<b>Infection prevention and control</b>		
Compliance with the Hand Hygiene Australia program	83%	92.7%
Percentage of healthcare workers immunised for influenza (period April 2020 to August 2020)	90%	99%
Sentinel event	Full compliance	*Met

\*There were no sentinel events during the reporting period

### Effective financial management

Key performance measure	Target	2020-21 Result
<b>Finance</b>		
Operating result (\$m)	\$0.4	\$0.59
Average number of days to paying trade creditors	60	25
Average number of days to receiving patient fee debtors	60	33
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.72
Actual number of days a health service can maintain its operations with unrestricted available cash (based on end of year forecast)	14	-36 (not achieved)
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000	\$484,521

**“I was looked after very well and staff were friendly and kind to me. Whilst this was a difficult time, staff helped us to make decisions about long term care. MHS provided great care close to home. I’m thankful”.**

Urgent Care patient

## Revenue Indicators

Average Collection Days	2019	2020	2021
Private	93	110	106
TAC	NIL	Nil	Nil
VWA	NIL	Nil	Nil
Other compensable	NIL	Nil	Nil
Psychiatric	N/A	N/A	N/A
Residential Aged Care	34	33	34

## Statement of Priorities Part C: Activity and Funding

### Service Activity Reporting

Small Rural	2020-21 Activity achievement	Units
Small Rural Acute	365.91	WIES equivalents
Small Rural Primary Health & HAAC	60 (Primary) 1383 (HACC)	Hours
Nursing (including Continence & Diabetes Education)	3337	Service Hours
Allied Health (total of disciplines below)	5182	Hours
Counselling	0	Hours
Dietetics	281	Hours
Occupational Therapy	665	Hours
Physiotherapy	3215	Hours
Podiatry	828	Hours
Speech Therapy	193	Hours
Small Rural Residential Care	28 573	Bed days
Health Workforce	39	Number of students

## Disclosure Index

The annual report of Moyne Health Services 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 Reference
Ministerial Directions		
Report of Operations		
Charter and purpose		
FRD 22I	Manner of establishment and the relevant Ministers	22-23
FRD 22I	Purpose, functions, powers and duties	14-17
FRD 22I	Nature and range of services provided	14-17
FRD 22I	Activities, programs and achievements for the reporting period	14-17
FRD 22I	Significant changes in key initiatives and expectations for the future	12-18
<b>Management and structure</b>		
FRD 22I	Organisational structure	24
FRD 22I	Workforce data/ employment and conduct principles	29-30
FRD 22I	Occupational Health and Safety	29-30
<b>Financial information</b>		
FRD 22I	Summary of the financial results for the year	12-13
FRD 22I	Significant changes in financial position during the year	12-13
FRD 22I	Operational and budgetary objectives and performance against objectives	12-13
FRD 22I	Subsequent events	
FRD 22I	Details of consultancies under \$10,000	39
FRD 22I	Details of consultancies over \$10,000	39
FRD 22I	Disclosure of ICT expenditure	39
<b>Legislation</b>		
FRD 22I	Application and operation of Freedom of Information Act 1982	34-35
FRD 22I	Compliance with building and maintenance provisions of Building Act 1993	34-35
FRD 22I	Application and operation of Public Interest Disclosures Act 2012	34-35
FRD 22I	Statement on National Competition Policy	34-35
FRD 22I	Application and operation of Carers Recognition Act 2012	34-35
FRD 22I	Summary of the entity's environmental performance	35
FRD 22I	Additional information available on request	38
<b>Other relevant reporting directives</b>		
FRD 25D	Local Jobs First Act disclosures	35
SD 5.1.4	Financial Management Compliance attestation	33

Legislation	Requirement	Page Reference
SD 5.2.3	Declaration in report of operations	13
<b>Attestations</b>		33
Attestation on Data Integrity Attestation on managing Conflicts of Interest Attestation on Integrity, fraud and corruption		
<b>Other reporting requirements</b>		
• Reporting of outcomes from Statement of Priorities 2020–21		40-45
• Occupational Violence reporting		30
• Reporting of compliance Health Purchasing Victoria policy		34-35
• Reporting obligations under the Safe Patient Care Act 2015		34-35
• Reporting of compliance regarding Car Parking Fees (if applicable)		NA

# Financial Compliance





# Statement Of Certification

## 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 Moyne Health Services and the consolidated entity 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 Moyne Health Services and consolidated entity 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.

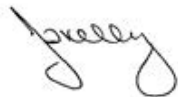
We authorise the attached financial statements for issue on 23rd September, 2021.

#### **Board member**



Mr Brian Densem  
Brian Densem  
Chair

#### **Accountable Officer**



Jacqueline Kelly  
Chief Executive Officer  
23rd September, 2021

#### **Chief Finance & Accounting Officer**



Mr Steven Jackel  
Chief Finance and Accounting Officer  
23rd September, 2021

Port Fairy  
23rd September, 2021

## Independent Auditor's Report

### To the Board of Moyne Health Services

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

# Independent Auditor's Report

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**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 and the consolidated entity'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 and the consolidated entity'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 and the consolidated entity 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
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the health service and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the health service and the consolidated entity. I remain solely responsible for my audit opinion.

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.

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MELBOURNE  
14 October 2021

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

# Comprehensive Operating Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

		Parent 2021 \$'000	Parent 2020 \$'000	Consolidated 2021 \$'000	Consolidated 2020 \$'000
	<b>Note</b>				
<b>Revenue and income from transactions</b>					
Operating activities	2.1	20,426	20,002	20,473	20,070
Non-operating activities	2.3	87	262	87	262
<b>Total revenue and income from transactions</b>		<b>20,513</b>	<b>20,264</b>	<b>20,560</b>	<b>20,332</b>
<b>Expenses from transactions</b>					
Employee expenses	3.1	(15,444)	(14,415)	(15,444)	(14,415)
Supplies and consumables	3.1	(1,188)	(1,094)	(1,188)	(1,094)
Finance costs	3.1	(3)	(6)	(3)	(6)
Depreciation and amortisation	3.1	(2,363)	(2,361)	(2,364)	(2,362)
Other administrative expenses	3.1	(1,784)	(1,785)	(1,797)	(1,863)
Other operating expenses	3.1	(1,055)	(835)	(1,055)	(835)
<b>Total Expenses from transactions</b>		<b>(21,837)</b>	<b>(20,496)</b>	<b>(21,851)</b>	<b>(20,575)</b>
<b>Net result from transactions - net operating balance</b>		<b>(1,324)</b>	<b>(232)</b>	<b>(1,291)</b>	<b>(243)</b>
<b>Other economic flows included in net result</b>					
Net gain/(loss) on sale of non-financial assets	3.4	94	5	94	5
Net gain/(loss) on financial instruments	3.4	7	(16)	7	(16)
Other gain/(loss) from other economic flows	3.4	173	(79)	173	(79)
<b>Total other economic flows included in net result</b>		<b>274</b>	<b>(90)</b>	<b>274</b>	<b>(90)</b>
<b>Net result for the year</b>		<b>(1,050)</b>	<b>(322)</b>	<b>(1,017)</b>	<b>(333)</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to net result</b>					
Changes in property, plant and equipment revaluation surplus	4.2(b)	545	-	545	-
<b>Total other comprehensive income</b>		<b>545</b>	<b>-</b>	<b>545</b>	<b>-</b>
<b>Comprehensive result for the year</b>		<b>(505)</b>	<b>(322)</b>	<b>(472)</b>	<b>(333)</b>

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

# Balance Sheet

AS AT 30 JUNE 2021

		Parent 2021 \$'000	Parent 2020 \$'000	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Current assets</b>					
Cash and cash equivalents	6.2	15,660	9,921	15,705	9,932
Receivables and contract assets	5.1	841	651	841	651
Investments and other financial assets	4.1	-	7,611	-	7,611
Prepaid expenses		136	148	136	148
<b>Total current assets</b>		<b>16,637</b>	<b>18,331</b>	<b>16,682</b>	<b>18,342</b>
<b>Non-current assets</b>					
Receivables and contract assets	5.1	1,183	1,079	1,183	1,079
Property, plant and equipment	4.2(a)	34,414	33,327	34,415	33,329
<b>Total non-current assets</b>		<b>35,597</b>	<b>34,406</b>	<b>35,598</b>	<b>34,408</b>
<b>Total assets</b>		<b>52,234</b>	<b>52,737</b>	<b>52,280</b>	<b>52,750</b>
<b>Current liabilities</b>					
Payables and contract liabilities	5.2	2,890	2,161	2,890	2,161
Borrowings	6.1	107	51	107	51
Employee benefits	3.2	3,173	3,193	3,173	3,193
Other liabilities	5.3	16,899	17,853	16,899	17,853
<b>Total current liabilities</b>		<b>23,069</b>	<b>23,258</b>	<b>23,069</b>	<b>23,258</b>
<b>Non-current liabilities</b>					
Borrowings	6.1	268	80	268	80
Employee benefits	3.2	369	366	369	366
<b>Total non-current liabilities</b>		<b>637</b>	<b>446</b>	<b>637</b>	<b>446</b>
<b>Total liabilities</b>		<b>23,706</b>	<b>23,704</b>	<b>23,706</b>	<b>23,704</b>
<b>Net assets</b>		<b>28,528</b>	<b>29,033</b>	<b>28,574</b>	<b>29,046</b>
<b>Equity</b>					
Property, plant and equipment revaluation surplus	4.2(f)	21,824	21,279	21,824	21,279
Restricted specific purpose reserve	SCE	75	75	75	75
Contributed capital	SCE	4,386	4,386	4,386	4,386
Accumulated surplus/(deficit)	SCE	2,243	3,293	2,289	3,306
<b>Total equity</b>		<b>28,528</b>	<b>29,033</b>	<b>28,574</b>	<b>29,046</b>

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

# Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Property, Plant and Equipment Revaluation Surplus \$'000	Restricted Specific Purpose Reserve \$'000	Contributed Capital \$'000	Accumulated Surplus/(Deficits) \$'000	Total \$'000
<b>Consolidated</b>					
<b>Balance at 30 June 2019</b>	21,279	75	4,386	5,386	31,126
Effect of adoption of AASB 15, 16 and 1058	-	-	-	(1,747)	(1,747)
<b>Restated Balance at 1 July 2019</b>	21,279	75	4,386	3,639	29,379
Net result for the year	-	-	-	(333)	(333)
<b>Balance at 30 June 2020</b>	21,279	75	4,386	3,306	29,046
Net result for the year	-	-	-	(1,017)	(1,017)
Other comprehensive income for the year	545	-	-	-	545
<b>Balance at 30 June 2021</b>	21,824	75	4,386	2,289	28,574

	Property, Plant and Equipment Revaluation Surplus \$'000	Restricted Specific Purpose Reserve \$'000	Contributed Capital \$'000	Accumulated Surplus/(Deficits) \$'000	Total \$'000
<b>Parent</b>					
<b>Balance at 30 June 2019</b>	21,279	75	4,386	5,362	31,102
Effect of adoption of AASB 15, 16 and 1058	-	-	-	(1,747)	(1,747)
<b>Restated Balance at 1 July 2019</b>	21,279	75	4,386	3,615	29,355
Net result for the year	-	-	-	(322)	(322)
<b>Balance at 30 June 2020</b>	21,279	75	4,386	3,293	29,033
Net result for the year	-	-	-	(1,050)	(1,050)
Other comprehensive income for the year	545	-	-	-	545
<b>Balance at 30 June 2021</b>	21,824	75	4,386	2,243	28,528

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

# Cash Flow Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

		Parent 2021 \$'000	Parent 2020 \$'000	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Cash Flows from operating activities</b>					
Operating grants from State government		6,990	5,536	6,990	5,536
Operating grants from Commonwealth government		8,939	8,064	8,939	8,064
Capital grants from government - State		253	1,836	253	1,836
Patient fees received		2,633	2,711	2,633	2,711
Donations and bequests received		47	-	47	-
GST received from/(paid to) ATO		(14)	22	(14)	22
Interest and investment income received		129	369	129	369
Commercial Income Received		214	254	214	254
Other receipts		651	1,088	698	1,156
<b>Total receipts</b>		<b>19,842</b>	<b>19,880</b>	<b>19,889</b>	<b>19,948</b>
Employee expenses paid		(15,263)	(14,537)	(15,263)	(14,537)
Payments for supplies and consumables		(898)	(749)	(898)	(749)
Payments for medical indemnity insurance		(89)	(54)	(89)	(54)
Payments for repairs and maintenance		(719)	(490)	(719)	(490)
Finance Costs		(3)	(39)	(3)	(39)
Other payments		(2,019)	(2,101)	(2,032)	(2,179)
<b>Total payments</b>		<b>(18,991)</b>	<b>(17,970)</b>	<b>(19,004)</b>	<b>(18,048)</b>
<b>Net cash flows from/(used in) operating activities</b>	8.1	<b>851</b>	<b>1,910</b>	<b>885</b>	<b>1,900</b>
<b>Cash Flows from investing activities</b>					
Purchase of property, plant and equipment		(2,998)	(3,263)	(2,998)	(3,263)
Capital donations and bequests received		106	105	106	105
Other capital receipts		69	-	69	-
Proceeds from disposal of property, plant and equipment		187	40	187	40
Proceeds from disposal of investments		7,611	4,346	7,611	4,346
<b>Net cash flows from/(used in) investing activities</b>		<b>4,975</b>	<b>1,228</b>	<b>4,975</b>	<b>1,228</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		265	-	265	-
Repayment of borrowings		(23)	(53)	(23)	(53)
Receipt of accommodation deposits		-	1,938	-	1,938
Repayment of accommodation deposits		(329)	-	(329)	-
<b>Net cash flows from /(used in) financing activities</b>		<b>(87)</b>	<b>1,885</b>	<b>(87)</b>	<b>1,885</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>5,739</b>	<b>5,023</b>	<b>5,773</b>	<b>5,013</b>
Cash and cash equivalents at beginning of year		9,921	4,898	9,932	4,919
<b>Cash and cash equivalents at end of year</b>	6.2	<b>15,660</b>	<b>9,921</b>	<b>15,705</b>	<b>9,932</b>

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 1: Basis of preparation

### Structure

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



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 1: Basis of preparation

These financial statements represent the audited general purpose financial statements for Moyne Health Services for the year ended 30 June 2021. The report provides users with information about Moyne Health Services'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.

Moyne Health Services 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.

Moyne Health Services operates on a fund accounting basis and maintains three funds: Operating, Specific Purpose and Capital Funds. Moyne Health Services's Capital and Specific Purpose Funds include:

- Donation and Fundraising Funds
- Commercial activities.

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

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

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Moyne Health Services on 23rd September, 2021.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 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, Moyne Health Services 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 Moyne Health Services operates.

Moyne Health Services 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
- 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 Moyne Health Services has revised some measures where appropriate including returning to work onsite, recommencement of surgical activities and opening access for visitors during periods where we are able.

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 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
MHS	Moyne Health Services
SD	Standing Direction
VAGO	Victorian Auditor General's Office
WIES	Weighted Inlier Equivalent Separation

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## **Note 1.4 Principles of consolidation**

The financial statements include the assets and liabilities of Moyne Health Services and its controlled entities as a whole as at the end of the financial year and the consolidated results and cash flows for the year.

Moyne Health Services controls the following entities:

- Woody's Murray 2 Moyne Cycle Relay Inc.

Details of the controlled entities are set out in Note 8.8.

The parent entity is not disclosed separately in the notes to the financial statements.

An entity is considered to be a controlled entity where Moyne Health Services has the power to govern the financial and operating policies of an organisation so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account.

Moyne Health Services consolidate the results of its controlled entities from the date on which the health service gains control until the date the health service ceases to have control. Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

Transactions between segments within Moyne Health Services have been eliminated to reflect the extent of Moyne Health Service's operations as a group.

## **Note 1.5 Joint arrangements**

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

Moyne Health Services has the following joint arrangements:

- South West Alliance of Rural Health - Joint Operation

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

## **Note 1.6 Key accounting estimates and judgements**

Management make estimates and judgements when preparing the financial statements.

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

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## **Note 1.7 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 Moyne Health Services and their potential impact when adopted in future periods is outlined below:

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

## **Note 1.8 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 1.9 Reporting Entity**

The financial statements include all the controlled activities of Moyne Health Services.

Its principal address is:

Villiers Street  
Port Fairy, Victoria 3284

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 2: Funding delivery of our services

Moyne Health Services's overall objective is to provide quality health service that support and enhance the wellbeing of all Victorians. Moyne Health Services is predominantly funded by grant funding for the provision of outputs. Moyne Health Services also receives income from the supply of services.

### Structure

#### 2.1 Revenue and income from transactions

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

#### 2.3 Other income

### Telling the COVID-19 story

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

Funding provided included:

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

### Key judgements and estimates

This section contains the following key judgements and estimates:

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 2.1 Revenue and income from transactions

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Operating activities</b>		
<b>Revenue from contracts with customers</b>		
Government grants (State) - Operating	102	114
Government grants (Commonwealth) - Operating	8,018	7,147
Patient and resident fees	2,696	2,643
Commercial activities <sup>1</sup>	214	254
<b>Total revenue from contracts with customers</b>	<b>11,030</b>	<b>10,158</b>
<b>Other sources of income</b>		
Government grants (State) - Operating	7,020	6,066
Government grants (Commonwealth) - Operating	938	924
Government grants (State) - Capital	253	1,836
Other capital purpose income	69	-
Capital donations	106	-
Assets received free of charge or for nominal consideration	180	105
Other revenue from operating activities (including non-capital donations)	877	981
<b>Total other sources of income</b>	<b>9,443</b>	<b>9,912</b>
<b>Total revenue and income from operating activities</b>	<b>20,473</b>	<b>20,070</b>
<b>Non-operating activities</b>		
<b>Income from other sources</b>		
Other interest	87	262
<b>Total other sources of income</b>	<b>87</b>	<b>262</b>
<b>Total income from non-operating activities</b>	<b>87</b>	<b>262</b>
<b>Total revenue and income from transactions</b>	<b>20,560</b>	<b>20,332</b>

1. Commercial activities represent business activities which Moyne Health Services enter into to support their operations.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 2.1 Revenue and income from transactions

### How we recognise revenue and income from transactions

#### Government operating grants

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

When both these conditions are satisfied, the health service:

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

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

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

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as Weighted Inlier Equivalent Separation (WIES) casemix. Moyne Health Services is eligible for WIES funding in relation to Department of Veterans Affairs and Transport Accident Commission patients.	<p>The performance obligations for ABF are the number and mix of patients admitted to hospital (defined as 'casemix') in accordance with the levels of activity agreed to, with the Department of Health in the annual Statement of Priorities.</p> <p>Revenue is recognised at a point in time, which is when a patient is discharged, in accordance with the WIES activity when an episode of care for an admitted patient is completed.</p> <p>WIES activity is a cost weight that is adjusted for time spent in hospital, and represents a relative measure of resource use for each episode of care in a diagnosis related group.</p>
Commonwealth Residential Aged Care Grants	<p>Funding is provided for the provision of care for aged care residents within facilities at Moyne Health Services.</p> <p>The performance obligations include provision of residential accommodation and care from nursing staff and personal care workers.</p> <p>Revenue is recognised at the point in time when the service is provided within the residential aged care facility.</p>
Commonwealth Home Care Packages	<p>Funding is provided to Moyne Health Services for the provision and co-ordination of services to clients assessed as eligible for support.</p> <p>All funds are required to be expended in accordance with the instructions and requirements of the client, with any unexpended funds to be refunded to the Commonwealth.</p> <p>Revenue is recognised at the time the funds are expended on behalf of the client.</p>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 2.1 Revenue and income from transactions (continued)

### Capital grants

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

### Patient and resident fees

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

### Commercial activities

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

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

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

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



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Cash donations and gifts	47	105
Personal protective equipment	133	-
<b>Total fair value of assets and services received free of charge or for nominal consideration</b>	<b>180</b>	<b>105</b>

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

#### Donations and bequests

Donations and bequests are generally recognised as income upon receipt (which is when Moyne Health Services 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.

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

#### Contributions

Moyne Health Services may receive assets for nil or nominal consideration to further its objectives. The assets are recognised at their fair value when Moyne Health Services 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, Moyne Health Services recognises related amounts being contributions by owners, lease liabilities, financial instruments, provisions and revenue or contract liabilities arising from a contract with a customer.

Moyne Health Services 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 Moyne Health Services 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. Moyne Health Services has considered the services provided by volunteers and has determined the value of volunteer services cannot be readily determined and therefore it has not recorded any income related to volunteer services.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 2.3 Other income

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Interest	87	262
<b>Total other income</b>	<b>87</b>	<b>262</b>

### How we recognise other income

#### Interest Income

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3: The cost of delivering our services

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

### Structure

#### *3.1 Expenses from transactions*

#### *3.2 Employee benefits in the balance sheet*

#### *3.3 Superannuation*

#### *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 Moyne Health Services 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.

### Key judgements and estimates

This section contains the following key judgements and estimates:

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.1 Expenses from transactions

Note	Consolidated	Consolidated
	2021 \$'000	2020 \$'000
Salaries and wages	12,595	11,797
On-costs	1,208	1,131
Agency expenses	1,340	1,144
Fee for service medical officer expenses	155	115
Workcover premium	146	228
<b>Total employee expenses</b>	<b>15,444</b>	<b>14,415</b>
Drug supplies	71	71
Medical and surgical supplies (including Prostheses)	406	301
Diagnostic and radiology supplies	7	7
Other supplies and consumables	704	715
<b>Total supplies and consumables</b>	<b>1,188</b>	<b>1,094</b>
Finance costs	3	6
<b>Total finance costs</b>	<b>3</b>	<b>6</b>
Information technology expenditure	899	904
Other administrative expenses	898	959
<b>Total other administrative expenses</b>	<b>1,797</b>	<b>1,863</b>
Fuel, light, power and water	247	286
Repairs and maintenance	658	415
Maintenance contracts	61	75
Medical indemnity insurance	89	54
Expenditure for capital purposes	-	5
<b>Total other operating expenses</b>	<b>1,055</b>	<b>835</b>
<b>Total operating expense</b>	<b>19,487</b>	<b>18,213</b>
Depreciation and amortisation	4.3 2,364	2,362
<b>Total depreciation and amortisation</b>	<b>2,364</b>	<b>2,362</b>
<b>Total non-operating expense</b>	<b>2,364</b>	<b>2,362</b>
<b>Total expenses from transactions</b>	<b>21,851</b>	<b>20,575</b>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.1 Expenses from transactions

### How we recognise expenses from transactions

#### Expense recognition

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

#### Employee expenses

Employee expenses include:

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

#### Supplies and consumables

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

#### Finance costs

Finance costs include:

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

#### Other operating expenses

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

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

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

#### Non-operating expenses

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.2 Employee benefits in the balance sheet

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Current provisions</b>		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	31	34
	<b>31</b>	<b>34</b>
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	1,018	906
Unconditional and expected to be settled wholly after 12 months <sup>ii</sup>	70	70
	<b>1,088</b>	<b>976</b>
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	408	311
Unconditional and expected to be settled wholly after 12 months <sup>ii</sup>	1,296	1,507
	<b>1,704</b>	<b>1,818</b>
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months <sup>i</sup>	188	177
Unconditional and expected to be settled after 12 months <sup>ii</sup>	162	188
	<b>350</b>	<b>365</b>
<b>Total current employee benefits</b>	<b>3,173</b>	<b>3,193</b>
<b>Non-current provisions</b>		
Conditional long service leave	329	326
Provisions related to employee benefit on-costs	40	40
<b>Total non-current employee benefits</b>	<b>369</b>	<b>366</b>
<b>Total employee benefits</b>	<b>3,542</b>	<b>3,559</b>

<sup>i</sup> The amounts disclosed are nominal amounts.

<sup>ii</sup> The amounts disclosed are discounted to present values.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.2 Employee benefits in the balance sheet

### 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 Moyne Health Services 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 Moyne Health Services 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 Moyne Health Services expects to wholly settle within 12 months or
- Present value – if Moyne Health Services 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 Moyne Health Services 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 Moyne Health Services expects to wholly settle within 12 months or
- Present value – if Moyne Health Services 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.

#### On-costs related to employee benefits

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

Moyne Health Services  
Notes to the Financial Statements  
for the financial year ended 30 June 2021

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

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Unconditional accrued days off	31	34
Unconditional annual leave entitlements	1,232	1,120
Unconditional long service leave entitlements	1,910	2,039
<b>Total current employee benefits and related on-costs</b>	<b>3,173</b>	<b>3,193</b>
Conditional long service leave entitlements	369	366
<b>Total non-current employee benefits and related on-costs</b>	<b>369</b>	<b>366</b>
<b>Total employee benefits and related on-costs</b>	<b>3,542</b>	<b>3,559</b>
<b>Movement in On-Costs Provision</b>		
<b>Carrying amount at start of year</b>	3,559	3,369
Additional provisions recognised	1,276	1,555
Unwinding of discount and effect of changes in the discount rate	173	(79)
Amounts incurred during the year	(1,466)	(1,286)
<b>Carrying amount at end of year</b>	<b>3,542</b>	<b>3,559</b>



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.3 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	Consolidated	Consolidated	Consolidated	Consolidated
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Defined benefit plans:<sup>i</sup></b>				
Aware Super	57	73	-	-
<b>Defined contribution plans:</b>				
Aware Super	748	645	-	104
Hesta	258	209	-	-
Other	145	100	-	-
<b>Total</b>	<b>1,208</b>	<b>1,027</b>	<b>-</b>	<b>104</b>

<sup>i</sup> 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 Moyne Health Services 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 Moyne Health Services to the superannuation plans in respect of the services of current Moyne Health Services'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.

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

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 3.4 Other economic flows included in net result

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Net gain/(loss) on disposal of property plant and equipment	94	5
<b>Total net gain/(loss) on non-financial assets</b>	<b>94</b>	<b>5</b>
Allowance for impairment losses of contractual receivables	9	(16)
Other gains/(losses) from other economic flows	(2)	-
<b>Total net gain/(loss) on financial instruments</b>	<b>7</b>	<b>(16)</b>
Net gain/(loss) arising from revaluation of long service liability	173	(79)
<b>Total other gains/(losses) from other economic flows</b>	<b>173</b>	<b>(79)</b>
<b>Total gains/(losses) from other economic flows</b>	<b>274</b>	<b>(90)</b>

### How we recognise other economic flows

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

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

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

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

- net gain/(loss) on disposal of non-financial assets
- 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 Investments and other financial assets and

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4: Key assets to support service delivery

Moyne Health Services 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 Moyne Health Services to be utilised for delivery of those outputs.

### Structure

#### 4.1 Investments and other financial assets

#### 4.2 Property, plant & equipment

#### 4.3 Depreciation and amortisation

### Telling the COVID-19 story

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

### Key judgements and estimates

This section contains the following key judgements and estimates:

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Key judgements and estimates (continued)

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.1 Other financial assets

	Capital Fund		Consolidated	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Current</b>				
Term deposits > 3 months	-	7,611	-	7,611
<b>Total current financial assets</b>	-	<b>7,611</b>	-	<b>7,611</b>
<b>Total other financial assets</b>	-	<b>7,611</b>	-	<b>7,611</b>
<b>Represented by:</b>				
Health service investments	-	7,611	-	7,611
<b>Total other financial assets</b>	-	<b>7,611</b>	-	<b>7,611</b>

### How we recognise investments and other financial assets

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

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

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

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

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2 Property, plant and equipment

### Note 4.2 (a) Gross carrying amount and accumulated depreciation

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Land at fair value - Freehold	2,763	2,218
<b>Total land at fair value</b>	<b>2,763</b>	<b>2,218</b>
Buildings at fair value	30,031	27,167
Less accumulated depreciation	(3,963)	(1,982)
<b>Total buildings at fair value</b>	<b>26,068</b>	<b>25,185</b>
Property improvements at fair value	349	349
Less accumulated depreciation	(34)	(17)
<b>Total property improvements at fair value</b>	<b>315</b>	<b>332</b>
Works in progress at fair value	<b>3,869</b>	<b>4,365</b>
<b>Total buildings</b>	<b>30,252</b>	<b>29,882</b>
Plant and equipment at fair value	1,997	2,324
Less accumulated depreciation	(1,158)	(1,653)
<b>Total plant and equipment at fair value</b>	<b>839</b>	<b>671</b>
Motor vehicles at fair value	346	590
Less accumulated depreciation	(268)	(407)
<b>Total motor vehicles at fair value</b>	<b>78</b>	<b>183</b>
Computer equipment at fair value	787	810
Less accumulated depreciation	(615)	(529)
<b>Total computer equipment at fair value</b>	<b>172</b>	<b>281</b>
Furniture and fittings at fair value	622	734
Less accumulated depreciation	(545)	(640)
<b>Total furniture and fittings at fair value</b>	<b>77</b>	<b>94</b>
Right of use plant, equipment, furniture, fittings and vehicles at fair value	249	-
Less accumulated depreciation	(15)	-
<b>Total right of use plant, equipment, furniture, fittings and vehicles at fair value</b>	<b>234</b>	<b>-</b>
<b>Total plant, equipment, furniture, fittings and vehicles at fair value</b>	<b>1,400</b>	<b>1,229</b>
<b>Total property, plant and equipment</b>	<b>34,415</b>	<b>33,329</b>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

	Land	Buildings	Plant & equipment	Motor vehicles	Computer Equipment
Note	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>	<b>2,218</b>	<b>28,918</b>	<b>757</b>	<b>184</b>	<b>261</b>
Additions	-	2,964	59	111	127
Disposals	-	-	-	(35)	-
Net transfers between classes	-	-	-	-	-
Depreciation	4.3	(2,000)	(145)	(77)	(107)
<b>Balance at 30 June 2020</b>	<b>2,218</b>	<b>29,882</b>	<b>671</b>	<b>183</b>	<b>281</b>
Additions	-	2,368	323	45	-
Disposals	-	-	-	(93)	-
Revaluation increments/(decrements)	545	-	-	-	-
Net Transfers between classes	-	-	-	-	-
Depreciation	4.3	(1,998)	(155)	(57)	(109)
<b>Balance at 30 June 2021</b>	<b>2,763</b>	<b>30,252</b>	<b>839</b>	<b>78</b>	<b>172</b>

	Furniture & Fittings	Right of use - PE, FF&V	Consolidated
Note	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>	<b>125</b>	<b>-</b>	<b>32,463</b>
Additions	2	-	3,263
Disposals	-	-	(35)
Revaluation increments/(decrements)	-	-	-
Depreciation	4.3	(33)	(2,362)
<b>Balance at 30 June 2020</b>	<b>94</b>	<b>-</b>	<b>33,329</b>
Additions	13	249	2,998
Disposals	-	-	(93)
Revaluation increments/(decrements)	-	-	545
Depreciation	4.3	(30)	(2,364)
<b>Balance at 30 June 2021</b>	<b>77</b>	<b>234</b>	<b>34,415</b>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

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

The Valuer-General Victoria undertook to re-value all of Moyne Health Services owned and leased land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2019.

### How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Moyne Health Services 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.



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

### Revaluation

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

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

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

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

- increase in fair value of land of 24.56% (\$544,680)
- Buildings were deemed an immaterial movement by the Valuer General Victoria for health agencies in 2021.

As the cumulative movement was greater than 10% for land and buildings since the last revaluation a managerial revaluation adjustment was required 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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

### Impairment

At the end of each financial year, Moyne Health Services 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, Moyne Health Services 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.

Moyne Health Services 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 Moyne Health Services 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. Moyne Health Services presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

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

Class of right-of-use asset	Lease term
Leased plant, equipment, furniture, fittings and vehicles	1 to 2 years

### Presentation of right-of-use assets

Moyne Health Services 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, Moyne Health Services 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.

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

**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, Moyne Health Services 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, Moyne Health Services estimates the recoverable amount of the asset. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised.

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2(c) Fair value measurement hierarchy for assets

	Note	Consolidated carrying amount 30 June 2021 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 <sup>i</sup> \$'000	Level 2 <sup>i</sup> \$'000	Level 3 <sup>i</sup> \$'000
Specialised land		2,763	-	-	2,763
<b>Total land at fair value</b>	4.2(a)	<b>2,763</b>	-	-	<b>2,763</b>
Specialised buildings		26,383	-	-	26,383
<b>Total buildings at fair value</b>	4.2(a)	<b>26,383</b>	-	-	<b>26,383</b>
Plant and equipment at fair value	4.2(a)	839	-	-	839
Motor vehicles at fair value	4.2(a)	78	-	78	-
Computer equipment at fair value	4.2(a)	172	-	-	172
Furniture and fittings at fair value	4.2(a)	77	-	-	77
<b>Total plant, equipment, furniture, fittings and vehicles at fair value</b>		<b>1,166</b>	-	<b>78</b>	<b>1,088</b>
<b>Total property, plant and equipment at fair value</b>		<b>30,312</b>	-	<b>78</b>	<b>30,234</b>
		Consolidated carrying amount 30 June 2020 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 <sup>i</sup> \$'000	Level 2 <sup>i</sup> \$'000	Level 3 <sup>i</sup> \$'000
Specialised land		2,218	-	-	2,218
<b>Total land at fair value</b>	4.2(a)	<b>2,218</b>	-	-	<b>2,218</b>
Specialised buildings		25,517	-	-	25,517
<b>Total buildings at fair value</b>	4.2(a)	<b>25,517</b>	-	-	<b>25,517</b>
Plant and equipment at fair value	4.2(a)	671	-	-	671
Motor vehicles at fair value	4.2(a)	183	-	183	-
Computer equipment at fair value	4.2(a)	281	-	-	281
Furniture and fittings at fair value	4.2(a)	94	-	-	94
<b>Total plant, equipment, furniture, fittings and vehicles at fair value</b>		<b>1,229</b>	-	<b>183</b>	<b>1,046</b>
<b>Total Property, Plant and Equipment</b>		<b>28,964</b>	-	<b>183</b>	<b>28,781</b>

<sup>i</sup> Classified in accordance with the fair value hierarchy.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## 4.2(d): Reconciliation of level 3 fair value measurement

	Note	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer equipment \$'000	Furniture & fittings \$'000
<b>Total</b>		<b>2,218</b>	<b>27,516</b>	<b>757</b>	<b>261</b>	<b>125</b>
<b>Balance at 1 July 2019</b>	4.2(b)	-	1	59	127	2
Additions/(Disposals)	4.2(b)	-	-	-	-	-
Assets provided free of charge		-	-	-	-	-
Net Transfers between classes	4.2(b)	-	-	-	-	-
Gains/(Losses) recognised in net result		-	(2,000)	(145)	(107)	(33)
- Depreciation and amortisation	4.3	-	-	-	-	-
- Impairment loss		-	-	-	-	-
Items recognised in other comprehensive income		-	-	-	-	-
- Revaluation		-	-	-	-	-
<b>Balance at 30 June 2020</b>	4.2(c)	<b>2,218</b>	<b>25,517</b>	<b>671</b>	<b>281</b>	<b>94</b>
Additions/(Disposals)	4.2(b)	-	2,864	323	-	13
Assets provided free of charge		-	-	-	-	-
Net Transfers between classes	4.2(b)	-	-	-	-	-
Gains/(Losses) recognised in net result		-	(1,998)	(155)	(109)	(30)
- Depreciation and Amortisation	4.3	-	-	-	-	-
- Impairment loss		-	-	-	-	-
Items recognised in other comprehensive income		545	-	-	-	-
- Revaluation		-	-	-	-	-
<b>Balance at 30 June 2021</b>	4.2(c)	<b>2,763</b>	<b>26,383</b>	<b>839</b>	<b>172</b>	<b>77</b>

<sup>i</sup> Classified in accordance with the fair value hierarchy, refer Note 4.2(c).

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2(e) Property, plant and equipment (fair value determination)

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

(i) A community service obligation (CSO) of 30% was applied to Moyne Health Services's specialised land.

### How we measure fair value

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

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

The Valuer-General Victoria (VGV) is Moyne Health Services's independent valuation agency.

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2(e) Property, plant and equipment (fair value determination)

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

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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2(e) Property, plant and equipment (fair value determination)

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

An independent valuation of Moyne Health Services's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation is 30 June 2019.

### Vehicles

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

### Furniture, fittings, plant and equipment

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

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



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 4.2(f) Property, plant and equipment revaluation reserve

Note	Consolidated	Consolidated
	2021	2020
	\$'000	\$'000
Balance at the beginning of the reporting period	21,279	21,279
<b>Revaluation increment</b>		
- Land	4.2(b) 545	-
<b>Balance at the end of the Reporting Period*</b>	<b>21,824</b>	<b>21,279</b>
<b>* Represented by:</b>		
- Land	1,743	1,198
- Buildings	20,081	20,081
	<b>21,824</b>	<b>21,279</b>

## Note 4.3 Depreciation

	Consolidated	Consolidated
	2021	2020
	\$'000	\$'000
<b>Depreciation</b>		
Buildings	1,998	2,000
Plant and equipment	155	145
Motor vehicles	57	77
Computer equipment	109	107
Furniture and fittings	30	33
Right of use - plant, equipment, furniture, fittings and motor vehicles	15	-
<b>Total depreciation</b>	<b>2,364</b>	<b>2,362</b>

### How we recognise depreciation

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

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

	2021	2020
<b>Buildings</b>		
- Structure shell building fabric	11 to 48 years	11 to 48 years
- Site engineering services and central plant	7 to 38 years	7 to 38 years
<b>Central Plant</b>		
- Fit Out	3 to 23 years	3 to 23 years
- Trunk reticulated building system	5 to 28 years	5 to 28 years
<b>Plant and equipment</b>		
Computers and communication	3 to 7 years	3 to 7 years
Furniture and fitting	3 years	3 years
Motor Vehicles	13 years	13 years
	3 to 5 years	3 to 5 years

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5: Other assets and liabilities

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

### Structure

#### 5.1 Receivables and contract assets

#### 5.2 Payables and contract liabilities

#### 5.3 Other liabilities

### Telling the COVID-19 story

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

### Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	Moyne Health Services 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 Moyne Health Services 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.  Moyne Health Services applies significant judgement when measuring the deferred capital grant income balance, which references the estimated stage of completion at the end of each financial year.
Measuring contract liabilities	Moyne Health Services 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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5.1 Receivables and contract assets

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Current receivables and contract assets</b>		
<b>Contractual</b>		
Trade debtors	150	253
Patient fees	290	227
Provision for impairment	(7)	(16)
Accrued investment income	-	42
Amounts receivable from governments and agencies	268	19
<b>Total contractual receivables</b>	<b>701</b>	<b>525</b>
<b>Statutory</b>		
GST receivable	140	126
<b>Total statutory receivables</b>	<b>140</b>	<b>126</b>
<b>Total current receivables and contract assets</b>	<b>841</b>	<b>651</b>
<b>Non-current receivables and contract assets</b>		
<b>Contractual</b>		
Long service leave - Department of Health	1,183	1,079
<b>Total contractual receivables</b>	<b>1,183</b>	<b>1,079</b>
<b>Total non-current receivables and contract assets</b>	<b>1,183</b>	<b>1,079</b>
<b>Total receivables and contract assets</b>	<b>2,024</b>	<b>1,730</b>
<i>(i) Financial assets classified as receivables and contract assets (Note 7.1(a))</i>		
Total receivables and contract assets	2,024	1,730
Provision for impairment	7	16
GST receivable	(140)	(126)
Total financial assets	7.1(a) <b>1,891</b>	<b>1,620</b>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5.1 Receivables and contract assets (continued)

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

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Balance at the beginning of the year	16	-
Increase in allowance	-	16
Amounts written off during the year	-	-
Reversal of allowance written off during the year as uncollectable	(9)	-
<b>Balance at the end of the year</b>	<b>7</b>	<b>16</b>

#### How we recognise receivables

Receivables consist of:

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

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

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

Moyné Health Services 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 Moyné Health Services's contractual impairment losses.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5.2 Payables and contract liabilities

Note	Consolidated	Consolidated
	2021	2020
	\$'000	\$'000
<b>Current payables and contract liabilities</b>		
<b>Contractual</b>		
	488	351
	233	208
	435	417
5.2(a)	537	432
5.2(b)	1,020	578
	59	122
	118	53
	<b>2,890</b>	<b>2,161</b>
<i>(i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))</i>		
	2,890	2,161
	(537)	(432)
	(1,020)	(578)
7.1(a)	<b>1,333</b>	<b>1,151</b>

### How we recognise payables and contract liabilities

Payables consist of:

- **Contractual payables**, which mostly includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Moyne Health Services 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 30 days.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5.2 (a) Deferred capital grant income

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Opening balance of deferred capital grant income</b>	432	1,718
Grant consideration for capital works received during the year	337	-
Deferred grant revenue recognised as revenue due to completion of capital works	(232)	(1,286)
<b>Closing balance of deferred capital grant income</b>	<b>537</b>	<b>432</b>

### How we recognise deferred capital grant revenue

Grant consideration was received from the Department of Health to support major projects throughout the health service, including fire works, staircase replacement and generator facility upgrades. Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when Moyne Health Services 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, Moyne Health Services has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Moyne Health Services expects to recognise all of the remaining deferred capital grant revenue for capital works by 30 June 2022.

## Note 5.2 (b) Contract liabilities

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Opening balance of contract liabilities</b>	578	29
Payments received for performance obligations not yet fulfilled	8,562	7,948
Revenue recognised for the completion of a performance obligation	(8,120)	(7,399)
<b>Closing balance of contract liabilities</b>	<b>1,020</b>	<b>578</b>
<b>* Represented by:</b>		
- Current contract liabilities	1,020	578
	<b>1,020</b>	<b>578</b>

### How we recognise contract liabilities

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

### Maturity analysis of payables

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 5.3 Other liabilities

		Consolidated 2021 \$'000	Consolidated 2020 \$'000
	Notes		
<b>Current monies held in trust</b>			
Patient monies		17	14
Refundable accommodation deposits		16,882	17,211
Other monies		-	628
<b>Total current monies held in trust</b>		<b>16,899</b>	<b>17,853</b>
<b>Total other liabilities</b>		<b>16,899</b>	<b>17,853</b>
<b>Represented by:</b>			
- Cash assets	6.2	14,752	9,100
- Investment and other financial assets	4.1	-	7,611
- Land and Buildings		2,147	1,142
		<b>16,899</b>	<b>17,853</b>

### 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 Moyne Health Services 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*.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6: How we finance our operations

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

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

### Structure

#### *6.1 Borrowings*

#### *6.2 Cash and cash equivalents*

#### *6.3 Commitments for expenditure*

#### *6.4 Non-cash financing and investing activities*

### 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.



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Key judgements and estimates

This section contains the following key judgements and estimates:

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6.1 Borrowings

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Current borrowings</b>		
Lease liability <sup>(i)</sup>	6.1 (a) 85	28
Advances from government (ii)	22	23
<b>Total current borrowings</b>	<b>107</b>	<b>51</b>
<b>Non-current borrowings</b>		
Lease liability <sup>(i)</sup>	6.1 (a) 245	37
Advances from government (ii)	23	43
<b>Total non-current borrowings</b>	<b>268</b>	<b>80</b>
<b>Total borrowings</b>	<b>375</b>	<b>131</b>

<sup>i</sup> Secured by the assets leased.

<sup>ii</sup> These are unsecured loans which bear no interest.

### How we recognise borrowings

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

### Initial recognition

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

### Subsequent measurement

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

### Maturity analysis

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

### Defaults and breaches

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6.1 (a) Lease liabilities

Moyne Health Services's lease liabilities are summarised below:

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Total undiscounted lease liabilities	341	70
Less unexpired finance expenses	(11)	(5)
<b>Net lease liabilities</b>	<b>330</b>	<b>65</b>

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

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Not longer than one year	91	30
Longer than one year but not longer than five years	250	40
Longer than five years	-	-
<b>Minimum future lease liability</b>	<b>341</b>	<b>70</b>
Less unexpired finance expenses	(11)	(5)
<b>Present value of lease liability</b>	<b>330</b>	<b>65</b>
<b>* Represented by:</b>		
- Current liabilities	85	28
- Non-current liabilities	245	37
	<b>330</b>	<b>65</b>

### How we recognise lease liabilities

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

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

Moyne Health Services's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased plant, equipment, furniture, fittings and vehicles	1 to 2 years

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6.1 (a) Lease liabilities

### Separation of lease and non-lease components

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

### Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Moyne Health Services incremental borrowing rate. Our lease liability has been discounted by rates of between 3% to 5%.

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

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

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

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

### Subsequent measurement

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6.2 Cash and Cash Equivalents

Note	Consolidated	Consolidated
	2021	2020
	\$'000	\$'000
Cash on hand (excluding monies held in trust)	1	1
Cash at bank (excluding monies held in trust)	952	818
Cash at bank - CBS (excluding monies held in trust)	-	13
<b>Total cash held for operations</b>	<b>953</b>	<b>832</b>
Cash at bank - CBS (monies held in trust)	14,735	9,086
Deposits at call (monies held in trust)	17	14
<b>Total cash held as monies in trust</b>	<b>14,752</b>	<b>9,100</b>
<b>Total cash and cash equivalents</b>	<b>7.1 (a) 15,705</b>	<b>9,932</b>

### How we recognise cash and cash equivalents

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 6.3 Commitments for expenditure

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Capital expenditure commitments</b>		
Less than one year	-	2,049
<b>Total capital expenditure commitments</b>	-	<b>2,049</b>
<b>Total commitments for expenditure (exclusive of GST)</b>	-	<b>2,049</b>
Less GST recoverable from Australian Tax Office	-	(186)
<b>Total commitments for expenditure (exclusive of GST)</b>	-	<b>1,863</b>

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

### How we disclose our commitments

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

### Expenditure commitments

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

Refer to Note 6.1 for further information.

## Note 6.4 Non-cash financing and investing activities

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
Acquisition of plant and equipment by means of Leases	249	-
<b>Total non-cash financing and investing activities</b>	<b>249</b>	<b>-</b>

## **Note 7: Risks, contingencies and valuation uncertainties**

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

### **Structure**

#### ***7.1 Financial instruments***

#### ***7.2 Financial risk management objectives and policies***

#### ***7.3 Contingent assets and contingent liabilities***

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## 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 Moyné Health Services's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

### Note 7.1 (a) Categorisation of financial instruments

Total	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Consolidated \$'000
<b>30 June 2021</b>				
<b>Contractual Financial Assets</b>				
Cash and Cash Equivalents	6.2	15,705	-	15,705
Receivables and contract assets	5.1	1,891	-	1,891
<b>Total Financial Assets<sup>i</sup></b>		<b>17,596</b>	<b>-</b>	<b>17,596</b>
<b>Financial Liabilities</b>				
Payables	5.2	-	1,333	1,333
Borrowings	6.1	-	375	375
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	16,882	16,882
Other Financial Liabilities - Patient monies held in trust	5.3	-	17	17
<b>Total Financial Liabilities<sup>i</sup></b>		<b>-</b>	<b>18,607</b>	<b>18,607</b>



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.1 (a) Categorisation of financial instruments

	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Consolidated \$'000
<b>Total</b>				
<b>30 June 2020</b>				
<b>Contractual Financial Assets</b>				
Cash and cash equivalents	6.2	9,932	-	9,932
Receivables and contract assets	5.1	1,620	-	1,620
Investments and other financial assets	4.1	7,611	-	7,611
<b>Total Financial Assets<sup>1</sup></b>		<b>19,163</b>	<b>-</b>	<b>19,163</b>
<b>Financial Liabilities</b>				
Payables	5.2	-	1,151	1,151
Borrowings	6.1	-	131	131
Other Financial Liabilities - Refundable Accommodation Deposits	5.3	-	17,211	17,211
Other Financial Liabilities - Other monies held in trust	5.3	-	628	628
Other Financial Liabilities - Patient monies held in trust	5.3	-	14	14
<b>Total Financial Liabilities<sup>1</sup></b>		<b>-</b>	<b>19,135</b>	<b>19,135</b>

<sup>1</sup> The carrying amount excludes statutory receivables (i.e. GST receivable and DH receivable) and statutory payables (i.e. Revenue in Advance and DH payable).

### How we categorise financial instruments

#### Categories of financial assets

Financial assets are recognised when Moyne Health Services becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Moyne Health Services 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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.1 (a) Categorisation of financial instruments

### Financial assets at amortised cost

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

- the assets are held by Moyne Health Services 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.

Moyne Health Services recognises the following assets in this category:

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

## Note 7.1 (a) Categorisation of financial instruments

### Categories of financial liabilities

Financial liabilities are recognised when Moyne Health Services 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.

Moyne Health Services recognises the following liabilities in this category:

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

#### **Offsetting financial instruments**

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.1 (a) Categorisation of financial instruments

### Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired or
- Moyne Health Services 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
- Moyne Health Services 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 Moyne Health Services has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Moyne Health Services'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, Moyne Health Services'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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## **Note 7.2: Financial risk management objectives and policies**

As a whole, Moyne Health Services'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.

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

Moyne Health Services 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. Moyne Health Services's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Moyne Health Services. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Moyne Health Services'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, Moyne Health Services 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, Moyne Health Services's policy is to only deal with banks with high credit ratings.

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

There has been no material change to Moyne Health Services's credit risk profile in 2020-21.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.2 (a) Credit risk

### Impairment of financial assets under AASB 9

Moyne Health Services 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

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

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

	Note	Current	Less than 1 month	1-3 months	3 months-1 year	1-5 years	Consolidated
<b>30 June 2021</b>							
<b>Expected loss rate</b>		0.0%	0.0%	0.0%	50.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	641	43	10	14	0	708
<b>Loss allowance</b>		-	-	-	(7)	-	(7)
<b>30 June 2020</b>							
<b>Expected loss rate</b>		0.0%	0.0%	0.0%	50.0%	0.0%	
Gross carrying amount of contractual receivables	5.1	493	4	11	32	0	540
<b>Loss allowance</b>		-	-	-	(16)	-	(16)

## **Note 7.2 (a) Contractual receivables at amortised cost**

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

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

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As 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.

Moyne Health Services 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 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.

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.2 (b) Payables and borrowings maturity analysis

Total 30 June 2021	Carrying Amount \$'000	Nominal Amount \$'000	Less than 1 Month \$'000	Maturity Dates				
				1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000	
Payables	1,333	1,333	1,333	-	-	-	-	-
Borrowings	375	375	5	15	45	310	-	-
Other Financial Liabilities - Refundable Accommodation Deposits	16,882	16,882	-	-	4,500	12,382	-	-
Other Financial Liabilities - Patient monies held in trust	17	17	17	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>18,607</b>	<b>18,607</b>	<b>1,355</b>	<b>15</b>	<b>4,545</b>	<b>12,692</b>	-	-

Total 30 June 2020	Carrying Amount \$'000	Nominal Amount \$'000	Less than 1 Month \$'000	Maturity Dates				
				1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000	
Payables	1,151	1,151	1,151	-	-	-	-	-
Borrowings	131	131	6	12	54	59	-	-
Other Financial Liabilities - Refundable Accommodation Deposits	17,211	17,211	-	-	4,500	12,711	-	-
Other Financial Liabilities - Other monies held in trust	628	628	-	-	628	-	-	-
Other Financial Liabilities - Patient monies held in trust	14	14	14	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>19,135</b>	<b>19,135</b>	<b>1,171</b>	<b>12</b>	<b>5,182</b>	<b>12,770</b>	-	-

<sup>i</sup> Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 7.3: Contingent assets and contingent liabilities

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

### How we measure and disclose contingent assets and contingent liabilities

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

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

### Contingent assets

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

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

### Contingent liabilities

Contingent liabilities are:

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8: Other disclosures

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

### Structure

*8.1 Reconciliation of net result for the year to net cash flow from operating activities*

*8.2 Responsible persons disclosure*

*8.3 Remuneration of executives*

*8.4 Related parties*

*8.5 Remuneration of auditors*

*8.6 Events occurring after the balance sheet date*

*8.7 Jointly controlled operations*

*8.8 Controlled entities*

*8.9 Equity*

*8.10 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.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

		Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Net result for the year</b>		(1,017)	(333)
<b>Non-cash movements:</b>			
(Gain)/Loss on sale or disposal of non-financial assets	3.4	(94)	(5)
Depreciation and amortisation of non-current assets	4.3	2,364	2,362
Bad and doubtful debt expense	3.1	(9)	16
Discount (interest) / expense on loan		2	-
Other non-cash movements		(175)	(105)
<b>Movements in Assets and Liabilities:</b>			
(Increase)/Decrease in receivables and contract assets		(285)	242
(Increase)/Decrease in prepaid expenses		12	(58)
Increase/(Decrease) in payables and contract liabilities		101	(625)
Increase/(Decrease) in employee benefits		(17)	190
Increase/(Decrease) in other liabilities		3	216
<b>Net cash inflow from operating activities</b>		<b>885</b>	<b>1,900</b>

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.2 Responsible persons

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

	Period
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
<b>Governing Board</b>	
Ms K. Foster	1 Jul 2020 - 30 Jun 2021
Mr B. Densem	1 Jul 2020 - 30 Jun 2021
Mr A. McCosh	1 Jul 2020 - 30 Jun 2021
Mrs J. Crow	1 Jul 2020 - 30 Jun 2021
Mrs L. Doherty	1 Jul 2020 - 30 Jun 2021
Ms S. O'Keefe	1 Jul 2020 - 30 Jun 2021
Dr D. Leembruggen	1 Jul 2020 - 30 Jun 2021
Mr T. Carr	1 Jul 2020 - 30 Jun 2021
Mr D. Knight	1 Jul 2020 - 30 Jun 2021
Ms J. Stinson	1 Jul 2020 - 30 Jun 2021
<b>Accountable Officers</b>	
Jacqueline Kelly (Chief Executive Officer)	1 Jul 2020 - 30 Jun 2021

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.2 Responsible persons (continued)

### Remuneration of Responsible Persons

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

Income Band	Consolidated	Consolidated
	2021	2020
	No	No
\$0 - \$9,999	10	9
\$220,000 - \$229,999	1	1
<b>Total Numbers</b>	<b>11</b>	<b>10</b>

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

Consolidated	Consolidated
2021	2020
\$'000	\$'000
\$276	\$257

## Note 8.3 Remuneration of executives

### Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.4)

	Total Remuneration	
	2021	2020
	\$'000	\$'000
Short-term benefits	338	466
Post-employment benefits	33	64
Other long-term benefits	10	14
Termination benefits	-	-
<b>Total remuneration<sup>i</sup></b>	<b>381</b>	<b>544</b>
Total number of executives	3	4
Total annualised employee equivalent <sup>ii</sup>	3.0	3.0

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

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

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

#### Short-term employee benefits

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

#### Post-employment benefits

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

#### Other long-term benefits

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

#### Termination benefits

Termination of employment payments, such as severance packages.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.4: Related Parties

Moyn Health Services 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 South West Alliance of Rural Health 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 Moyn Health Services, directly or indirectly.

Committee members of Woody's M2M Inc. are only considered KMP's of the incorporated entity. KMP disclosures for Woody's M2M Inc. are presented within the annual financial statements of the controlled entity.

### Key management personnel

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

Entity	KMPs	Position Title	
Moyn Health Services	Ms K. Foster	Board Chair	1 Jul 2020 - 25 Feb 2021
Moyn Health Services	Mr B. Densem	Board Chair	26 Feb 2021 - 30 Jun 2021
Moyn Health Services	Mr A. McCosh	Board Member	
Moyn Health Services	Mrs J. Crow	Board Member	
Moyn Health Services	Mrs L. Doherty	Board Member	
Moyn Health Services	Ms S. O'Keeffe	Board Member	
Moyn Health Services	Dr D. Leembruggen	Board Member	
Moyn Health Services	Mr T. Carr	Board Member	
Moyn Health Services	Mr D. Knight	Board Member	
Moyn Health Services	Ms J. Stinson	Board Member	
Moyn Health Services	Jacqueline Kelly	Chief Executive Officer	
Moyn Health Services	Ms K. Redford	General Manager Support Services	
Moyn Health Services	Ms S. Denney	General Manager Quality and Risk	
Moyn Health Services	Ms I. Wynd	General Manager Care Services	

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.

	Consolidated 2021 \$'000	Consolidated 2020 \$'000
<b>Compensation - KMPs</b>		
Short-term Employee Benefits <sup>i</sup>	582	696
Post-employment Benefits	59	85
Other Long-term Benefits	16	20
<b>Total <sup>ii</sup></b>	<b>657</b>	<b>801</b>

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

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.4: Related Parties

### Significant transactions with government related entities

Moyne Health Services received funding from the Department of Health of \$8.43 m (2020: \$8.01 m) and indirect contributions of \$0.115 m (2020: \$0.014 m). Balances recallable as at 30 June 2021 are \$0.113 m (2020 \$0.08m)

Expenses incurred by the Moyne Health Services 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 Moyne Health Services 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 Moyne Health Services, 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 Moyne Health Services Board of Directors, Chief Executive Officer and Executive Directors in 2021 (2020: none).

## Note 8.5: Remuneration of Auditors

### Victorian Auditor-General's Office

Audit of the financial statements

**Total remuneration of auditors**

Consolidated 2021 \$'000	Consolidated 2020 \$'000
14	13
<b>14</b>	<b>13</b>

## Note 8.6: Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.7 Joint arrangements

	Principal Activity	Ownership Interest	
		2021 %	2020 %
South West Alliance of Rural Health (SWARH)	Information Technology Services	2.91	2.86

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

	Consolidated \$'000	Consolidated \$'000
<b>Current assets</b>		
Cash and cash equivalents	298	249
Receivables	90	185
Prepaid expenses	20	17
<b>Total current assets</b>	<b>408</b>	<b>451</b>
<b>Non-current assets</b>		
Receivables	14	16
Property, plant and equipment	240	165
<b>Total non-current assets</b>	<b>254</b>	<b>181</b>
<b>Total assets</b>	<b>662</b>	<b>632</b>
<b>Current liabilities</b>		
Payables	346	406
Lease Liability	34	28
Employee Provisions	51	49
<b>Total current liabilities</b>	<b>431</b>	<b>483</b>
<b>Non-current liabilities</b>		
Lease Liability	10	37
Employee Provisions	61	9
<b>Total non-current liabilities</b>	<b>71</b>	<b>46</b>
<b>Total liabilities</b>	<b>502</b>	<b>529</b>
<b>Net assets</b>	<b>160</b>	<b>103</b>
<b>Equity</b>		
Accumulated surplus	160	103
<b>Total equity</b>	<b>160</b>	<b>103</b>



# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## Note 8.7 Joint arrangements

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

	Consolidated \$'000	Consolidated \$'000
<b>Revenue</b>		
Operating Activities	530	557
Capital Purpose Income	69	28
<b>Total revenue</b>	<b>599</b>	<b>585</b>
<b>Expenses</b>		
Employee Benefits	228	250
Other Expenses from Continuing Operations	260	270
Finance Lease Charges	2	3
Depreciation	55	52
<b>Total expenses</b>	<b>545</b>	<b>575</b>
Revaluation of Long Service Leave	<b>3</b>	<b>(5)</b>
<b>Net result</b>	<b>57</b>	<b>5</b>

### Contingent liabilities and capital commitments

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

## Note 8.8: Controlled Entities

	Country of Incorporation	Ownership Interest %	Equity Holding
Woody's Murray 2 Moyné Cycle Relay Inc.	Australia	100	100%

### Controlled entities contribution to the consolidated results:

	2021 \$'000	2020 \$'000
Woody's Murray 2 Moyné Cycle Relay Inc.	33	(10)

### Contingent liabilities and capital commitments

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

# Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

## **Note 8.9: 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 Moyne Health Services.

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

Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

### **Specific restricted purpose reserves**

The specific restricted purpose reserve is established where Moyne Health Services has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

## **Note 8.10: Economic dependency**

Moyne Health Services 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 Moyne Health Services.



OUR PURPOSE

# Best Care - Every person, every time.

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